

CITY OF LEON VALLEY, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2024



OFFICIALS ISSUING REPORT

Dr. Crystal Caldera
City Manager

Carol Goering
Director of Finance



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INTRODUCTORY SECTION



January 28, 2025

The Honorable Mayor, Members of City Council
and Citizens of the City of Leon Valley:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. 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.

The City of Leon Valley financial statements have been audited by Armstrong, Vaughan and Associates, P.C., a firm of licensed certified public accountants. They have issued an unmodified “clean” opinion on the City of Leon Valley’s financial statements for the year ended September 30, 2024. The independent report is located at the front of the financial section of this report.

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

PROFILE OF THE GOVERNMENT

The City, incorporated in 1952, is a residential community located in south central Texas in the northwest portion of the San Antonio Metropolitan Statistical Area. The City is located in Bexar County, Texas. Bexar County’s economy is based on military, tourism, agriculture, limestone mining, medical facilities, and manufacturing. The City has a land area of 3.5 square miles and is surrounded on all sides by the City of San Antonio. Most City residents are employed within the greater San Antonio Metropolitan Statistical Area. A full range of services is provided to residents and businesses, including police and fire protection, construction and maintenance of streets and infrastructure, recreational activities, and water and sewer utilities. The City population based upon the 2020 census is 11,542. The City is empowered to levy a property tax on both real and personal property located within its boundaries. The City’s property tax rate is average compared to the rest of Bexar County.



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Leon Valley, Texas 78238
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www.leonvalleytexas.gov

The city is operated under the council-manager form of government. Policy making and legislative authority are vested in the City Council, which consists of a Mayor and a five-member Council. The Council is elected on a non-partisan basis at large. Council members are elected to two-year staggered terms. The Mayor is elected at large to a two-year term. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and the hiring of a City Manager. The City Manager is responsible for carrying out the policies and ordinances of the governing Council, overseeing the day-to-day operations of the City, and appointing the heads of the City's departments.

The City maintains extensive budgetary controls. The objective of these controls is to ensure the proper safeguarding of City assets, compliance with State budgetary statutes and compliance with legal provisions embodied in the annual budget approved by the City Council. Activities of the General Fund, Red Light Camera Fund, ARP Fund, Debt Service Fund, Water and Sewer (Enterprise) Fund, Community Center Fund, Building Security Fund, Child Safety Fund, Municipal Court Technology Fund, Street Maintenance Tax Fund, Police Forfeiture Fund, Grant Fund, and Crime Control and Prevention District are included in the City's annual budget.

The annual budget serves as the foundation for the City of Leon Valley's financial planning and control. Generally, the City has a policy of funding the current year's operating expenditures with current operating revenues. Capital purchases are funded from the Unassigned Fund Balance. All agencies of the City of Leon Valley are required to submit requests for appropriation to the City Manager on or before the first week in May each year. The City Manager then presents this proposed budget to the Council for review in August. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than September 30, the close of Leon Valley's fiscal year.

The City has adopted financial policies for budgetary control that are stricter than is required by law. The appropriated budget is prepared by funds, department (e.g. police), and function (e.g. patrol). Department heads may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the special approval of the Council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

LOCAL ECONOMY

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

The City of Leon Valley's property values have demonstrated an increase over the last few years. The region's leading industries, in terms of gross sales for the City, are auto dealers/gasoline service stations and food stores. A significant portion of sales for these businesses is not subject to local sales taxes.

LONG-TERM FINANCIAL PLANNING

In FY 2011 the City implemented GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions and formally adopted a Fund Balance Policy. The Fund Balance Policy adopted by the City is the framework upon which consistent operations may be built and sustained. For man-made or natural disaster emergencies the City aims to maintain a Committed Fund Balance equivalent to three months operating expenses based on the current operating budget. For the fiscal year that ended September 30, 2024, the Committed Fund Balance was \$1,000,000.

The City also maintains a ten-year Capital Acquisition Plan (CAP) to provide for capital outlay expenditures. Each fiscal year, the CAP is reviewed and analyzed by the City Manager and City staff to determine needs for office and other machinery and equipment, vehicles, buildings and building improvements, land, and other improvements. The ten-year CAP is authorized by the City Council during the City's annual budget adoption process. As items are funded only when deemed necessary, capital outlay details and amounts vary between budget years. The plan is funded from the Unassigned Fund Balance.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Leon Valley for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2023, with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

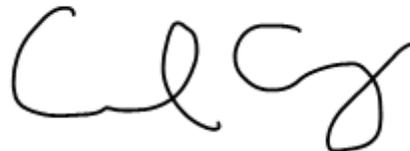
A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

We would like to extend our sincere thanks and appreciation to the Finance Department, and all City staff and department heads who helped in the preparation of this report. A special thanks goes to our Mayor and City Council for their strong leadership and support, their sense of civic duty and responsibility, and their diligence in conducting the operations of the City in a responsible and progressive manner.

Respectfully submitted,



Dr. Crystal Caldera
City Manager



Carol Goering
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Leon Valley
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO

CITY OF LEON VALLEY, TEXAS
PRINCIPAL OFFICIALS
YEAR ENDED SEPTEMBER 30, 2024

ELECTED OFFICIALS

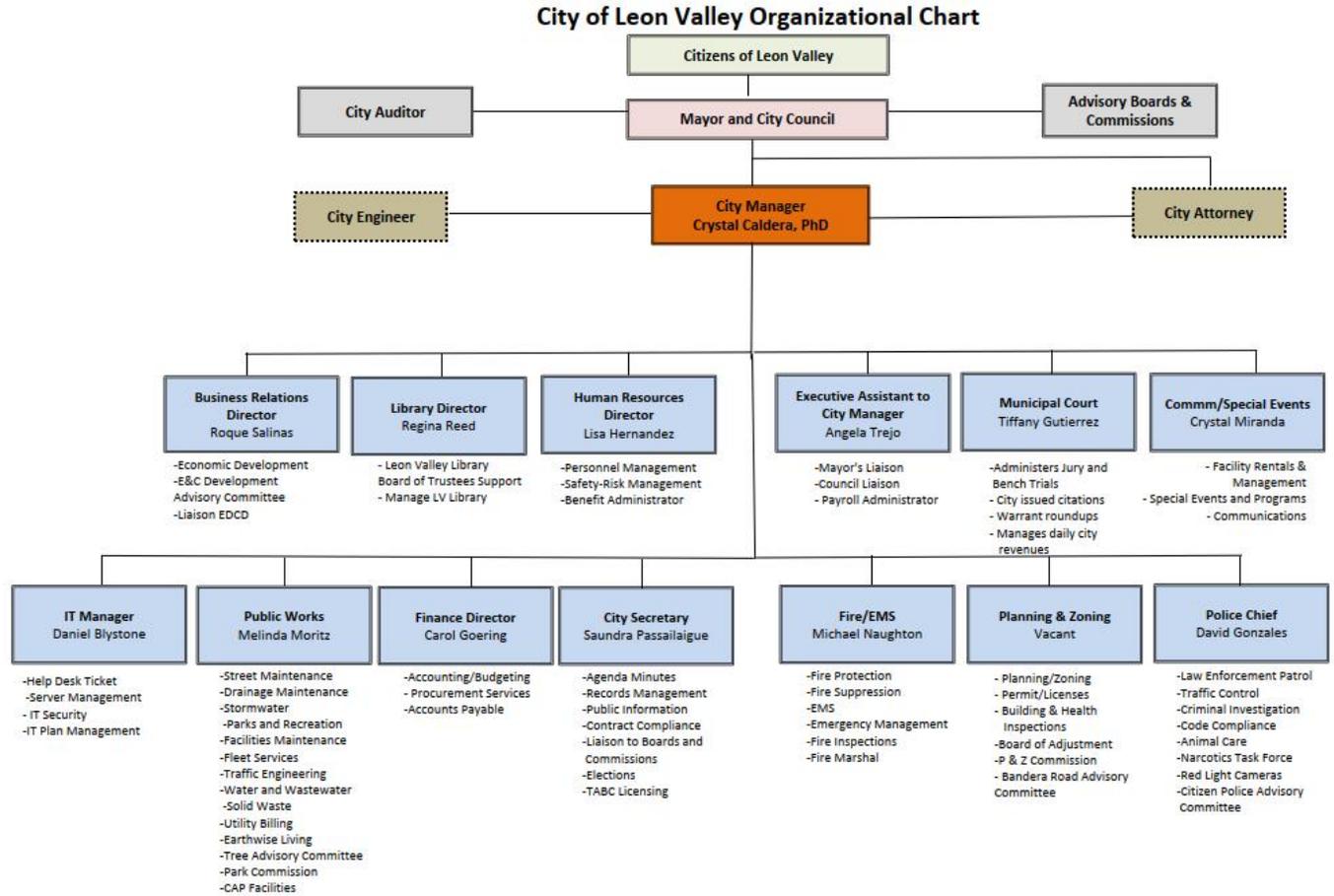
MAYOR	CHRIS RILEY
CITY COUNCIL, PLACE 1	BENNY MARTINEZ
CITY COUNCIL, PLACE 2	BETTY HEYL
CITY COUNCIL, PLACE 3, MAYOR PRO-TEM	PHILIP CAMPOS, CPA
CITY COUNCIL, PLACE 4	REY OROZCO
CITY COUNCIL, PLACE 5	WILL BRADSHAW

CITY OFFICIALS

CITY MANAGER	DR. CRYSTAL CALDERA
DIRECTOR OF FINANCE	CAROL GOERING
CITY SECRETARY	SAUNDRA PASSAILAIGUE
PLANNING AND ZONING DIRECTOR	VACANT
POLICE CHIEF	DAVID GONZALEZ
FIRE CHIEF	MICHAEL NAUGHTON
LIBRARIAN	REGINA REED
PUBLIC WORKS DIRECTOR	MELINDA MORITZ
HUMAN RESOURCES DIRECTOR	LISA HERNANDEZ
CITY ATTORNEY	ARTURO D. RODRIGUEZ MESSER FORT

CITY OF LEON VALLEY ORGANIZATIONAL CHART

Organizational Chart FY 2024





FINANCIAL SECTION



Armstrong, Vaughan & Associates, P. C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Members of the City Council
City of Leon Valley, Texas

Report on Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Leon Valley, 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 (GAAS). 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 Leon Valley 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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 City of Leon Valley'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Leon Valley's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to the City's net pension and total other postemployment benefit liabilities – TMRS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Leon Valley' basic financial statements as a whole. The comparative statements, combining and individual nonmajor fund financial statements.

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

Other Information

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



Armstrong, Vaughan & Associates, P.C.

January 28, 2025

MANAGEMENTS DISCUSSION AND ANALYSIS

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

Financial Highlights

- The assets and deferred outflows of resources of the City of Leon Valley exceeded its liabilities and deferred inflows of resources by \$40.3 million (net position) at the close of the most recent fiscal year. Of this amount, \$7.1 million (unrestricted net position) may be used to meet the City's operational needs.
- The City's total net position increased by \$3.3 million mainly due to decreased governmental revenues and decreased utility expenses.
- The City's OPEB and pension related deferred outflows totaled \$2.5 million at year end, a decrease of \$2.0 million in comparison with the prior year due to decreases in the contribution rates and experience rates.
- The City's OPEB and pension related deferred inflows totaled \$359 thousand at year end, an increase of \$264 thousand in comparison with the prior year due to a sharp increase in the investment earnings. The Pension Liability decreased by \$2.5 million primarily as a result of increased net investment income.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$15.1 million, an increase of \$1.9 million in comparison with the prior year. In the General Fund, the City budgeted a deficiency of revenues under expenditures of \$3.0 million. However, revenues were \$616 thousand lower than budget mainly due to decrease in grant revenue by \$2.0 million. The expenses were less than budgeted overall, mainly due to law enforcement administration budget exceeded total expenses by \$395 thousand, fire and protection department budget exceeded by \$404 thousand, public works department budget exceeded total expenses by \$521 thousand, parks and creation department budget exceeded total expenses by \$2.6 million, and economic development department budget exceeded total expenses by \$225 thousand.
- At the end of the fiscal year, the General Fund unassigned fund balances was \$6.8 million which is 52.8% or 6.3 months of the general fund expenditures not including capital outlay.
- During the fiscal year, the City made payments on bonds, decreasing outstanding debt by \$495 thousand, as of the end of the current year, the City had \$6.2 million in bonds outstanding.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as the introduction of the City of Leon Valley, Texas' basic financial statements which are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

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

The statement of net position is a presentation of the City's assets and liabilities, including capital and infrastructure assets, and long-term liabilities. This statement reports the difference between assets and liabilities 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 regarding increases and decreases to the government's net position for the fiscal year. Changes in net position are recorded when the underlying event giving rise to the change occurs regardless of the timing of cash flows.

Therefore, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused personal leave). Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). Governmental activities include general government, public safety, public works, parks and recreation, library, and community development. The business-type activities of the City are water and sewer.

Fund Financial Statements – The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements are used to present financial information detailing resources that have been identified for specific activities. The focus of the fund financial statements is on the City's major funds, although non-major funds are also presented in aggregate and further detailed in the supplementary statements. The City uses fund accounting to ensure and demonstrate compliance with requirements placed on resources. Funds are divided into three types: governmental, proprietary, and fiduciary. However, the City does not have any fiduciary funds.

Governmental Funds – Governmental funds are used for essentially the same functions reported in the 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 available for current spending, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

As 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.

Proprietary Funds – The City maintains one type of proprietary fund. Enterprise funds are used to report the functions presented in business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for the provision of water and sewer services to residents.

Proprietary fund financial statements provide separate and more detailed information for the water and sewer fund. The water and sewer fund is considered a major fund of the City.

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

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information on the City’s general fund budget, red light camera fund, and the street maintenance fund budget, which are adopted on an annual basis. A budgetary comparison statement has been provided for these funds in order to demonstrate budgetary compliance with this budget.

In addition, this report also contains certain required supplementary information concerning the City of Leon Valley’s progress in funding its obligation to provide pension benefits and other post-employment benefits.

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Below is a comparative summary of the governmental activities and business-type activities as required by GASB Statement No. 34.

TABLE A-1
NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current Assets	\$ 16,760,785	\$ 15,590,790	\$ 5,849,127	\$ 5,185,023	\$ 22,609,912	\$ 20,775,813
Capital and Other Assets	20,850,137	21,524,429	10,841,003	10,299,777	31,691,140	31,824,206
Total Assets	<u>37,610,922</u>	<u>37,115,219</u>	<u>16,690,130</u>	<u>15,484,800</u>	<u>54,301,052</u>	<u>52,600,019</u>
Deferred Outflows of Resources						
	<u>2,416,138</u>	<u>4,592,195</u>	<u>100,122</u>	<u>37,827</u>	<u>2,516,260</u>	<u>4,630,022</u>
Liabilities						
Current Liabilities	2,234,657	2,980,855	439,501	514,133	2,674,158	3,494,988
Noncurrent Liabilities	11,215,846	14,175,676	2,257,046	2,410,346	13,472,892	16,586,022
Total Liabilities	<u>13,450,503</u>	<u>17,156,531</u>	<u>2,696,547</u>	<u>2,924,479</u>	<u>16,147,050</u>	<u>20,081,010</u>
Deferred Inflows of Resources						
	<u>358,210</u>	<u>105,286</u>	<u>14,374</u>	<u>4,312</u>	<u>372,584</u>	<u>109,598</u>
Net Position						
Net Investment in						
Capital Assets	16,338,530	16,514,310	9,114,507	8,519,400	25,453,037	25,033,710
Restricted	5,956,937	5,151,887	1,776,950	2,011,865	7,733,887	7,163,752
Unrestricted	3,922,880	2,779,400	3,187,874	2,062,571	7,110,754	4,841,971
Total Net Position	<u>\$ 26,218,347</u>	<u>\$ 24,445,597</u>	<u>\$ 14,079,331</u>	<u>\$ 12,593,836</u>	<u>\$ 40,297,678</u>	<u>\$ 37,039,433</u>

Deferred outflows of resources are related pensions and other post-employment benefits and represent a consumption of net position that applies to future period(s) and will not be recognized as an expenditure until then. Deferred inflows of resources are related to other post-employment benefits and represent an acquisition of net position that applies to a future period and will not be recognized as revenue until that time. Additional information regarding the City’s deferred outflows and deferred inflows of resources can be found in Notes 7 and 8 of this report.

The largest portion of the City’s net position, \$25.5 million, represents its investment in capital assets (e.g., land, construction in progress, buildings, machinery, and equipment, net of accumulated depreciation), less any related debt used to acquire those assets that are still outstanding. The City of Leon Valley, Texas uses these 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 capital assets themselves cannot be used to liquidate these liabilities.

Of the other net position, \$7.7 million represents resources that are subject to external restrictions on how they may be used. \$7.1 million (unrestricted net position) may be used to meet the City’s operational needs.

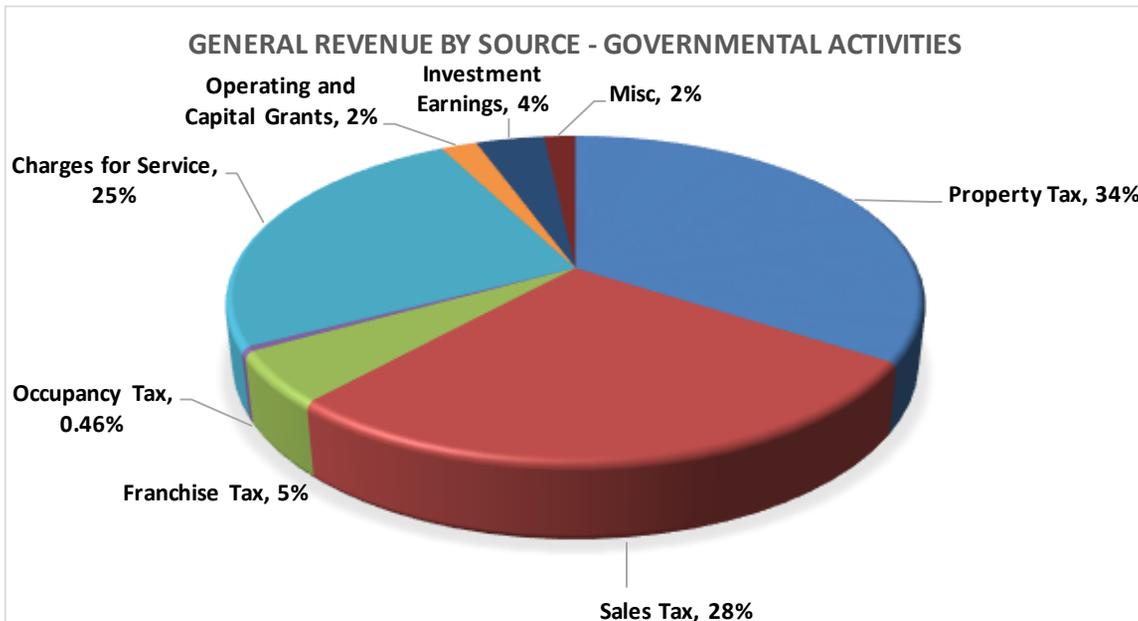
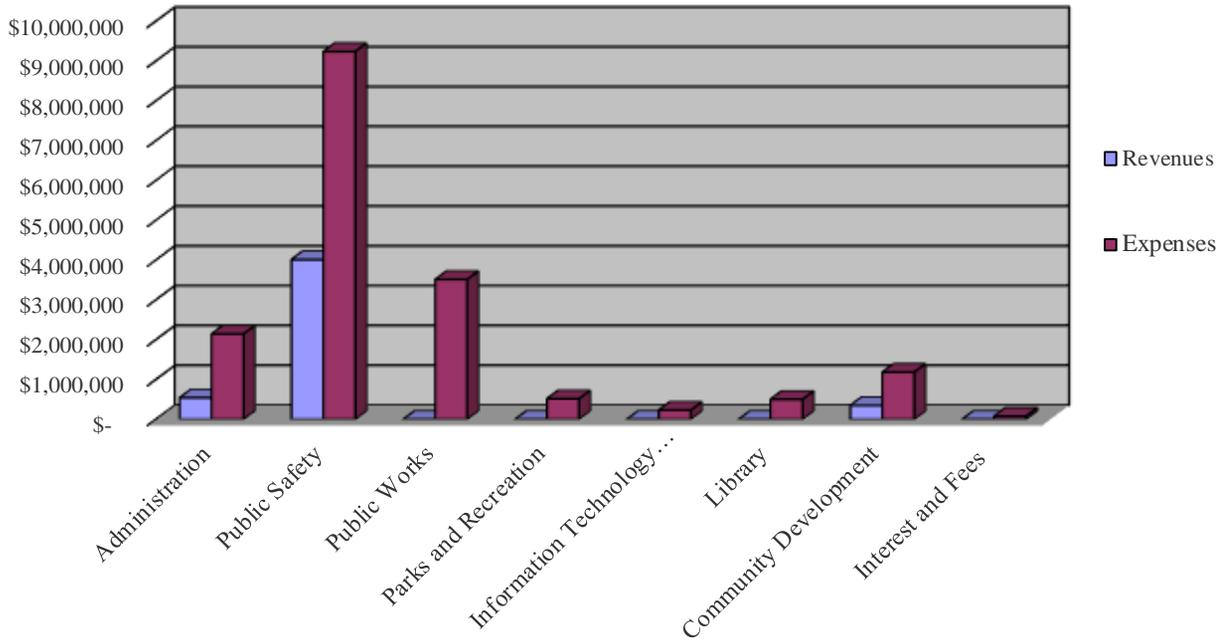
Governmental activities increased net position by \$1.8 million, which is attributable to fluctuations in program revenues and expenses. The City’s total governmental revenues were \$18.1 million, of which 67.4% of the City’s revenue come from taxes compared to 55.6% in the prior year. A total of 25.1% of the revenues are from those who directly received the services. The overall revenue decreased from prior year by \$4.1 million mainly due to decrease in grant revenue by \$4.5 million. The total cost of all governmental programs and services was \$17.4 million and charges for those services were \$4.5 million. The overall expenses increased from prior year by \$558 thousand mainly due to an increase of \$921, \$168, and \$162 thousand in the Public Works Department, Parks and Recreation Department, and Community Development Department, respectively. Table A-2 reports the summarized changes in net position.

TABLE A-2
CHANGES IN NET POSITION FOR GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Services	\$ 4,541,199	\$ 3,853,515	\$ 5,362,842	\$ 5,231,485	\$ 9,904,041	\$ 9,085,000
Operating Grants and Contributions	77,902	53,503	-	-	77,902	53,503
Capital Grants and Contributions	286,172	4,764,275	245,726	-	531,898	4,764,275
General Revenues						
Property Taxes	6,189,180	6,038,893	-	-	6,189,180	6,038,893
Sales Taxes	5,010,542	5,061,764	-	-	5,010,542	5,061,764
Franchise Taxes	927,879	1,172,251	-	-	927,879	1,172,251
Occupancy Taxes	84,144	67,842	-	-	84,144	67,842
Investment Earnings	692,726	579,759	207,415	145,607	900,141	725,366
Miscellaneous	317,621	599,325	117,693	70,816	435,314	670,141
Total Revenues	18,127,365	22,191,127	5,933,676	5,447,908	24,061,041	27,639,035
Expenses:						
Administration	2,146,911	2,361,242	-	-	2,146,911	2,361,242
Public Safety	9,239,567	9,760,863	-	-	9,239,567	9,760,863
Public Works	3,514,599	2,593,652	-	-	3,514,599	2,593,652
Parks and Recreation	517,986	349,505	-	-	517,986	349,505
Library	501,876	460,126	-	-	501,876	460,126
Information Technology Office	229,970	211,958	-	-	229,970	211,958
Community Development	1,187,852	1,024,951	-	-	1,187,852	1,024,951
Utility	-	-	3,384,397	3,148,657	3,384,397	3,148,657
Interest	79,638	98,366	-	-	79,638	98,366
Total Expenses	17,418,399	16,860,663	3,384,397	3,148,657	20,802,796	20,009,320
INCREASE IN NET POSITION BEFORE TRANSFERS	708,966	5,330,464	2,549,279	2,299,251	3,258,245	7,629,715
Transfers In (Out)	1,063,784	(189,866)	(1,063,784)	189,866	-	-
CHANGE IN NET POSITION	1,772,750	5,140,598	1,485,495	2,489,117	3,258,245	7,629,715
BEGINNING NET POSITION	24,445,597	19,304,999	12,593,836	10,104,719	37,039,433	29,409,718
ENDING NET POSITION	\$ 26,218,347	\$ 24,445,597	\$ 14,079,331	\$ 12,593,836	\$ 40,297,678	\$ 37,039,433

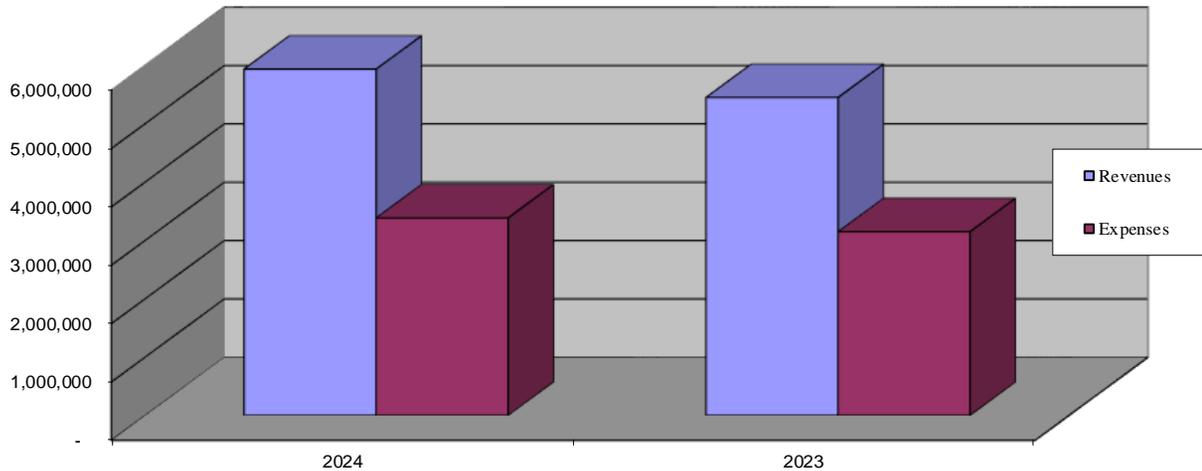
EXPENSES AND PROGRAM REVENUES –GOVERNMENTAL ACTIVITIES
 TOTAL EXPENSES 2024-GOVERNMENT-WIDE

Revenues-Governmental Activities



Business-Type Activities

Business-Type activities increased net position by \$1.5 million. For the most part, increases in overall revenue by \$486 thousand mainly due to charges for services by \$131 thousand, and capital grants increased by \$245 thousand. In the current year, expenditures overall increased by \$236 thousand mainly due to increase in repair and maintenance for a wastewater system and sewer mains located under an intersection. In prior year, we saw less expenses on maintenance of a water and sewer mains compared to current year.



Financial Analysis of the Government's Funds

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

Governmental Funds - Activities of the primary government's general fund, capital projects fund, special revenue funds and debt service funds are considered general government functions. The general fund is the City's general operating fund. The capital projects fund is used to account for financial activity related to the acquisition and construction of major capital facilities. Special revenue funds are used to account for proceeds of specific sources that are legally restricted as to expenditures. The debt service funds are used to account for financial activity related to the City's general bonded indebtedness, as well as long-term obligations.

As September 30, 2024, the City's governmental funds reported combined ending fund balances of \$15.1 million, an increase of \$1.9 million in comparison with fiscal year 2023. The general fund which is the chief operating fund of the City, at the end of the current fiscal year, had a committed fund balance of \$1 million for man-made or natural disaster emergencies. (See Pages 19-20)

For the fiscal year ended September 30, 2024, the fund balance of the City's general fund increased by \$1.3 million. Key factors in the increase are as follows: (See Pages 57-60)

- The City's tax rate remained same for the 2023-2024 budget year of 0.0484739 per hundred, but increased tax revenue by \$14 thousand from the prior year due to increase in property value.

In the current year, investment earnings increased by \$63 thousand due to higher interest rates and other miscellaneous revenue increased by \$78 thousand compared to prior year.

- Contracted services (legal) in the Council and Manager expenditures decreased to \$315 thousand from the prior year, primarily due to decrease in attorney expenses. This decrease is largely attributed to fewer legal matters requiring external counsel and more efficient management of legal resources.
- Contracted services in fire protection operations expenditures increased to \$118 thousand from the prior year, although they are still within budget. Overall public safety department expenditures increased to \$137 thousand from prior year due to increase in personnel costs.
- Supplies in information technology expenditures decreased to \$172 thousand from the prior year, is primarily attributed to the postponement of certain planned technology upgrades. Despite this reduction, the expenditures remain within the allocated budget for the period.

For the fiscal year ended September 30, 2024, the fund balance of the City's Street Maintenance Tax Fund decreased by \$69 thousand. The key factors in the decrease are as follows: (See Page 62)

- Public works repairs and maintenance expenditures were only \$1.1 million compared to the \$2.1 million expected to spend. Projects were delayed due to contracting and other miscellaneous issues.
- Investment earnings were \$79 thousand, \$49 thousand more than budgeted due to higher interest rates.

For the fiscal year ended September 30, 2024, the fund balance of the City's Red-Light Camera Fund decreased by \$132 thousands. The key factor in the decrease is due to overall law enforcement expenditures increased by \$432 thousand compared to prior year particularly in personnel cost. (See Page 61)

The debt service fund has a total fund balance of \$577 thousand, all of which is restricted for the payment of debt service. The net increase in the fund balance during the current year in the debt service fund was \$149 thousand. The key factor in the increase is due to property tax revenue increased by \$130 thousand due to increase in property values. (See page 83)

Proprietary Funds - The City's proprietary fund provided the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the water and sewer fund at the end of the year amounted to \$3.2 million. The total increase in net position for the water and sewer fund was \$1.5 million. Most of this increase is due to a decrease in Water System and Sewer System repairs, maintenance, and administrative expenses. (See pages 26-27)

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the City revised its budget for a total increase in expenditures of \$944 thousand. The following are the main components of the increase:

- \$675 thousand for the continued work on the Hike & Bike Trail project.
- \$84 thousand for the repairs to Kinman House foundation and roof project.
- \$35 thousand for purchase of crack seal trailer.
- \$50 thousand for completion of the police impound lot project.
- \$40 thousand for purpose of increasing the city manager and council department budget to pay for the city's portion of a street outreach person through Haven for Hope fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for its governmental and business- type activities as of September 30, 2024 amounted to \$31.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, and roads. The City's investment in capital assets for the current fiscal year decreased by \$133 thousands from fiscal year 2023, mainly due to partially depreciated fire truck sold in the current year.

TABLE A-3
CAPITAL ASSETS
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 1,497,118	\$ 1,497,118	\$ 203,227	\$ 203,227	\$ 1,700,345	\$ 1,700,345
Water Rights	-	-	2,276,080	2,276,080	2,276,080	2,276,080
Buildings	10,981,760	10,981,760	25,403	25,403	11,007,163	11,007,163
Water/Wastewater System - Plant	-	-	11,011,786	11,011,786	11,011,786	11,011,786
Transportation and Equipment	8,522,336	9,327,677	-	-	8,522,336	9,327,677
Infrastructure	17,961,835	17,758,301	1,686,521	1,673,639	19,648,356	19,431,940
Construction in Progress	146,403	-	3,081,355	2,157,225	3,227,758	2,157,225
Accumulated Depreciation	(18,259,315)	(18,040,427)	(7,443,369)	(7,047,585)	(25,702,684)	(25,088,012)
TOTALS	\$ 20,850,137	\$ 21,524,429	\$ 10,841,003	\$ 10,299,775	\$ 31,691,140	\$ 31,824,204

Additional information of the City of Leon Valley's capital assets can be found in Note 5 of this report.

Long-Term Debt - For the fiscal year ended September 30, 2024, the City had a total bonded debt outstanding of \$6.2 million.

TABLE A-4
LONG-TERM DEBT

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General Obligation Refunding Bonds	\$ 4,511,607	\$ 5,010,119	-	-	\$ 4,511,607	\$ 5,010,119
Certificates of Obligation	-	-	1,726,496	1,780,377	1,726,496	1,780,377
TOTALS	\$ 4,511,607	\$ 5,010,119	\$ 1,726,496	\$ 1,780,377	\$ 6,238,103	\$ 6,790,496

Additional information of the City of Leon Valley's long-term debt can be found in Note 6 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

For fiscal year end 2025, the City took a very conservative approach to budgeting as they believe it best serves the citizens of the City during times of inflation and rising interest rates. An increase of \$291 thousand in property tax was budgeted, which is due to an increase in property value. Sales tax was budgeted with a decrease of \$37 thousand and licenses, permits, fees and fines with an increase of \$362 thousand. Overall revenues were budgeted with an increase of \$610 thousand with the tempering of inflation and the stagnation of interest rates. The city adopted a tax rate of \$0.484739 which is the same as the fiscal year 2024 tax rate. The tax components are as follows: \$0.440021 for Maintenance and Operations and \$0.044718 for the Interest and Sinking.

Expenditures for the general fund are budgeted at \$18 million which includes, capital outlay of \$2.9 million. The funding for the capital expenditures will come from the capital reserve funds and not the current year operating revenue.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, 6400 El Verde Road, Leon Valley, Texas 78238.



BASIC FINANCIAL STATEMENTS

CITY OF LEON VALLEY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
<i>Current Assets:</i>			
Cash and Cash Equivalents:			
Unrestricted	\$ 2,809,147	\$ 1,109,702	\$ 3,918,849
Restricted for Customer Deposits	-	115,587	115,587
Investments			
Unrestricted	12,565,328	2,244,610	14,809,938
Restricted Investments - Water/Wastewater	-	1,776,950	1,776,950
Receivables (net of allowances):			
Property Taxes	214,854	-	214,854
Special Assessment	13,278	-	13,278
Other	267,278	602,278	869,556
Due from Other Governments	886,017	-	886,017
Inventories	4,883	-	4,883
<i>Total Current Assets</i>	<u>16,760,785</u>	<u>5,849,127</u>	<u>22,609,912</u>
<i>Noncurrent Assets:</i>			
Capital Assets:			
Land	1,497,118	203,227	1,700,345
Water Rights	-	2,276,080	2,276,080
Buildings	10,981,760	25,403	11,007,163
Water/Wastewater System-Plant	-	11,011,786	11,011,786
Other Machinery and Equipment	2,645,547	-	2,645,547
Office Equipment	69,118	-	69,118
Infrastructure	17,961,835	-	17,961,835
Transportation and Equipment	5,807,671	1,686,521	7,494,192
Construction in Progress	146,403	3,081,355	3,227,758
Less: Accumulated Depreciation	<u>(18,259,315)</u>	<u>(7,443,369)</u>	<u>(25,702,684)</u>
<i>Total Noncurrent Assets:</i>	<u>20,850,137</u>	<u>10,841,003</u>	<u>31,691,140</u>
TOTAL ASSETS	<u>37,610,922</u>	<u>16,690,130</u>	<u>54,301,052</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Related Outflows	2,402,295	99,545	2,501,840
Deferred OPEB Related Outflows	<u>13,843</u>	<u>577</u>	<u>14,420</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,416,138</u>	<u>\$ 100,122</u>	<u>\$ 2,516,260</u>

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
<i>Current Liabilities:</i>			
Accounts Payable	\$ 830,855	\$ 225,058	\$ 1,055,913
Accrued Expenses	339,053	20,310	359,363
Accrued Interest Payable	20,150	8,810	28,960
Current Portion of Compensated Absences	271,313	10,855	282,168
Current Portion of Long-Term Debt	508,161	58,881	567,042
Unearned Revenue	265,125	-	265,125
Payable from Restricted Assets:			
Customer Deposits Payable	-	115,587	115,587
<i>Total Current Liabilities</i>	<u>2,234,657</u>	<u>439,501</u>	<u>2,674,158</u>
<i>Noncurrent Liabilities:</i>			
Compensated Absences	542,627	21,710	564,337
Net Pension Liability	6,187,350	548,617	6,735,967
Total OPEB Liability	482,423	19,104	501,527
Long-Term Debt	4,003,446	1,667,615	5,671,061
<i>Total Noncurrent Liabilities</i>	<u>11,215,846</u>	<u>2,257,046</u>	<u>13,472,892</u>
TOTAL LIABILITIES	<u>13,450,503</u>	<u>2,696,547</u>	<u>16,147,050</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Related Inflows	285,240	11,334	296,574
Deferred OPEB Related Inflows	72,970	3,040	76,010
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>358,210</u>	<u>14,374</u>	<u>372,584</u>
NET POSITION			
Net Investment In Capital Assets	16,338,530	9,114,507	25,453,037
Restricted For:			
Public, Educational and Governmental	332,800	-	332,800
Red Light Camera Traffic Safety	944,822	-	944,822
Debt Service	590,159	-	590,159
Street Maintenance	1,751,192	-	1,751,192
Crime Control and Prevention District	738,579	-	738,579
Public Safety	1,046,275	-	1,046,275
Community Center/Parks	553,110	-	553,110
Water Supply	-	775,053	775,053
Storm Water Fee	-	1,001,897	1,001,897
Unrestricted	3,922,880	3,187,874	7,110,754
TOTAL NET POSITION	<u>\$ 26,218,347</u>	<u>\$ 14,079,331</u>	<u>\$ 40,297,678</u>

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions and Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
<i>Governmental Activities:</i>				
Administration	\$ 2,146,911	\$ 539,725	\$ 3,610	\$ -
Public Safety	9,239,567	3,938,969	74,292	-
Public Works	3,514,599	-	-	-
Information Technology Office	229,970	-	-	-
Parks and Recreation	517,986	-	-	-
Library	501,876	-	-	-
Community Development	1,187,852	62,505	-	286,172
Interest	79,638	-	-	-
<i>Total Governmental Activities</i>	<u>17,418,399</u>	<u>4,541,199</u>	<u>77,902</u>	<u>286,172</u>
<i>Business-Type Activities</i>				
Water/Wastewater Utilities	3,384,397	5,362,842	-	245,726
<i>Total Business-Type Activities</i>	<u>3,384,397</u>	<u>5,362,842</u>	<u>-</u>	<u>245,726</u>
Total Primary Government	<u>\$ 20,802,796</u>	<u>\$ 9,904,041</u>	<u>\$ 77,902</u>	<u>\$ 531,898</u>
General Revenues:				
Taxes:				
Property Taxes				
Sales Taxes				
Franchise Taxes				
Occupancy Taxes				
Investment Earnings				
Miscellaneous				
Total General Revenues				
Transfers In (Out)				
Change in Net Position				
Net Position at Beginning of Year				
Net Position at End of Year				

See accompanying notes to basic financial statements.

Net (Expense) Revenue and
Changes in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (1,603,576)	\$ -	\$ (1,603,576)
(5,226,306)	-	(5,226,306)
(3,514,599)	-	(3,514,599)
(229,970)	-	(229,970)
(517,986)	-	(517,986)
(501,876)	-	(501,876)
(839,175)	-	(839,175)
(79,638)	-	(79,638)
<u>(12,513,126)</u>	<u>-</u>	<u>(12,513,126)</u>
-	2,224,171	2,224,171
<u>-</u>	<u>2,224,171</u>	<u>2,224,171</u>
(12,513,126)	2,224,171	(10,288,955)
6,189,180	-	6,189,180
5,010,542	-	5,010,542
927,879	-	927,879
84,144	-	84,144
692,726	207,415	900,141
317,621	117,693	435,314
<u>13,222,092</u>	<u>325,108</u>	<u>13,547,200</u>
1,063,784	(1,063,784)	-
1,772,750	1,485,495	3,258,245
<u>24,445,597</u>	<u>12,593,836</u>	<u>37,039,433</u>
<u>\$ 26,218,347</u>	<u>\$ 14,079,331</u>	<u>\$ 40,297,678</u>

CITY OF LEON VALLEY
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Red Light Camera Fund	Capital Projects Fund
ASSETS			
Cash and Cash Equivalents	\$ 716,692	\$ 532,093	\$ -
Investments	8,683,810	906,782	-
Accounts Receivables (net of allowances):			
Taxes	195,034	-	-
Special Assessment	-	-	-
Other	242,030	-	-
Due from Other Governments	666,327	-	-
Inventories	4,883	-	-
TOTAL ASSETS	\$ 10,508,776	\$ 1,438,875	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
<i>Liabilities:</i>			
Accounts Payable	\$ 260,349	\$ 490,856	\$ -
Accrued Expenditures	287,533	3,197	-
Deposits Payable	7,066	-	-
Unearned Revenues	265,125	-	-
<i>Total Liabilities</i>	<u>820,073</u>	<u>494,053</u>	<u>-</u>
<i>Deferred Inflows of Resources:</i>			
Unavailable Revenues - Taxes	195,034	-	-
<i>Total Deferred Inflows of Resources</i>	<u>195,034</u>	<u>-</u>	<u>-</u>
<i>Fund Balances:</i>			
Nonspendable:			
Inventory	4,883	-	-
Restricted for:			
Public, Educational and Governmental	332,800	-	-
Red Light Camera Traffic Safety	-	944,822	-
Debt Service	-	-	-
Street Maintenance	-	-	-
Crime Control and Prevention District	-	-	-
Federal Police Forfeitures	-	-	-
Other	7,237	-	-
Committed for Disaster Emergencies	1,000,000	-	-
Assigned for:			
Tree Mitigation and Replacement	391,475	-	-
Economic Development	925,274	-	-
Unassigned	6,832,000	-	-
<i>Total Fund Balances</i>	<u>9,493,669</u>	<u>944,822</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 10,508,776	\$ 1,438,875	\$ -

See accompanying notes to basic financial statements.

Debt Service	Street Maintenance Tax Fund	Other Nonmajor Governmental Funds	Total Governmental Funds
\$ 256,434	\$ 103,889	\$ 1,200,040	\$ 2,809,148
320,146	1,575,905	1,078,685	12,565,328
19,821	-	-	214,855
13,278	-	-	13,278
630	-	24,618	267,278
-	146,989	72,700	886,016
-	-	-	4,883
<u>\$ 610,309</u>	<u>\$ 1,826,783</u>	<u>\$ 2,376,043</u>	<u>\$ 16,760,786</u>
\$ -	\$ 75,591	\$ 4,059	\$ 830,855
-	-	1,042	291,772
-	-	40,215	47,281
-	-	-	265,125
<u>-</u>	<u>75,591</u>	<u>45,316</u>	<u>1,435,033</u>
33,099	-	-	228,133
<u>33,099</u>	<u>-</u>	<u>-</u>	<u>228,133</u>
-	-	-	4,883
-	-	-	332,800
-	-	-	944,822
577,210	-	-	577,210
-	1,751,192	-	1,751,192
-	-	738,579	738,579
-	-	1,046,275	1,046,275
-	-	545,873	553,110
-	-	-	1,000,000
-	-	-	391,475
-	-	-	925,274
-	-	-	6,832,000
<u>577,210</u>	<u>1,751,192</u>	<u>2,330,727</u>	<u>15,097,620</u>
<u>\$ 610,309</u>	<u>\$ 1,826,783</u>	<u>\$ 2,376,043</u>	<u>\$ 16,760,786</u>



CITY OF LEON VALLEY
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

TOTAL FUND BALANCE - TOTAL GOVERNMENTAL FUNDS		\$ 15,097,620
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		20,850,137
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not recognized as revenue in the funds.		228,133
Accrued vacation leave payable is not due and payable in the current period and, therefore, is not reported in the funds.		(813,941)
Long-term liabilities, including bonds payable and related premiums, are not due and payable in the current period and therefore, not reported in the funds:		
Bonds Payable	(4,511,607)	
Accrued Interest Payable	<u>(20,150)</u>	(4,531,757)
Net Pension Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources are not reported in governmental funds:		
Net Pension Liability	(6,187,350)	
Pension Related Deferred Inflows	(285,240)	
Pension Related Deferred Outflows	<u>2,402,295</u>	(4,070,295)
OPEB Liabilities (and related deferred inflows and outflows of resources) do not consume current financial resources are not reported in governmental funds:		
OPEB Liability	(482,423)	
OPEB Related Deferred Inflows	(72,970)	
OPEB Related Deferred Outflows	<u>13,843</u>	<u>(541,550)</u>
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES		<u>\$ 26,218,347</u>

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Red Light Camera Fund	Capital Projects Fund
REVENUES			
Property Taxes	\$ 5,464,437	\$ -	\$ -
Sales Taxes	3,767,901	-	-
Franchise Taxes	927,879	-	-
Occupancy Taxes	-	-	-
Licenses and Permits	408,393	-	-
EMS	362,826	-	-
Fines and Forfeitures	543,032	2,304,356	-
Grants	360,713	-	-
Lease Income	19,033	-	-
Investment Earnings	499,597	40,892	-
Miscellaneous	618,852	-	-
TOTAL REVENUES	<u>12,972,663</u>	<u>2,345,248</u>	<u>-</u>
EXPENDITURES			
<i>Current:</i>			
Administration	1,850,903	-	-
Public Safety	6,741,505	1,701,390	-
Public Works	2,142,331	-	-
Parks and Recreation	400,604	-	-
Library	481,803	-	-
Information Technology Office	315,819	-	-
Community Development	961,408	-	-
<i>Capital Outlay</i>	369,126	433,625	-
<i>Debt Service:</i>			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
TOTAL EXPENDITURES	<u>13,263,499</u>	<u>2,135,015</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(290,836)</u>	<u>210,233</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	1,942,084	-	-
Transfers Out	<u>(393,466)</u>	<u>(342,558)</u>	<u>(138,228)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,548,618</u>	<u>(342,558)</u>	<u>(138,228)</u>
Net Change in Fund Balance	1,257,782	(132,325)	(138,228)
Fund Balances at Beginning of Year	<u>8,235,887</u>	<u>1,077,147</u>	<u>138,228</u>
Fund Balances at End of Year	<u>\$ 9,493,669</u>	<u>\$ 944,822</u>	<u>\$ -</u>

See accompanying notes to basic financial statements.

Debt Service	Street Maintenance Tax	Other Nonmajor Governmental Funds	Total Governmental Funds
712,663	\$ -	\$ -	\$ 6,177,100
-	830,759	411,883	5,010,543
-	-	-	927,879
-	-	84,144	84,144
-	-	-	408,393
-	-	-	362,826
-	-	729,459	3,576,847
-	-	5,413	366,126
-	-	60,454	79,487
16,588	78,877	55,334	691,288
-	-	65,950	684,802
<u>729,251</u>	<u>909,636</u>	<u>1,412,637</u>	<u>18,369,435</u>
-	-	-	1,850,903
-	-	250,275	8,693,170
-	1,055,435	-	3,197,766
-	-	-	400,604
-	-	-	481,803
-	-	-	315,819
-	-	134,944	1,096,352
-	-	126,807	929,558
445,000	-	-	445,000
135,375	-	-	135,375
<u>580,375</u>	<u>1,055,435</u>	<u>512,026</u>	<u>17,546,350</u>
<u>148,876</u>	<u>(145,799)</u>	<u>900,611</u>	<u>823,085</u>
-	76,603	-	2,018,687
<u>-</u>	<u>-</u>	<u>(80,651)</u>	<u>(954,903)</u>
<u>-</u>	<u>76,603</u>	<u>(80,651)</u>	<u>1,063,784</u>
148,876	(69,196)	819,960	1,886,869
<u>428,334</u>	<u>1,820,388</u>	<u>1,510,767</u>	<u>13,210,751</u>
<u>\$ 577,210</u>	<u>\$ 1,751,192</u>	<u>\$ 2,330,727</u>	<u>\$ 15,097,620</u>



CITY OF LEON VALLEY
RECONCILIATION OF THE STATEMENT OF REVENUES,
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ 1,886,869

Amounts reported for governmental activities in the Statement of Activities are different because:

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	726,075	
Depreciation Expense	<u>(1,146,217)</u>	(420,142)

Proceeds from capital assets dispositions produce current financial resources in the fund statements, while the net gain (loss) is recognized in the Statement of Activities. This is the net book value of capital assets disposed. (254,151)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. 12,083

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, which the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any affect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal Repayments	445,000	
Amortization of Premiums, Discounts, Losses	<u>53,512</u>	498,512

Governmental funds report required contributions to employee pensions as expenditures. However, in the Statement of Activities the cost of the pension is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined pension expense exceeded contributions. (18,107)

Governmental funds report required contributions to OPEB as expenditures. However, in the Statement of Activities the cost of the expense is recorded based on the actuarially determined cost of the plan. This is the amount that actuarially determined OPEB expense exceeded contributions. (8,539)

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	74,002	
Accrued Interest	<u>2,223</u>	<u>76,225</u>

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,772,750

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2024

	Business-Type Activity
	Water and Sewer
ASSETS	
<i>Current Assets:</i>	
Cash and Cash Equivalents:	
Unrestricted	\$ 1,109,702
Restricted for Customer Deposits	115,587
Restricted Investments - Water/Sewer	1,776,950
Unrestricted Investments - Water/Sewer	2,244,610
Accounts Receivable, Net of Allowance:	
Customer Accounts	602,278
<i>Total Current Assets</i>	5,849,127
 <i>Noncurrent Assets:</i>	
Capital Assets:	
Land	203,227
Water Rights	2,276,080
Buildings and Improvements	25,403
Water/Wastewater System-Plant	11,011,786
Transportation and Equipment	1,686,521
Construction in Progress	3,081,355
Less: Accumulated Depreciation	(7,443,369)
<i>Total Noncurrent Assets</i>	10,841,003
TOTAL ASSETS	16,690,130
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Pension Related Outflows	99,545
Deferred OPEB Related Outflows	577
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 100,122

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF NET POSITION - PROPRIETARY FUND (CONTINUED)
SEPTEMBER 30, 2024

	Business-Type Activity
	Water and Sewer
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts Payable	\$ 225,058
Accrued Expenses	20,310
Accrued Interest Payable	8,810
Current Portion of Compensated Absences	10,855
Current Portion of Long-Term Debt	58,881
Payable from Restricted Assets:	
Customer Deposits Payable	115,587
<i>Total Current Liabilities</i>	439,501
 <i>Noncurrent Liabilities:</i>	
Compensated Absences	21,710
Net Pension Liability	548,617
Total OPEB Liability	19,104
Long-Term Debt	1,667,615
<i>Total Noncurrent Liabilities</i>	2,257,046
TOTAL LIABILITIES	2,696,547
 DEFERRED INFLOWS OF RESOURCES	
Deferred Pension Related Inflows	11,334
Deferred OPEB Related Inflows	3,040
TOTAL DEFERRED INFLOWS OF RESOURCES	14,374
 NET POSITION	
Net Investment in Capital Assets	9,114,507
Restricted for:	
Water Supply Fee	775,053
Storm Water Fee	1,001,897
Unrestricted	3,187,874
TOTAL NET POSITION	\$14,079,331

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities
	Water and Sewer
OPERATING REVENUES	
Metered Water Sales	\$ 1,692,773
Wastewater Sales Charges	8,838
Storm Water Fees	3,177,848
Connection and Platting	311,320
Customer Penalties	55,998
Customer Disconnect Fees	7,350
Tap Fees	36,833
Impact Fees	71,882
TOTAL OPERATING REVENUES	5,362,842
OPERATING EXPENSES	
Water System	828,557
Wastewater System	1,896,997
Stormwater System	211,993
Depreciation	395,785
TOTAL OPERATING EXPENSES	3,333,332
OPERATING INCOME (LOSS)	2,029,510
NONOPERATING REVENUES (EXPENSES)	
Grants and Contributions	245,726
Investment Earnings	207,415
Interest Expense	(51,065)
Miscellaneous	117,693
TOTAL NONOPERATING REVENUES (EXPENSES)	519,769
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	2,549,279
TRANSFERS AND CONTRIBUTIONS	
Transfers In	316,863
Transfers Out	(1,380,647)
TOTAL TRANSFERS AND CONTRIBUTIONS	(1,063,784)
CHANGE IN NET POSITION	1,485,495
NET POSITION AT BEGINNING OF YEAR	12,593,836
NET POSITION AT END OF YEAR	\$ 14,079,331

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities
	Water and Sewer
Cash Flows From Operating Activities:	
Cash Received From Customers	\$ 5,318,752
Cash Paid to Supplier for Goods & Services	(2,598,464)
Cash Paid for Employee Salaries and Benefits	(563,393)
Net Cash Provided (Used) by Operating Activities	2,156,895
Cash Flows From Non Capital and Related Financing Activities:	
Miscellaneous Non Capital	117,695
Grants and Contributions	245,726
Net Cash Provided (Used) by Non Capital Financing Activities	363,421
Cash Flows From Capital and Related Financing Activities:	
Acquisition and Construction of Capital Assets	(937,013)
Interest Paid on Long-Term Debt	(51,482)
Transfers from Other Funds for Projects	316,863
Transfers to Other Funds for Projects	(1,380,647)
Principal Paid on Long-Term Debt	(53,881)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,106,160)
Cash Flows From Investing Activities:	
Purchase of Investments	(307,415)
Interest and Investment Earnings	207,415
Net Cash Provided (Used) by Investing Activities	(100,000)
Net Increase (Decrease) in Cash and Cash Equivalents	314,156
Cash and Cash Equivalents at Beginning of Year:	
Cash and Cash Equivalents	793,989
Restricted Cash and Cash Equivalents	117,144
	911,133
Cash and Cash Equivalents at End of Year:	
Cash and Cash Equivalents	1,109,702
Restricted Cash and Cash Equivalents	115,587
	\$ 1,225,289

See accompanying notes to basic financial statements.

CITY OF LEON VALLEY
STATEMENT OF CASH FLOWS - PROPRIETARY FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activity
	Water and Sewer
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:	
Operating Income	\$ 2,029,510
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	395,785
Decrease (Increase) in Assets:	
Accounts Receivable (net)	(42,533)
Deferred Pension Related Outflows	(62,372)
Deferred OPEB Related Outflows	77
Increase (Decrease) in Liabilities:	
Accounts Payable	(93,856)
Accrued Expenses	15,503
Customer Deposits	(1,557)
Compensated Absences	2,086
Net Pension Liability	(96,671)
OPEB Liability	861
Deferred Pension Related Inflows	11,334
Deferred OPEB Related Inflows	(1,272)
Net Cash Provided (Used) by Operating Activities	\$ 2,156,895

See accompanying notes to basic financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Leon Valley, Texas, was incorporated in 1952. The City operates under a council- manager form of government and provides the following services as authorized by its charter: police and fire protection, maintenance of streets, planning and zoning, parks and recreation, general administrative services, water, and sewer services.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Proprietary type funds apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations and APB Opinions. The more significant of the City's accounting policies are described below:

A. Reporting Entity

In evaluating how to define the government, for financial purposes, management has considered all potential component units and associated component units. The decision to include a potential component unit or associated component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14, *The Financial Reporting Entity* and GASB Statement 39 *Determining Whether Certain Organizations are Component Units*. The definition of the reporting entity is based primarily on the concept of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. Based upon the application of these criteria, the City has no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and statement of activities. Government-wide statements report information on all of the activities of the City. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. The values of interfund services provided and used are not eliminated in the government-wide financial statements, as elimination of those charges would distort the direct costs reported for the various functions. Governmental activities are supported mainly by taxes and intergovernmental revenues. Business-type activities are financed whole or in part by fees charged to external parties for goods and services. The City has no fiduciary funds.

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

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Separate fund financial statements are provided for governmental funds and proprietary funds. The general fund and capital projects fund meet the criteria as major governmental funds. The combined amounts for all nonmajor funds are reflected in a single column in the fund balance sheet and statement of revenues, expenditures, and changes in fund balances. Detailed statements for nonmajor funds are presented within combining and individual fund statements and schedules.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash revenue types, which have been accrued, revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. Program revenues include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred inflow of resources. Property taxes which are levied prior to September 30, 2023, and became due October 1, 2023 have been assessed to finance the budget of the fiscal year beginning October 1, 2023 and, accordingly, have been reflected as deferred inflow of resources and taxes receivable in the fund financial statement at September 30, 2024.

Sales taxes, franchise taxes, hotel/motel taxes, and fees associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenue in the current fiscal period. All other revenue items received by the government are considered to be measurable and available only when the cash is received by the City.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government reports the following major governmental funds:

General Fund is the general operating fund of the City and is always classified as a major fund. The general fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, public service and capital acquisition.

Red Light Camera Fund accounts for financial resources garnered through red light camera traffic enforcement.

Capital Projects Fund accounts for financial resources used and expended for the procurement and construction of long lived assets.

Debt Service Fund accounts for financial resources to be used for the payment of long term debt.

Street Maintenance Tax Fund accounts for sales tax collection for street maintenance. This special tax was approved by voters starting in November 2007.

Nonmajor funds include special revenue funds.

Proprietary fund level financial statements are used to account for activities, which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The City's proprietary fund is the water/sewer fund (used to account for the provisions of water and sewer services to residents).

The proprietary fund is accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when liabilities are incurred.
- Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

D. Cash and Cash Equivalents

For purposes of the statement of cash flows, the enterprise fund (water and sewer fund) considers all highly liquid investments including cash in banks, cash on hand, and money market accounts to be cash equivalents.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investments

State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or, (ii) secured by obligations that are described by (a) - (d). Statutes allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase assessments involving those same obligations.

Investments are stated at fair value (plus accrued interest) except for money market investments and participating interest-earning investment contracts (U.S. Treasuries) that have a remaining maturity at time of purchase of one year or less. Those investments are stated at amortized cost. Likewise, certificates of deposit are stated at amortized cost.

The City's general policy is to report money market investments and short-term participating interest-earning investment contracts as amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public funds investment pools in Texas are established under the authority of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and are subject to the provisions of the Public Funds Investments Act, Chapter 2256 of the Texas Government Code.

In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the net asset value of its underlying investment portfolio within one half of one percent of the value of its shares.

Fair Value Measurement is measured by the City using the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in the active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Receivables

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1, 2023 and past due after January 31, 2024. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred inflows of resources in the fund statements. Receivables are shown net of an allowance for uncollectible.

G. Short-Term Inter-fund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

H. Inventories and Prepaid Items

The City accounts for inventories using the consumption method. Inventories consist primarily of supplies and are valued at cost determined by the average cost method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid Items of governmental funds are recorded as expenditures when consumed rather than when purchased.

I. Budget

An operating budget is adopted each fiscal year for all City governmental funds. The budget is adopted on the GAAP basis of accounting.

J. Restricted Assets

Certain proprietary fund revenues are collected for a specific purpose by state law and city ordinances such as impact fees for infrastructure improvements and the purchase of future water rights. These funds are classified as restricted assets on the statement of net position and balance sheet because their use is limited by law.

Deposits of water/sewer customers and performance bond deposits pending refund to the customer are considered restricted assets.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets are reported in the applicable governmental or business type activities column in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$5,000 or more. Infrastructure assets include city-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets, donated works of art and capital assets received in a service concession arrangement are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest has not been capitalized during the construction period on property plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Useful Lives (Years)
Buildings	60
Water/Wastewater System - Plant	15 - 60
Other Machinery & Equipment	3 - 60
Office Equipment	6 - 12
Vehicles	3 - 24
Infrastructure	12 - 60

L. Compensated Absences

Vested or accumulated vacation leave and compensatory time that is expected to be liquidated with expendable available resources is reported as an expenditure and fund liability of the governmental fund that will pay for it. The City is responsible for payment of vested or accumulated vacation leave and compensatory time. Amounts of vested or accumulated vacation leave and compensatory time that are not expected to be liquidated with expendable available financial resources are reported in the government wide statements. Vested or accumulated vacation leave and compensatory time of the enterprise fund is recorded as an expense and liability of that fund as the benefits accrue to employees. Accumulated vacation pay and compensatory time at September 30, 2024 of \$813,940 and \$32,675 have been recorded in accrued liabilities of the government-wide statements and proprietary fund, respectively. Compensated absences are reported in the governmental funds only if they have matured (i.e., unused reimbursable leave outstanding following an employee’s resignation or retirement). The general fund is the governmental fund that has typically been used in prior years to liquidate the liability for compensated absences.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Deferred Inflows/Outflows 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 assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City currently has pension and OPEB related deferred outflows of resources.

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Unavailable revenue is reported only in the governmental funds balance sheet under a modified basis of accounting. Unavailable revenues from property tax are deferred and recognized as an inflow of resources in the period the amounts become available. The City also has OPEB related deferred inflows.

N. Pensions

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

O. OPEB Liability

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions, and OPEB expense, information about the Total OPEB Liability of the Texas Municipal Retirement System (TMRS) and additions to/deduction from TMRS's Total OPEB Liability have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. The general fund has typically been used in the prior year to liquidate OPEB liabilities.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Long-Term Obligations

Debt is defined as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For this purpose, debt does not include leases, except for contracts reported as a financed purchase of the underlying asset, or accounts payable. In the current year, the City adopted a new GASB standard that establishes new note disclosure requirements for long-term debt, including direct borrowings and placement. See additional detail in Note 6.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under governmental activities or proprietary fund type statement of net position. On new bond issues, bond premium and discounts are deferred and amortized over the life of the term of the related debt.

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

Q. Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The City has elected to appropriate net position of its business type activity. Such appropriations reflect the intended use of the net position.

R. Fund Balance Classification Policies

The City adopted Governmental Accounting Standards Board Statement Number 54 (GASB 54) *Fund Balance Reporting and Governmental Fund Type Definitions*. The statement provides guidance for fund balance categories and classifications and governmental fund type definitions. GASB 54 changed the way we look at fund balances, specifically reporting what fund balances, by major governmental fund type, are or are not available for public purposes.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Fund Balance Classification Policies (Continued)

Five categories of fund balances were created and defined by GASB 54. These five categories are as follows:

- **Restricted** – These funds are governed by externally enforceable restrictions.
- **Non-spendable** – These funds are not available for expenditures based on legal or contractual requirements. An example might be inventories and prepaid expenditures.
- **Committed** - Fund balances in this category are limited by the government’s highest level of decision making (in this case the City Council). Any changes of this designation must be done in the same manner that it was implemented. For example, if funds are committed by resolution, the commitment could only be released with another resolution.
- **Assigned** – For funds to be assigned, there must be an intended use which can be established by the City Council or an official delegated by the Council, such as a City Manager or Finance Director. Assigned fund balance is delegated by the City Council to the City Manager.
- **Unassigned** - This classification is the default for all funds that do not fit into the other categories. The general fund is the only fund that reports a positive fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for a specific purposes, it may be necessary to report a negative unassigned fund balance in that particular fund.

Restricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The City’s policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year.

S. Inter-fund Transactions

Legally authorized transfers are treated as inter-fund transfers and are included in the results of operations of both governmental and proprietary funds.

T. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise. For the City, those revenues are charges for water and sewer services. Operating expenses are necessary costs incurred to provide the service that is the primary activity. Revenues and expenses not meeting these definitions are reported as non-operating.

U. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported 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 expenses during the reporting period. Actual results could differ from those estimates.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 2 -- CASH, CASH EQUIVALENTS AND INVESTMENTS

A. Cash

At September 30, 2024, the City's cash was fully collateralized.

B. Investments

The City is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date of the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposits.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, (1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) securities lending program, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investments pools, (9) guaranteed investment contracts, and (10) commercial paper.

The City's investments at September 30, 2024 are as shown below:

Investment Type	Net Asset Value	Weighted Average Maturity in Days	Ratings	
			MOODY'S	S&P
TexPool	\$ 16,586,888	31	Aaa	AAAM

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 2 -- CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

C. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. City investment policy follows state guidelines. The City policy allows investments in certificates of deposit with banks in Texas, investments in U.S. Treasuries and Agencies, and investment pools that invest in obligations of the United States or its agencies and instrumentalities to name a few.

At September 30, 2024, the City's investments were in TexPool, a public funds investment pool where all securities held maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service.

Custodial Credit Risk. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

At year end and per City policy all funds were in the City's name and collateralized with securities that maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service. The City was not exposed to custodial credit risk.

Concentration of Credit Risk. This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. All City funds are in the external investment pool as allowed by the City's investment policy, and the investment pool invests in hundreds of authorized securities that minimize concentrations of credit risk. At year end, the City was not exposed to concentration of credit risk.

Interest Rate Risk. This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk due to investment in an external investment pool as authorized by the City's investment policy.

Foreign Currency Risk. This is the risk that exchange rates will adversely affect the fair value of an investment. The City's policy does not allow investment in foreign currency. At year end the City was not exposed to foreign currency risk.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 3 -- RECEIVABLES

A. Special Assessments

The City levied special assessments in 1986 against various property owners benefiting from public improvements completed in 1987. In accordance with the provisions of the assessment certificates issued for the property owners, assessments are due and payable at the time of completion. All assessments receivable as of September 30, 2012, are considered delinquent. These public improvements were funded through a note payable at the City's depository bank. Collections from assessment accounts were insufficient to cover the required note payments and therefore, the City's general fund paid the note in full through a transfer. Accordingly, current and future principal and interest collections on these delinquent accounts will be used to reimburse the City's general fund. The related assessments receivable, revenues, deferred revenue, and debt payments are reported in the debt service fund.

B. Receivables

Receivables consist of the following as of September 30, 2024:

	Governmental Funds				Proprietary Fund
	General	Debt Service	Street Maintenance Tax	Nonmajor Funds	Water and Sewer Fund
<i>Receivables:</i>					
Property Taxes	\$ 229,451	\$ 23,318	\$ -	\$ -	\$ -
Special Assessment	-	13,278	-	-	-
EMS	671,189	-	-	-	-
Sales Taxes	666,327	-	146,989	72,700	-
Franchise Taxes	190,201	-	-	-	-
Occupancy Taxes	-	-	-	24,618	-
Customers	-	-	-	-	611,393
Other	51,830	630	-	-	-
Gross Receivables	<u>1,808,998</u>	<u>37,226</u>	<u>146,989</u>	<u>97,318</u>	<u>611,393</u>
Less: Allowance for Uncollectibles	<u>(705,607)</u>	<u>(3,497)</u>	<u>-</u>	<u>-</u>	<u>(9,115)</u>
Net Total Receivables	<u>\$ 1,103,391</u>	<u>\$ 33,729</u>	<u>\$ 146,989</u>	<u>\$ 97,318</u>	<u>\$ 602,278</u>

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 4 -- PROPERTY TAX CALENDAR

The City's property tax is levied and becomes collectible each October 1 based on the assessed values listed as of prior January 1, which is the date a lien attaches to all taxable property in the City. Assessed values are established by the Bexar County Appraisal District at 100% of estimated market value. Assessed values are reduced by lawful exemptions to arrive at taxable values. A revaluation of all property is required to be completed every four (4) years. The total taxable value as of January 1, 2023, upon which the fiscal 2024 levy was based, was \$1,173,831,267 (market value less exemptions).

The City is permitted by the Constitution of the State of Texas to levy taxes up to \$2.50 per \$100 of taxable assessed valuation for all governmental purposes. Pursuant to a decision of the Attorney General of the State of Texas, up to \$1.50 per \$100 of assessed valuation may be used for the payment of long-term debt. The combined tax rate to finance general governmental services, including the payment of principal and interest on long-term debt, for the year ended September 30, 2024 was \$0.484739 per \$100 of assessed value, which means that the City has a tax margin of \$0.006338 for each \$100 value.

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

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 5 -- CAPITAL ASSETS

Governmental and Business-type capital asset activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Deletions & Transfers	Ending Balance
Governmental Activities:				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 1,497,118	\$ -	\$ -	\$ 1,497,118
Construction in Progress	-	349,937	(203,534)	146,403
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,497,118</u>	<u>349,937</u>	<u>(203,534)</u>	<u>1,643,521</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings	10,981,760	-	-	10,981,760
Other Machinery and Equipment	2,468,523	177,024	-	2,645,547
Office Equipment	69,118	-	-	69,118
Vehicles	6,790,036	199,114	(1,181,479)	5,807,671
Infrastructure	17,758,301	-	203,534	17,961,835
<i>Total Capital Assets Being Depreciated</i>	<u>38,067,738</u>	<u>376,138</u>	<u>(977,945)</u>	<u>37,465,931</u>
<i>Accumulated Depreciation:</i>				
Buildings	(3,238,061)	(198,054)	-	(3,436,115)
Other Machinery and Equipment	(2,132,809)	(175,302)	-	(2,308,111)
Office Equipment	(31,309)	(2,572)	-	(33,881)
Vehicles	(3,427,771)	(388,803)	927,329	(2,889,245)
Infrastructure	(9,210,477)	(381,486)	-	(9,591,963)
<i>Total Accumulated Depreciation</i>	<u>(18,040,427)</u>	<u>(1,146,217)</u>	<u>927,329</u>	<u>(18,259,315)</u>
Total Capital Assets Being Depreciated, Net	<u>20,027,311</u>	<u>(770,079)</u>	<u>(50,616)</u>	<u>19,206,616</u>
Governmental Activities Capital Assets, Net	<u>\$ 21,524,429</u>	<u>\$ (420,142)</u>	<u>\$ (254,150)</u>	<u>\$ 20,850,137</u>
	Beginning Balance	Additions	Deletions & Transfers	Ending Balance
Business-Type Activities:				
<i>Capital Assets, Not Being Depreciated:</i>				
Land	\$ 203,227	\$ -	\$ -	\$ 203,227
Water Rights	2,276,080	-	-	2,276,080
Construction in Progress	2,157,225	924,130	-	3,081,355
<i>Total Assets Not Being Depreciated</i>	<u>4,636,532</u>	<u>924,130</u>	<u>-</u>	<u>5,560,662</u>
<i>Capital Assets, Being Depreciated:</i>				
Buildings and Improvements	25,403	-	-	25,403
Water/Wastewater System - Plant	11,011,786	-	-	11,011,786
Transportation and Equipment	1,673,639	12,883	-	1,686,522
<i>Total Capital Assets Being Depreciated</i>	<u>12,710,828</u>	<u>12,883</u>	<u>-</u>	<u>12,723,711</u>
<i>Accumulated Depreciation:</i>				
Buildings and Improvements	(22,805)	(410)	-	(23,215)
Water/Wastewater System - Plant	(5,806,460)	(211,482)	-	(6,017,942)
Transportation and Equipment	(1,218,320)	(183,893)	-	(1,402,213)
<i>Total Accumulated Depreciation</i>	<u>(7,047,585)</u>	<u>(395,785)</u>	<u>-</u>	<u>(7,443,370)</u>
Total Capital Assets Being Depreciated, Net	<u>5,663,243</u>	<u>(382,902)</u>	<u>-</u>	<u>5,280,341</u>
Business-Type Activities Capital Assets, Net	<u>\$ 10,299,775</u>	<u>\$ 541,228</u>	<u>\$ -</u>	<u>\$ 10,841,003</u>

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 5 -- CAPITAL ASSETS (Continued)

Depreciation expense was charged to the governmental functions as follows:

<i>Governmental Activities:</i>	
Administration	\$ 185,766
Public Safety	446,532
Public Works	297,894
Parks and Recreation	116,881
Community Development	79,071
Library	20,073
<i>Total Depreciation Expense - Governmental Activities</i>	<u>\$ 1,146,217</u>
 <i>Business-Type Activities:</i>	
Water and Sewer System	\$ 395,785
<i>Total Depreciation Expense - Business Type Activities</i>	<u>\$ 395,785</u>

NOTE 6 -- LONG-TERM DEBT

Long-term debt and obligations payable at September 30, 2024 were comprised of the following individual issues:

	Issue Amount	Maturity	Rate	Balance
<u>Primary Government</u>				
Governmental Activities:				
General Obligation Refunding Bonds				
2021 Series	\$ 4,475,000	2032	1.25-3.25%	\$ 4,030,000
Total Governmental Long-Term Obligations				<u>\$ 4,030,000</u>
	Issue Amount	Maturity	Rate	Balance
Business Type:				
Certificates of Obligation				
2016 Series	\$ 1,695,000	2046	4.01%	\$ 1,645,000
Total Business-Type Long-Term Obligations				<u>\$ 1,645,000</u>

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 6 -- LONG-TERM DEBT (Continued)

	Balance 9/30/2023	Additions	Reductions	Balance 9/30/2024	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 4,475,000	\$ -	\$ (445,000)	\$ 4,030,000	\$ 460,000
Unamortized Premium	535,119	-	(53,512)	481,607	48,161
Net Pension Liability	8,628,478	-	(2,441,128)	6,187,350	-
Net OPEB Liability	443,630	38,793	-	482,423	-
Compensated Absences	887,942	251,575	(325,577)	813,940	271,313
<i>Total Governmental Activities</i>	<u>\$ 14,970,169</u>	<u>\$ 290,368</u>	<u>\$ (3,265,217)</u>	<u>\$ 11,995,320</u>	<u>\$ 779,474</u>
<i>Business-Type Activities:</i>					
Certificates of Obligation	\$ 1,695,000	\$ -	\$ (50,000)	\$ 1,645,000	\$ 55,000
Unamortized Premium	85,377	-	(3,881)	81,496	3,881
Net Pension Liability	645,288	-	(96,671)	548,617	-
Net OPEB Liability	18,243	861	-	19,104	-
Compensated Absences	30,479	32,565	(30,479)	32,565	10,855
<i>Total Business-Type Activities</i>	<u>\$ 2,474,387</u>	<u>\$ 33,426</u>	<u>\$ (181,031)</u>	<u>\$ 2,326,782</u>	<u>\$ 69,736</u>

Compensated absences, net pension liability and other postemployment benefit obligations for governmental activities are generally liquidated by the general fund.

The annual requirements to amortize all long-term debt and obligations outstanding, excluding compensated absences and bond premium, as of September 30, 2024, including interest payments, are as follows:

Year Ending September 30,	Governmental Activities		
	Bonds		
	Principal	Interest	Total
2025	\$ 460,000	\$ 120,900	\$ 580,900
2026	470,000	107,100	577,100
2027	485,000	93,000	578,000
2028	500,000	78,450	578,450
2029	515,000	63,450	578,450
2030-2032	1,600,000	96,750	1,696,750
Total	<u>\$ 4,030,000</u>	<u>\$ 559,650</u>	<u>\$ 4,589,650</u>
Year Ending September 30,	Business-Type Activities		
	Certificates of Obligation		
	Principal	Interest	Total
2025	\$ 55,000	\$ 52,862	\$ 107,862
2026	55,000	51,075	106,075
2027	55,000	49,288	104,288
2028	60,000	47,500	107,500
2029	60,000	45,550	105,550
230-2034	330,000	197,363	527,363
2035-2039	380,000	140,488	520,488
2040-2044	450,000	74,694	524,694
2045-2046	200,000	9,375	209,375
Total	<u>\$ 1,645,000</u>	<u>\$ 668,195</u>	<u>\$ 2,313,195</u>

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 7 -- PENSION PLAN

Texas Municipal Retirement System

A. Plan Description

The City participates as one of 928 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.tmr.com.

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

B. 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.

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	132
Inactive Employees Entitled to but Not Yet Receiving Benefits	93
Active Employees	104
	<hr/>
	329
	<hr/> <hr/>

CITY OF LEON VALLEY
 NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
 SEPTEMBER 30, 2024

NOTE 7 -- PENSION PLAN (Continued)

Texas Municipal Retirement System (Continued)

C. Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during calendar year 2023. The contribution rates for the City were 18.98% and 19.86% for calendar years 2023 and 2024 respectively. The City's contributions to TMRS for the year ended September 30, 2024 were \$1,489,311 and were equal to the required contributions.

D. 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.

E. 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	3.6% to 11.85%, including inflation
Investment Rate of Return*	6.75%

* Presented net of pension plan investment expense, including inflation

Salary increases were 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 MP-2021 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 MP-2021 to account for future mortality improvements subject to the floor.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 7 -- PENSION PLAN (Continued)

Texas Municipal Retirement System (Continued)

E. Actuarial Assumptions (Continued)

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global Equity	35.00%	6.70%
Core Fixed Income	6.00%	4.70%
Non-Core Fixed Income	20.00%	8.00%
Other Public and Private Markets	12.00%	8.00%
Real Estate	12.00%	7.60%
Hedge Funds	5.00%	6.40%
Private Equity	10.00%	11.60%
	<u>100.00%</u>	

F. Discount Rate

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

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 7 -- PENSION PLAN (Continued)

Texas Municipal Retirement System (Continued)

G. Changes in Net Pension Liability (Asset)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at December 31, 2022	\$ 54,119,696	\$ 44,845,930	\$ 9,273,766
Changes for the year:			
Service Cost	1,455,528	-	1,455,528
Interest	3,611,316	-	3,611,316
Change of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	(19,939)	-	(19,939)
Changes of Assumptions	(427,181)	-	(427,181)
Contributions - Employer	-	1,459,012	(1,459,012)
Contributions - Employee	-	550,740	(550,740)
Net Investment Income	-	5,181,021	(5,181,021)
Benefit Payments, Including Refunds of Employee Contributions	(2,692,964)	(2,692,964)	-
Administrative Expense	-	(33,020)	33,020
Other Changes	-	(230)	230
Net Changes	1,926,760	4,464,559	(2,537,799)
Balance at December 31, 2023	\$ 56,046,456	\$ 49,310,489	\$ 6,735,967

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

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

	Discount Rate 5.75%	Discount Rate 6.75%	Discount Rate 7.75%
Net Pension Liability	\$ 13,901,076	\$ 6,735,967	\$ 817,105

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 7 -- PENSION PLAN (Continued)

Texas Municipal Retirement System (Continued)

H. Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2024, the City recognized pension expense of \$1,359,804.

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 of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Economic Experience	\$ 162,518	\$ (13,225)
Changes in Actuarial Assumptions	-	(283,349)
Differences Between Projected and Actual Investment Earnings	1,253,391	-
Contributions Subsequent to the Measurement Date	1,085,931	-
	\$ 2,501,840	\$ (296,574)

The City reported \$1,085,931 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date (December 31, 2023) will be recognized as a reduction of the net pension liability for the year ending December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended December 31,	
2024	\$ 334,773
2025	254,928
2026	960,415
2027	(430,781)
Thereafter	-
	\$ 1,119,335

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 8 -- OTHER POST EMPLOYMENT BENEFITS (OPEB)

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 plan is part of the Annual Comprehensive Financial Report (ACFR) issued by TMRS and available at www.tmrs.com.

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 post-employment benefit,” or OPEB. Membership in the plan at December 31, 2023, the valuation and measurement date, consisted of:

Inactive Employees or Beneficiaries Currently Receiving Benefits	96
Inactive Employees Entitled to but Not Yet Receiving Benefits	14
Active Employees	104
	214
	214

The SDBF required contribution rates, based on these assumptions, are as follows:

For the Calendar Year Ended December 31,	Total SDBF Contribution Rate	Retiree Portion to SDBF Contribution Rate
2023	0.44%	0.21%
2024	0.43%	0.21%

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 8 -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

These contribution rates are based on actuarial assumptions developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. They were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2014 through 2018 and dated December 31, 2019. In conjunction with these changes first used in the December 31, 2019 valuation, the System adopted the Entry Age Normal actuarial cost method. These assumptions are summarized below:

Inflation	2.50%
Salary Increases	3.60% to 11.85% Including Inflation
Discount Rate	3.77%
Administrative Expenses	All administrative expenses are paid throe the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis with scale MP-2021 (with immediate convergence).
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In additional, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

The City’s Total OPEB Liability (TOL), based on the above actuarial factors, as of December 31, 2023 was calculated as follows:

	Total OPEB Liability
Balance at December 31, 2022	\$ 461,873
Changes for the year:	
Service Cost	15,735
Interest	18,690
Change of Benefit Terms	-
Difference Between Expected and Actual Experience	(3,609)
Changes of Assumptions or Other Inputs	25,360
Benefit Payments	(16,522)
Net Changes	39,654
Balance at December 31, 2023	\$ 501,527

There is no separate trust maintained to fund this Total OPEB Liability. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 8 -- OTHER POST EMPLOYMENT BENEFIT (OPEB) (Continued)

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

	Discount Rate 2.77%	Discount Rate 3.77%	Discount Rate 4.77%
Total OPEB Liability	\$ 591,759	\$ 501,527	\$ 430,287

For the year ended September 30, 2024, the City recognized OPEB expense of \$33,606. Also as of September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 1,096
Changes in Actuarial Assumptions	-	74,914
Contributions Subsequent to the Measurement Date	14,420	-
	\$ 14,420	\$ 76,010

Deferred outflows of resources in the amount of \$14,420 is related to OPEB benefits resulting from contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability for the subsequent plan year ended December 31, 2024 (fiscal year ended September 30, 2024). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Future Years Pension Expense:

For the Year Ended December 31,

2024	\$	(19,760)
2025		(30,930)
2026		(27,651)
2027		2,331
2028		-
	\$	(76,010)

CITY OF LEON VALLEY
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
SEPTEMBER 30, 2024

NOTE 9 -- INTERFUND TRANSFERS

Interfund transfer are as follows:

Transfer From	Transfer To	Amount	Purpose
Capital Projects	General Fund	\$ 138,228	To Close out Fund
General Fund	Water Fund	316,863	To Fund Capital Assets
General Fund	Street Maintenance	76,603	To reimburse for Sales tax revenue
Water Fund	General Fund	1,380,647	Payment in Lieu of Taxes
Red Light Camera Fund	General Fund	342,558	Payment in Lieu of Taxes
Non-Major Funds	General Fund	80,651	To reimburse for payments in lieu of taxes
		<u>\$ 2,335,550</u>	

NOTE 10 -- CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, 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.

NOTE 11 -- RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; injuries to employees; employee health benefits; and other claims of various natures. The City contracts with the Texas Municipal League (TML) to provide insurance coverage for property and casualty, and workers compensation. TML is a multi-employer group that provides for a combination of modified self-insurance and stop-loss coverage. Contributions are set annually by TML. Liability by the City is generally limited to the contributed amounts. Annual contributions for the year ended September 30, 2024 were \$430,691.



REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule - General Fund
- Budgetary Comparison Schedule - Red Light Cameras Fund
- Budgetary Comparison Schedule - Street Maintenance Tax Fund
- Schedule of Changes in Net Pension Liability and Related Ratios - Last 10 Plan Years
- Schedule of Contributions - Last 10 Fiscal Years
- Schedule of Changes in Total Other Post-Employment Benefit Liability and Related Ratios



CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
REVENUES					
Property Taxes	\$ 5,488,447	\$ 5,488,447	\$ 5,464,437	\$ (24,010)	\$ 5,450,281
Sales Taxes	3,771,946	3,771,946	3,767,901	(4,045)	3,883,503
Franchise Taxes	989,200	989,200	927,879	(61,321)	1,172,251
Licenses and Permits	330,900	330,900	408,393	77,493	349,265
Charges for Service	362,800	362,800	362,826	26	340,305
Fines and Forfeitures	538,700	538,700	543,032	4,332	660,240
Lease Income	-	-	19,033	19,033	-
Grants	1,415,312	1,418,922	360,713	(1,058,209)	2,381,035
Investment Earnings	316,000	316,000	499,597	183,597	436,562
Miscellaneous	598,602	371,602	618,852	247,250	540,410
TOTAL REVENUES	13,811,907	13,588,517	12,972,663	(615,854)	15,213,852
EXPENDITURES					
Administration:					
<i>Business Office:</i>					
Personnel Services	297,734	297,734	274,317	23,417	273,891
Supplies	11,340	11,340	9,956	1,384	6,518
Contracted Services	117,215	117,215	105,718	11,497	104,340
<i>Total Business Office</i>	426,289	426,289	389,991	36,298	384,749
<i>Finance and Accounting:</i>					
Personnel Services	385,821	385,821	370,307	15,514	367,270
Supplies	6,800	6,800	5,394	1,406	3,416
Contracted Services	68,065	68,065	67,777	288	54,626
<i>Total Finance and Accounting</i>	460,686	460,686	443,478	17,208	425,312
<i>Council and Manager:</i>					
Personnel Services	656,924	656,924	652,648	4,276	607,316
Supplies	29,950	29,950	20,687	9,263	30,942
Contracted Services	408,560	492,320	344,099	148,221	659,314
Capital Outlay	15,000	15,000	12,799	2,201	-
<i>Total Council and Manager</i>	1,110,434	1,194,194	1,030,233	163,961	1,297,572
Total Administration	\$ 1,997,409	\$ 2,081,169	\$ 1,863,702	\$ 217,467	\$ 2,107,633

CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
Public Safety					
<i>Law Enforcement Administration:</i>					
Personnel Services	\$ 3,266,311	\$ 3,266,311	\$ 2,822,931	\$ 443,380	\$ 2,828,551
Supplies	144,200	144,200	147,981	(3,781)	171,098
Contracted Services	135,178	135,178	179,378	(44,200)	204,742
<i>Total Law Enforcement Administration</i>	<u>3,545,689</u>	<u>3,545,689</u>	<u>3,150,290</u>	<u>395,399</u>	<u>3,204,391</u>
<i>Impound Lot:</i>					
Personnel Services	124,252	124,252	121,325	2,927	110,924
Supplies	1,900	1,900	1,677	223	2,590
Contracted Services	10,000	10,000	12,119	(2,119)	9,817
Capital Outlay	-	67,103	49,205	17,898	-
<i>Total Impound Lot</i>	<u>136,152</u>	<u>203,255</u>	<u>184,326</u>	<u>18,929</u>	<u>123,331</u>
<i>Fire Protection Operations:</i>					
Personnel Services	2,991,820	2,991,820	2,945,519	46,301	3,054,732
Supplies	236,400	236,400	189,220	47,180	158,562
Contracted Services	310,188	310,188	272,150	38,038	153,662
Capital Outlay	362,000	362,000	89,731	272,269	-
<i>Total Fire Protection Operations</i>	<u>3,900,408</u>	<u>3,900,408</u>	<u>3,496,620</u>	<u>403,788</u>	<u>3,366,956</u>
Total Public Safety	<u>\$ 7,582,249</u>	<u>\$ 7,649,352</u>	<u>\$ 6,831,236</u>	<u>\$ 818,116</u>	<u>\$ 6,694,678</u>

CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
Public Works:					
Personnel Services	\$ 1,801,083	\$ 1,801,082	\$ 1,524,092	\$ 276,990	\$ 1,472,772
Supplies	192,635	192,635	152,414	40,221	131,036
Contracted Services	409,502	493,734	465,825	27,909	335,135
Capital Outlay	115,000	280,800	104,106	176,694	-
Total Public Works	<u>2,518,220</u>	<u>2,768,251</u>	<u>2,246,437</u>	<u>521,814</u>	<u>1,938,943</u>
Parks and Recreation:					
Personnel Services	4,000	4,000	4,000	-	3,749
Supplies	122,000	122,000	49,854	72,146	43,342
Contracted Services	448,600	448,600	346,750	101,850	186,720
Capital Outlay	2,197,390	2,584,243	162,490	2,421,753	-
Total Parks and Recreation	<u>2,771,990</u>	<u>3,158,843</u>	<u>563,094</u>	<u>2,595,749</u>	<u>233,811</u>
Library:					
Personnel Services	457,088	457,088	378,927	78,161	375,825
Supplies	48,320	51,930	60,865	(8,935)	40,135
Contracted Services	52,454	52,454	42,011	10,443	26,542
Capital Outlay	-	29,000	-	29,000	12,984
Total Library	<u>557,862</u>	<u>590,472</u>	<u>481,803</u>	<u>108,669</u>	<u>455,486</u>
Information Technology Office					
Personnel Services	119,596	119,596	117,439	2,157	54,458
Supplies	16,000	16,000	12,836	3,164	184,924
Contracted Services	180,122	180,122	185,544	(5,422)	12,574
Total Information Technology Office	<u>315,718</u>	<u>315,718</u>	<u>315,819</u>	<u>(101)</u>	<u>251,956</u>
Community Development Activities:					
<i>Community Development/ Events:</i>					
Personnel Services	285,310	285,311	263,768	21,543	247,099
Supplies	7,000	7,000	4,515	2,485	3,092
Contracted Services	357,479	357,479	260,505	96,974	134,151
<i>Total Community Development/ Events</i>	<u>\$ 649,789</u>	<u>\$ 649,790</u>	<u>\$ 528,788</u>	<u>\$ 121,002</u>	<u>\$ 384,342</u>

CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
<i>Special Events:</i>					
Personnel Services	\$ 29,356	\$ 29,356	\$ 35,068	\$ (5,712)	\$ 38,584
Supplies	115,250	117,750	108,238	9,512	95,478
<i>Total Special Events</i>	<u>144,606</u>	<u>147,106</u>	<u>143,306</u>	<u>3,800</u>	<u>134,062</u>
<i>Economic Development:</i>					
Personnel Services	204,140	204,139	180,338	23,801	149,919
Supplies	11,475	11,475	10,946	529	9,888
Contracted Services	177,485	292,656	98,030	194,626	128,832
Capital Outlay	-	6,335	-	6,335	-
<i>Total Economic Development</i>	<u>393,100</u>	<u>514,605</u>	<u>289,314</u>	<u>225,291</u>	<u>288,639</u>
Total Community Development Activities:	<u>1,187,495</u>	<u>1,311,501</u>	<u>961,408</u>	<u>350,093</u>	<u>807,043</u>
Total Expenditures	<u>16,930,943</u>	<u>17,875,306</u>	<u>13,263,499</u>	<u>4,611,807</u>	<u>12,489,550</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,119,036)</u>	<u>(4,286,789)</u>	<u>(290,836)</u>	<u>3,995,953</u>	<u>2,724,302</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	2,133,856	2,133,856	1,942,084	(191,772)	1,595,561
Transfers Out	(554,382)	(880,105)	(393,466)	486,639	(3,420,102)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,579,474</u>	<u>1,253,751</u>	<u>1,548,618</u>	<u>294,867</u>	<u>(1,824,541)</u>
Net Change in Fund Balance	<u>(1,539,562)</u>	<u>(3,033,038)</u>	<u>1,257,782</u>	<u>4,290,820</u>	<u>899,761</u>
Fund Balances, Beginning	<u>8,235,887</u>	<u>8,235,887</u>	<u>8,235,887</u>	<u>-</u>	<u>7,336,126</u>
Fund Balances, Ending	<u>\$ 6,696,325</u>	<u>\$ 5,202,849</u>	<u>\$ 9,493,669</u>	<u>\$ 4,290,820</u>	<u>\$ 8,235,887</u>

CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RED LIGHT CAMERA FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
REVENUES					
Fines & Forfeitures	2,095,872	\$ 2,095,872	\$ 2,304,356	\$ 208,484	\$ 2,263,827
Interest Income	25,000	25,000	40,892	15,892	44,695
Miscellaneous Income	25,000	-	-	-	4,288
TOTAL REVENUES	2,145,872	2,120,872	2,345,248	224,376	2,312,810
EXPENDITURES					
<i>Law Enforcement Traffic Safety:</i>					
Personnel Services	298,227	298,227	192,964	105,263	214,645
Supplies	9,800	9,800	7,417	2,383	5,805
Contracted Services	53,997	53,997	57,046	(3,049)	1,462
<i>Total Law Enforcement Traffic Safety</i>	362,024	362,024	257,427	104,597	221,912
<i>Law Enforcement Red Light Camera:</i>					
Personnel Services	642,259	642,258	595,027	47,231	601,327
Supplies	3,150	3,150	1,782	1,368	3,471
Contracted Services	887,000	887,000	847,154	39,846	876,138
Capital Outlay	505,738	592,568	433,625	158,943	-
<i>Total Law Enforcement Red Light Cameras</i>	2,038,147	2,124,976	1,877,588	247,388	1,480,936
TOTAL EXPENDITURES	2,400,171	2,487,000	2,135,015	351,985	1,702,848
Excess (Deficiency) of Revenues Over (Under) Expenditures	(254,299)	(366,128)	210,233	576,361	609,962
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	919,759
Transfers Out	(342,558)	(342,558)	(342,558)	-	(452,574)
TOTAL OTHER FINANCING SOURCES (USES)	(342,558)	(342,558)	(342,558)	-	467,185
Net Change in Fund Balance	(596,857)	(708,686)	(132,325)	576,361	1,077,147
FUND BALANCE - BEGINNING	1,077,147	1,077,147	1,077,147	-	-
FUND BALANCE - ENDING	\$ 480,290	\$ 368,461	\$ 944,822	\$ 576,361	\$ 1,077,147

CITY OF LEON VALLEY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
 BUDGET AND ACTUAL
 STREET MAINTENANCE TAX FUND
 FOR THE YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE 2023

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
REVENUES					
Sales Taxes	\$ 798,000	\$ 798,000	\$ 830,759	\$ 32,759	\$ 762,347
Investment Earnings	30,000	30,000	78,877	48,877	44,160
TOTAL REVENUES	<u>828,000</u>	<u>828,000</u>	<u>909,636</u>	<u>81,636</u>	<u>806,507</u>
EXPENDITURES					
<i>Current:</i>					
Public Works	720,000	2,069,498	1,055,435	1,014,063	231,641
TOTAL EXPENDITURES	<u>720,000</u>	<u>2,069,498</u>	<u>1,055,435</u>	<u>1,014,063</u>	<u>231,641</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>108,000</u>	<u>(1,241,498)</u>	<u>(145,799)</u>	<u>1,095,699</u>	<u>574,866</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	76,603	76,603	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>76,603</u>	<u>76,603</u>	<u>-</u>
Net Change in Fund Balance	108,000	(1,241,498)	(69,196)	1,172,302	574,866
FUND BALANCE - BEGINNING	<u>1,820,388</u>	<u>1,820,388</u>	<u>1,820,388</u>	<u>-</u>	<u>1,245,522</u>
FUND BALANCE - ENDING	<u>\$ 1,928,388</u>	<u>\$ 578,890</u>	<u>\$ 1,751,192</u>	<u>\$ 1,172,302</u>	<u>\$ 1,820,388</u>



CITY OF LEON VALLEY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES – BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2024

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriation budget approved by the City Council and as such is a good management control device. Annual budgets are adopted for the general fund, red light camera fund, water and sewer fund, grant fund, building security fund, child safety fund, municipal court technology fund, debt service fund, police forfeiture fund, crime control and prevention district fund, community center fund and street maintenance tax fund. Project-length financial plans are adopted for capital project funds. Of these budgets, the general fund, red light camera fund, street maintenance tax fund, community center fund, grants fund, crime control preventions fund, child safety fund, state forfeiture fund, federal forfeiture fund, building security fund, court technology fund, and debt service fund are legally adopted.

Budgetary preparation and control is exercised at the fund level. The city manager is authorized to transfer budget amounts between accounts within a department. These transfers cannot increase the overall budgeted expenditures.

CITY OF LEON VALLEY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES – NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN PLAN YEARS

	Total Pension Liability			
	2014	2015	2016	2017
Service Cost	\$ 645,011	\$ 761,483	\$ 747,641	\$ 842,875
Interest (on the Total Pension Liability)	2,491,971	2,548,566	2,513,302	2,599,775
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	(806,336)	(863,803)	109,583	194,960
Change of Assumptions	-	149,794	-	-
Benefit Payments, Including Refunds of Employee Contributions	(1,734,074)	(1,426,682)	(2,099,537)	(2,174,580)
Net Change in Total Pension Liability	596,572	1,169,358	1,270,989	1,463,030
Total Pension Liability - Beginning	36,144,116	36,740,688	37,910,046	39,181,035
Total Pension Liability - Ending	<u>\$ 36,740,688</u>	<u>\$ 37,910,046</u>	<u>\$ 39,181,035</u>	<u>\$ 40,644,065</u>
	Plan Fiduciary Net Position			
	2014	2015	2016	2017
Contributions - Employer	\$ 769,208	\$ 813,946	\$ 702,892	\$ 735,312
Contributions - Employee	282,279	311,658	301,671	341,475
Net Investment Income	1,903,667	50,874	2,310,877	4,903,405
Benefit Payments, Including Refunds of Employee Contributions	(1,734,074)	(1,426,682)	(2,099,537)	(2,174,580)
Administrative Expense	(19,877)	(30,989)	(26,101)	(25,416)
Other	(1,634)	(1,531)	(1,406)	(1,286)
Net Change in Plan Fiduciary Net Position	1,199,569	(282,724)	1,188,396	3,778,910
Plan Fiduciary Net Position - Beginning	33,279,600	34,479,169	34,196,445	35,384,841
Plan Fiduciary Net Position - Ending	<u>\$ 34,479,169</u>	<u>\$ 34,196,445</u>	<u>\$ 35,384,841</u>	<u>\$ 39,163,751</u>
Net Pension Liability - Ending	\$ 2,261,519	\$ 3,713,601	\$ 3,796,194	\$ 1,480,314
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.84%	90.20%	90.31%	96.36%
Covered Payroll	\$ 4,704,649	\$ 5,194,294	\$ 5,027,846	\$ 5,691,256
Net Pension Liability as a Percentage of Covered Payroll	48.07%	71.49%	75.50%	26.01%

Total Pension Liability					
2018	2019	2020	2021	2022	2023
\$ 1,107,270	\$ 1,260,851	\$ 1,322,663	\$ 1,350,668	\$ 1,295,550	\$ 1,455,528
2,833,754	2,974,542	3,156,487	3,295,336	3,466,522	3,611,316
1,757,255	-	-	-	-	-
121,392	696,928	334,550	811,140	57,983	(19,939)
-	97,929	-	-	-	(427,181)
(1,946,832)	(2,160,070)	(2,571,291)	(2,970,074)	(2,816,922)	(2,692,964)
3,872,839	2,870,180	2,242,409	2,487,070	2,003,133	1,926,760
40,644,065	44,516,904	47,387,084	49,629,493	52,116,563	54,119,696
<u>\$ 44,516,904</u>	<u>\$ 47,387,084</u>	<u>\$ 49,629,493</u>	<u>\$ 52,116,563</u>	<u>\$ 54,119,696</u>	<u>\$ 56,046,456</u>

Plan Fiduciary Net Position					
2018	2019	2020	2021	2022	2023
\$ 821,094	\$ 1,193,707	\$ 1,254,515	\$ 1,320,007	\$ 1,235,379	\$ 1,459,012
372,609	494,728	512,944	523,515	490,473	550,740
(1,172,483)	5,749,089	3,220,466	5,843,029	(3,611,872)	5,181,021
(1,946,832)	(2,160,070)	(2,571,291)	(2,970,074)	(2,816,922)	(2,692,964)
(22,673)	(32,509)	(20,854)	(27,055)	(31,295)	(33,020)
(1,185)	(977)	(813)	185	37,344	(230)
(1,949,470)	5,243,968	2,394,967	4,689,607	(4,696,893)	4,464,559
39,163,751	37,214,281	42,458,249	44,853,216	49,542,823	44,845,930
<u>\$ 37,214,281</u>	<u>\$ 42,458,249</u>	<u>\$ 44,853,216</u>	<u>\$ 49,542,823</u>	<u>\$ 44,845,930</u>	<u>\$ 49,310,489</u>

\$ 7,302,623	\$ 4,928,835	\$ 4,776,277	\$ 2,573,740	\$ 9,273,766	\$ 6,735,967
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83.60%	89.60%	90.38%	95.06%	82.86%	87.98%
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\$ 6,210,153	\$ 7,067,549	\$ 7,327,773	\$ 7,478,782	\$ 7,006,761	\$ 7,867,720
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117.59%	69.74%	65.18%	34.41%	132.35%	85.62%
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CITY OF LEON VALLEY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CITY CONTRIBUTIONS
 LAST TEN FISCAL YEARS

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	\$ 1,489,311	\$ 1,489,311	-	\$7,753,823	19.21%
2023	1,412,576	1,412,576	-	7,718,509	18.30%
2022	1,246,582	1,246,582	-	7,075,062	17.62%
2021	1,298,721	1,298,721	-	7,291,513	17.81%
2020	1,243,211	1,243,211	-	7,285,644	17.06%
2019	1,108,962	1,108,962	-	6,920,380	16.02%
2018	830,183	830,183	-	6,231,160	13.32%
2017	735,472	735,472	-	5,492,470	13.39%
2016	738,640	738,640	-	5,036,278	14.67%
2015	779,557	779,557	-	4,923,162	15.83%

CITY OF LEON VALLEY
 REQUIRED SUPPLEMENTARY INFORMATION
 NOTES TO SCHEDULE OF CONTRIBUTION

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen (13) months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 Years
Asset Valuation Method	10 Year Smoothed Fair Value; 12% Soft Corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% Including Inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	<p>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 a fully generational basis with scale MP-2021 (with immediate convergence).</p> <p>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 are projected on a fully generational basis with scale MP-2021 (with immediate convergence).</p>
Changes in Benefit Terms:	None
Changes in Actuarial Assumptions:	
2023	New mortality assumptions
2019	New retirement and mortality assumptions
2015	Investment rate of return lowered from 7% to 6.75%

CITY OF LEON VALLEY
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES – TOTAL OTHER POST-EMPLOYMENT BENEFIT LIABILITY
 AND RELATED RATIOS
 LAST SEVEN CALENDAR YEARS*

	Total OPEB Liability			
	2017	2018	2019	2020
Service Cost	\$ 11,383	\$ 14,283	\$ 15,549	\$ 19,052
Interest on Total OPEB Liability	13,335	13,517	14,951	13,963
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	-	(1,286)	(2,759)	(5,014)
Change of Assumptions or Other Inputs	32,701	(28,902)	79,233	78,822
Benefit Payments	<u>(2,846)</u>	<u>(3,726)</u>	<u>(3,534)</u>	<u>(4,397)</u>
Net Change in Total OPEB Liability	54,573	(6,114)	103,440	102,426
Total OPEB Liability - Beginning	<u>348,518</u>	<u>403,091</u>	<u>396,977</u>	<u>500,417</u>
Total OPEB Liability - Ending	<u>\$ 403,091</u>	<u>\$ 396,977</u>	<u>\$ 500,417</u>	<u>\$ 602,843</u>
Covered Employee Payroll	\$ 5,691,256	\$ 6,210,153	\$ 7,067,549	\$ 7,327,773
Total OPEB Liability as a Percentage of Covered Employee Payroll	7.08%	6.39%	7.08%	8.23%

	Total OPEB Liability		
	2021	2022	2023
Service Cost	\$ 23,932	\$ 23,823	\$ 15,735
Interest on Total OPEB Liability	12,184	12,180	18,690
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual Experience	8,166	(706)	(3,609)
Change of Assumptions or Other Inputs	19,746	(217,866)	25,360
Benefit Payments	<u>(11,218)</u>	<u>(11,211)</u>	<u>(16,522)</u>
Net Change in Total OPEB Liability	52,810	(193,780)	39,654
Total OPEB Liability - Beginning	<u>602,843</u>	<u>655,653</u>	<u>461,873</u>
Total OPEB Liability - Ending	<u>\$ 655,653</u>	<u>\$ 461,873</u>	<u>\$ 501,527</u>
Covered Employee Payroll	\$ 7,478,782	\$ 7,006,761	\$ 7,867,720
Total OPEB Liability as a Percentage of Covered Employee Payroll	8.77%	6.59%	6.37%

*GASB Statement No. 75 requires 10 years of data to be provided in this schedule. This is the seventh year of implementation of GASB75. The City will develop the schedule prospectively as data becomes available.

NOTES TO SCHEDULE OF CHANGES

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

SUPPLEMENTARY INFORMATION

Supplementary information includes combining nonmajor individual fund statements which are not required by the GASB, nor a part of the basic financial statements.

FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues and expenditures that are legally restricted for a specific purpose.

- **Community Center** - Accounts for hotel occupancy tax revenues and expenditures, funding mainly the community and conference centers.
- **Grants Fund** - Accounts for grant revenues received from other governments and the related expenditures.
- **Crime Control and Prevention District** - Accounts for sales tax collection for public safety operations. This special district tax was approved by voters in May 2014.
- **Child Safety Fund** - Accounts for the drug awareness and prevention program, school crossing guards, and other child safety programs.
- **State Police Forfeiture Fund** - Accounts for revenues from seized assets and the allowed expenditure of that revenue.
- **Federal Police Forfeiture Fund** - Accounts for revenues from seized assets in federal cases and the allowed expenditure of that revenue.
- **Building Security Fund** - Accounts for a portion of municipal fines that are allocated to building security and the allowed expenditures.
- **Court Technology** - Accounts for a portion of municipal fines that are allocated to court technology and the allowed expenditures.

OTHER MAJOR FUNDS

- **Debt Service Fund** – Accounts for the accumulation of resources and the related disbursement for the retirement of long term debt.

CITY OF LEON VALLEY
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2024

	Special Revenue Funds			
	Community Center	Grants	Crime Control and Prevention District	Child Safety
ASSETS				
Cash and Cash Equivalents	\$ 69,594	\$ 9,838	\$ 186,947	\$ 26,610
Investments	244,476	-	480,646	50,915
Accounts Receivable, Net of Allowance:				
Other	23,517	-	-	1,101
Due from Other Governments	-	-	72,700	-
TOTAL ASSETS	\$ 337,587	\$ 9,838	\$ 740,293	\$ 78,626
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts Payable	\$ 2,991	\$ -	\$ 1,068	\$ -
Accrued Expenditures	373	-	646	23
Deposits Payable	40,215	-	-	-
<i>Total Liabilities</i>	<i>43,579</i>	<i>-</i>	<i>1,714</i>	<i>23</i>
<i>Fund Balance:</i>				
Restricted	294,008	9,838	738,579	78,603
<i>Total Fund Balances</i>	<i>294,008</i>	<i>9,838</i>	<i>738,579</i>	<i>78,603</i>
TOTAL LIABILITIES AND FUND BALANCES	\$ 337,587	\$ 9,838	\$ 740,293	\$ 78,626

Special Revenue Funds				Total Nonmajor Governmental Funds
State Police Forefiture	Federal Police Forfeitures	Building Security	Court Technology	
\$ -	\$ 841,240	\$ 41,005	\$ 24,806	\$ 1,200,040
11,757	205,035	48,696	37,160	1,078,685
-	-	-	-	24,618
-	-	-	-	72,700
<u>\$ 11,757</u>	<u>\$ 1,046,275</u>	<u>\$ 89,701</u>	<u>\$ 61,966</u>	<u>\$ 2,376,043</u>
\$ -	\$ -	\$ -	\$ -	\$ 4,059
-	-	-	-	1,042
-	-	-	-	40,215
-	-	-	-	45,316
<u>11,757</u>	<u>1,046,275</u>	<u>89,701</u>	<u>61,966</u>	<u>2,330,727</u>
<u>11,757</u>	<u>1,046,275</u>	<u>89,701</u>	<u>61,966</u>	<u>2,330,727</u>
<u>\$ 11,757</u>	<u>\$ 1,046,275</u>	<u>\$ 89,701</u>	<u>\$ 61,966</u>	<u>\$ 2,376,043</u>

CITY OF LEON VALLEY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds			
	Community Center	Grants	Crime Control and Prevention District	Child Safety
REVENUES				
Sales Taxes	\$ -	\$ -	\$ 411,883	\$ -
Occupancy Taxes	84,144	-	-	-
Fines and Forfeitures	-	-	-	16,340
Grants	-	5,413	-	-
Lease Income	60,454	-	-	-
Investment Earnings	12,667	-	24,348	2,638
Miscellaneous	40,405	-	845	-
TOTAL REVENUES	<u>197,670</u>	<u>5,413</u>	<u>437,076</u>	<u>18,978</u>
EXPENDITURES				
Current:				
Public Safety	-	2,019	242,467	5,789
Community Development	134,944	-	-	-
Capital Outlay	59,657	-	-	-
TOTAL EXPENDITURES	<u>194,601</u>	<u>2,019</u>	<u>242,467</u>	<u>5,789</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,069</u>	<u>3,394</u>	<u>194,609</u>	<u>13,189</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(80,651)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(80,651)</u>	<u>-</u>
Net Change in Fund Balance	3,069	3,394	113,958	13,189
Fund Balances, Beginning	<u>290,939</u>	<u>6,444</u>	<u>624,621</u>	<u>65,414</u>
Fund Balances, Ending	<u>\$ 294,008</u>	<u>\$ 9,838</u>	<u>\$ 738,579</u>	<u>\$ 78,603</u>

Special Revenue Funds

State Police Forfeiture	Federal Police Forfeiture	Building Security	Court Technology	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 411,883
-	-	-	-	84,144
-	688,464	12,741	11,914	729,459
-	-	-	-	5,413
-	-	-	-	60,454
609	10,623	2,523	1,926	55,334
-	24,700	-	-	65,950
<u>609</u>	<u>723,787</u>	<u>15,264</u>	<u>13,840</u>	<u>1,412,637</u>
-	-	-	-	250,275
-	-	-	-	134,944
-	67,150	-	-	126,807
<u>-</u>	<u>67,150</u>	<u>-</u>	<u>-</u>	<u>512,026</u>
<u>609</u>	<u>656,637</u>	<u>15,264</u>	<u>13,840</u>	<u>900,611</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,651)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,651)</u>
609	656,637	15,264	13,840	819,960
11,148	389,638	74,437	48,126	1,510,767
<u>\$ 11,757</u>	<u>\$ 1,046,275</u>	<u>\$ 89,701</u>	<u>\$ 61,966</u>	<u>\$ 2,330,727</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY CENTER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Occupancy Taxes	\$ 84,000	\$ 84,000	\$ 84,144	\$ 144	\$ 67,842
Lease Income	64,254	64,254	60,454	(3,800)	63,766
Investment Earnings	7,200	7,200	12,667	5,467	10,268
Miscellaneous	-	-	40,405	40,405	36,275
TOTAL REVENUES	<u>155,454</u>	<u>155,454</u>	<u>197,670</u>	<u>42,216</u>	<u>178,151</u>
EXPENDITURES					
Current:					
Community Development	156,688	156,688	134,944	21,744	115,822
Capital Outlay	60,000	72,000	59,657	12,343	-
TOTAL EXPENDITURES	<u>216,688</u>	<u>228,688</u>	<u>194,601</u>	<u>34,087</u>	<u>115,822</u>
Net Change in Fund Balance	(61,234)	(73,234)	3,069	76,303	62,329
FUND BALANCE, BEGINNING	<u>290,939</u>	<u>290,939</u>	<u>290,939</u>	<u>-</u>	<u>228,610</u>
FUND BALANCE, ENDING	<u>\$ 229,705</u>	<u>\$ 217,705</u>	<u>\$ 294,008</u>	<u>\$ 76,303</u>	<u>\$ 290,939</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GRANTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Grants	\$ 2,856	\$ 2,856	\$ 5,413	\$ 2,557	\$ 2,462
TOTAL REVENUES	<u>2,856</u>	<u>2,856</u>	<u>5,413</u>	<u>2,557</u>	<u>2,462</u>
EXPENDITURES					
Current:					
Public Safety	5,000	5,000	2,019	2,981	3,160
TOTAL EXPENDITURES	<u>5,000</u>	<u>5,000</u>	<u>2,019</u>	<u>2,981</u>	<u>3,160</u>
Net Change in Fund Balance	(2,144)	(2,144)	3,394	5,538	(698)
FUND BALANCE, BEGINNING	<u>6,444</u>	<u>6,444</u>	<u>6,444</u>	-	<u>7,142</u>
FUND BALANCE, ENDING	<u>\$ 4,300</u>	<u>\$ 4,300</u>	<u>\$ 9,838</u>	<u>\$ 5,538</u>	<u>\$ 6,444</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CRIME CONTROL PREVENTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Sales Tax	\$ 403,800	\$ 403,800	\$ 411,883	\$ 8,083	\$ 415,913
Investment Earnings	5,000	5,000	24,348	19,348	15,781
Miscellaneous	-	-	845	845	3,200
TOTAL REVENUES	<u>408,800</u>	<u>408,800</u>	<u>437,076</u>	<u>28,276</u>	<u>434,894</u>
EXPENDITURES					
Current:					
Public Safety	<u>272,060</u>	<u>272,060</u>	<u>242,467</u>	<u>29,593</u>	<u>245,354</u>
TOTAL EXPENDITURES	<u>272,060</u>	<u>272,060</u>	<u>242,467</u>	<u>29,593</u>	<u>245,354</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>136,740</u>	<u>136,740</u>	<u>194,609</u>	<u>57,869</u>	<u>189,540</u>
OTHER FINANCING USES					
Transfers Out	<u>-</u>	<u>-</u>	<u>(80,651)</u>	<u>(80,651)</u>	<u>(73,147)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(80,651)</u>	<u>(80,651)</u>	<u>(73,147)</u>
Net Change in Fund Balance	136,740	136,740	113,958	(22,782)	116,393
FUND BALANCE, BEGINNING	<u>624,621</u>	<u>624,621</u>	<u>624,621</u>	<u>-</u>	<u>508,228</u>
FUND BALANCE, ENDING	<u>\$ 761,361</u>	<u>\$ 761,361</u>	<u>\$ 738,579</u>	<u>\$ (22,782)</u>	<u>\$ 624,621</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
CHILD SAFETY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024	Variance with	2023
	Original	Final	Actual Amounts	Final Budget- Positive (Negative)	Actual Amounts
REVENUES					
Fines and Forfeitures	\$ 13,700	\$ 13,700	\$ 16,340	\$ 2,640	\$ 17,780
Investment Earnings	500	500	2,638	2,138	2,137
TOTAL REVENUES	<u>14,200</u>	<u>14,200</u>	<u>18,978</u>	<u>4,778</u>	<u>19,917</u>
EXPENDITURES					
Current:					
Public Safety	5,953	5,953	5,789	164	5,343
TOTAL EXPENDITURES	<u>5,953</u>	<u>5,953</u>	<u>5,789</u>	<u>164</u>	<u>5,343</u>
Net Change in Fund Balance	8,247	8,247	13,189	4,942	14,574
FUND BALANCE, BEGINNING	<u>65,414</u>	<u>65,414</u>	<u>65,414</u>	<u>-</u>	<u>50,840</u>
FUND BALANCE, ENDING	<u>\$ 73,661</u>	<u>\$ 73,661</u>	<u>\$ 78,603</u>	<u>\$ 4,942</u>	<u>\$ 65,414</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
STATE POLICE FORFEITURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Investment Earnings	\$ 2,000	\$ -	\$ 609	\$ 609	\$ 494
TOTAL REVENUES	<u>2,000</u>	<u>-</u>	<u>609</u>	<u>609</u>	<u>494</u>
Net Change in Fund Balance	2,000	-	609	609	494
FUND BALANCE, BEGINNING	<u>11,148</u>	<u>11,148</u>	<u>11,148</u>	<u>-</u>	<u>10,654</u>
FUND BALANCE, ENDING	<u>\$ 13,148</u>	<u>\$ 11,148</u>	<u>\$ 11,757</u>	<u>\$ 609</u>	<u>\$ 11,148</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
FEDERAL POLICE FORFEITURE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Fines and Forfeitures	\$ -	\$ -	\$ 688,464	\$ 688,464	\$ 215,159
Interest	-	-	10,623	10,623	8,611
Miscellaneous	-	2,000	24,700	22,700	6,456
TOTAL REVENUES	<u>-</u>	<u>2,000</u>	<u>723,787</u>	<u>721,787</u>	<u>230,226</u>
EXPENDITURES					
Current:					
Capital Outlay	-	253,350	67,150	186,200	-
TOTAL EXPENDITURES	<u>-</u>	<u>253,350</u>	<u>67,150</u>	<u>186,200</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(251,350)</u>	<u>656,637</u>	<u>907,987</u>	<u>230,226</u>
OTHER SOURCES (USES)					
Transfers In (Out)	-	-	-	-	(120,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(120,000)</u>
Net Change in Fund Balance	-	(251,350)	656,637	907,987	110,226
FUND BALANCE, BEGINNING	<u>389,638</u>	<u>389,638</u>	<u>389,638</u>	<u>-</u>	<u>279,412</u>
FUND BALANCE, ENDING	<u>\$ 389,638</u>	<u>\$ 138,288</u>	<u>\$ 1,046,275</u>	<u>\$ 907,987</u>	<u>\$ 389,638</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
BUILDING SECURITY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Fines and Forfeitures	\$ 18,000	\$ 18,000	\$ 12,741	\$ (5,259)	\$ 22,495
Investment Earnings	-	-	2,523	2,523	\$ 2,045
TOTAL REVENUES	<u>18,000</u>	<u>18,000</u>	<u>15,264</u>	<u>(2,736)</u>	<u>24,540</u>
EXPENDITURES					
Current:					
Public Safety	10,000	10,000	-	10,000	-
TOTAL EXPENDITURES	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Net Change in Fund Balance	8,000	8,000	15,264	7,264	24,540
FUND BALANCE, BEGINNING	<u>74,437</u>	<u>74,437</u>	<u>74,437</u>	<u>-</u>	<u>49,897</u>
FUND BALANCE, ENDING	<u>\$ 82,437</u>	<u>\$ 82,437</u>	<u>\$ 89,701</u>	<u>\$ 7,264</u>	<u>\$ 74,437</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
COURT TECHNOLOGY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance with Final Budget- Positive (Negative)	2023 Actual Amounts
	Original	Final			
REVENUES					
Fines and Forfeitures	\$ 15,000	\$ 19,000	\$ 11,914	\$ (7,086)	\$ 23,357
Investment Earnings	500	500	1,926	1,426	1,561
TOTAL REVENUES	<u>15,500</u>	<u>19,500</u>	<u>13,840</u>	<u>(5,660)</u>	<u>24,918</u>
EXPENDITURES					
Current:					
Administration	37,000	15,000	-	15,000	15,000
TOTAL EXPENDITURES	<u>37,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>
Net Change in Fund Balance	(21,500)	4,500	13,840	9,340	9,918
FUND BALANCE, BEGINNING	<u>48,126</u>	<u>48,126</u>	<u>48,126</u>	<u>-</u>	<u>38,208</u>
FUND BALANCE, ENDING	<u>\$ 26,626</u>	<u>\$ 52,626</u>	<u>\$ 61,966</u>	<u>\$ 9,340</u>	<u>\$ 48,126</u>

CITY OF LEON VALLEY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
DEBT SERVICE
FOR THE YEAR ENDED SEPTEMBER 30, 2024
(WITH COMPARATIVE ACTUAL TOTALS FOR 2023)

	Budgeted Amounts		2024 Actual Amounts	Variance With Final Budget - Positive (Negative)	2023 Actual
	Original	Final			
REVENUES					
Property Taxes	\$ 582,250	\$ 582,250	\$ 712,663	\$ 130,413	\$ 578,989
Investment Earnings	-	-	16,588	-	13,445
TOTAL REVENUES	<u>582,250</u>	<u>582,250</u>	<u>729,251</u>	<u>130,413</u>	<u>592,434</u>
EXPENDITURES					
<i>Debt Service:</i>					
Principal	445,000	445,000	445,000	-	430,000
Interest	192,613	242,613	135,375	107,238	148,200
TOTAL EXPENDITURES	<u>637,613</u>	<u>687,613</u>	<u>580,375</u>	<u>107,238</u>	<u>578,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(55,363)</u>	<u>(105,363)</u>	<u>148,876</u>	<u>254,239</u>	<u>14,234</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	105,363	105,363	-	(105,363)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>105,363</u>	<u>105,363</u>	<u>-</u>	<u>(105,363)</u>	<u>-</u>
Net Change in Fund Balance	50,000	-	148,876	148,876	14,234
FUND BALANCE - BEGINNING	<u>428,334</u>	<u>428,334</u>	<u>428,334</u>	<u>-</u>	<u>414,100</u>
FUND BALANCE - ENDING	<u>\$ 478,334</u>	<u>\$ 428,334</u>	<u>\$ 577,210</u>	<u>\$ 148,876</u>	<u>\$ 428,334</u>

STATISTICAL SECTION

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

Financial Trends (Tables 1 through 4)

Net Position by Component
Change in Net Position
Fund Balances, Governmental Funds
Changes in Fund Balances, Governmental Funds

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

Revenue Capacity (Tables 5 through 12)

Tax Revenues by Source, Governmental Funds
Assessed Value and Estimated Actual Value of Taxable Property
Direct and Overlapping Property Tax Rates
Principal Property Taxpayers
Property Tax Levies and Collections
Total Water Sold by Type of Customer
Water and Sewer Rates
Taxable Assessed Value

These schedules contain information to help readers assess the factors affecting the City's ability to generate its property and sales tax.

Debt Capacity (Tables 13 through 17)

Ratios of Outstanding Debt by Type
Ratios of General Bonded Debt Outstanding
Direct and Overlapping Governmental Activities Debt
Debt Margin Information
Pledged Revenue Coverage

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 (Tables 18 through 19)

Demographic and Economic Statistics
Principal Employers

These schedules offer demographic and economic indicators to help the reader understand how the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information (Tables 20 through 22)

Full-time Equivalent City Government Employees by Function
Operating Indicators by Function/Program
Capital Asset Statistics by Function/Program

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

CITY OF LEON VALLEY
NET POSITION, BY COMPONENT
LAST TEN FISCAL YEARS

	Fiscal Year			
	2015*	2016*	2017*	2018
<i>Governmental Activities</i>				
Net Investment in Capital Assets	\$ 7,696,092	\$ 8,324,593	\$ 9,534,380	\$ 12,241,969
Restricted	1,657,517	2,186,825	2,999,981	4,027,347
Unrestricted	2,656,933	2,696,144	2,342,091	2,432,332
<i>Total Governmental Activities</i>				
<i>Net Position</i>	<u>\$ 12,010,542</u>	<u>\$ 13,207,562</u>	<u>\$ 14,876,452</u>	<u>\$ 18,701,648</u>
<i>Business-Type Activities</i>				
Net Investment in Capital Assets	\$ 4,113,942	\$ 4,367,353	\$ 4,049,170	\$ 4,162,165
Restricted	908,705	1,042,946	1,279,204	1,225,716
Unrestricted	1,533,589	1,205,378	2,179,050	2,562,095
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	<u>\$ 6,556,236</u>	<u>\$ 6,615,677</u>	<u>\$ 7,507,424</u>	<u>\$ 7,949,976</u>
<i>Primary Government</i>				
Net Investment in Capital Assets	\$ 11,810,034	\$ 12,691,946	\$ 13,583,550	\$ 16,404,134
Restricted	2,566,222	3,229,771	4,279,185	5,253,063
Unrestricted	4,190,522	3,901,522	4,521,141	4,994,427
<i>Total Primary Government Net Position</i>	<u>\$ 18,566,778</u>	<u>\$ 19,823,239</u>	<u>\$ 22,383,876</u>	<u>\$ 26,651,624</u>

**Years 2017 and prior included the Leon Valley Economic Development Corporation as a blended component unit.*

These years have not been restated for the adoption of GASB 75.

TABLE 1

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 12,752,432	\$ 13,667,111	\$ 13,953,956	\$ 13,497,385	\$ 16,514,310	\$ 16,338,530
2,704,990	2,950,408	2,891,629	3,144,548	5,151,887	5,956,937
2,048,407	559,242	753,703	2,663,066	2,779,400	3,922,880
<u>\$ 17,505,829</u>	<u>\$ 17,176,761</u>	<u>\$ 17,599,288</u>	<u>\$ 19,304,999</u>	<u>\$ 24,445,597</u>	<u>\$ 26,218,347</u>
\$ 4,872,274	\$ 5,392,876	\$ 5,862,213	\$ 6,332,409	\$ 8,519,400	\$ 9,114,507
1,595,199	1,784,772	1,888,685	1,888,685	2,011,865	1,776,950
2,118,143	2,276,563	2,404,894	1,883,625	2,062,571	3,187,874
<u>\$ 8,585,616</u>	<u>\$ 9,454,211</u>	<u>\$ 10,155,792</u>	<u>\$ 10,104,719</u>	<u>\$ 12,593,836</u>	<u>\$ 14,079,331</u>
\$ 17,624,706	\$ 19,059,987	\$ 19,816,169	\$ 19,829,794	\$ 25,033,710	\$ 25,453,037
4,300,189	4,735,180	4,780,314	5,033,233	7,163,752	7,733,887
4,166,550	2,835,805	3,158,597	4,546,691	4,841,971	7,110,754
<u>\$ 26,091,445</u>	<u>\$ 26,630,972</u>	<u>\$ 27,755,080</u>	<u>\$ 29,409,718</u>	<u>\$ 37,039,433</u>	<u>\$ 40,297,678</u>

CITY OF LEON VALLEY
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
Expenses				
<i>Governmental Activities</i>				
Administration	\$ 983,952	\$ 1,125,550	\$ 1,052,772	\$ 1,163,357
Public Safety	4,701,582	4,598,579	5,731,890	6,825,574
Public Works	2,363,083	1,492,449	1,960,573	1,366,183
Information Technology Office	-	-	-	-
Parks and Recreation	169,947	228,169	357,055	372,372
Library	320,572	367,252	375,764	421,642
Communications	-	355,508	322,727	-
Community Development	676,880	880,111	753,029	828,978
Interest and Fiscal Agent Fees	239,237	205,890	228,101	201,460
<i>Total Governmental Activities Expenses</i>	<u>9,455,253</u>	<u>9,253,508</u>	<u>10,781,911</u>	<u>11,179,566</u>
<i>Business-Type Activities</i>				
Water/Wastewater Utilities	3,481,521	3,752,522	3,901,345	4,720,880
<i>Total Business-Type Activities</i>	<u>3,481,521</u>	<u>3,752,522</u>	<u>3,901,345</u>	<u>4,720,880</u>
Total Primary Government Expenses	<u><u>\$ 12,936,774</u></u>	<u><u>\$ 13,006,030</u></u>	<u><u>\$ 14,683,256</u></u>	<u><u>\$ 15,900,446</u></u>
Program Revenues				
<i>Governmental Activities</i>				
Charges for Service:				
Administration	\$ 258,388	\$ 537,825	\$ 319,498	\$ 319,498
Public Safety	694,303	724,018	1,620,197	1,620,197
Parks and Recreation	13,850	15,632	-	-
Library	3,521	4,249	-	-
Community Development	166,775	167,074	76,357	76,357
Operating Grants and Contributions	240,763	160,001	476,415	476,415
Capital Grants and Contributions	170,747	37,766	-	-
<i>Total Governmental Activities</i>				
<i>Program Revenues</i>	<u>1,548,347</u>	<u>1,646,565</u>	<u>2,492,467</u>	<u>2,492,467</u>
<i>Business-Type Activities</i>				
Charges for Service:				
Water/Wastewater Utilities	3,481,570	3,683,776	4,589,550	4,623,442
Operating Grants and Contributions	-	-	120,165	-
Capital Grants and Contributions	-	-	-	485,976
<i>Total Business-Type Activities</i>				
<i>Program Revenues</i>	<u>3,481,570</u>	<u>3,683,776</u>	<u>4,709,715</u>	<u>5,109,418</u>
Total Primary Government Program Revenues	<u><u>\$ 5,029,917</u></u>	<u><u>\$ 5,330,341</u></u>	<u><u>\$ 7,202,182</u></u>	<u><u>\$ 7,601,885</u></u>

Note – Years 2014 – 2017 have not been restated for adoption of GASB Statement No. 75.

TABLE 2

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 1,134,888	\$ 1,668,621	\$ 1,272,072	\$ 1,490,181	\$ 2,361,242	\$ 2,146,911
10,029,264	9,182,852	8,427,384	8,192,664	9,760,863	9,239,567
3,110,746	2,128,939	2,464,829	2,908,030	2,593,652	3,514,599
-	-	-	-	211,958	229,970
306,749	328,675	326,685	327,054	349,505	517,986
413,677	413,953	438,436	514,467	460,126	501,876
-	-	-	-	-	-
932,724	939,644	919,311	1,054,053	1,024,951	1,187,852
186,603	177,398	216,131	100,420	98,366	79,638
<u>16,114,651</u>	<u>14,840,082</u>	<u>14,064,848</u>	<u>14,586,869</u>	<u>16,860,663</u>	<u>17,418,399</u>
4,978,650	4,476,212	4,447,693	5,613,181	3,148,657	3,384,397
<u>4,978,650</u>	<u>4,476,212</u>	<u>4,447,693</u>	<u>5,613,181</u>	<u>3,148,657</u>	<u>3,384,397</u>
<u>\$ 21,093,301</u>	<u>\$ 19,316,294</u>	<u>\$ 18,512,541</u>	<u>\$ 20,200,050</u>	<u>\$ 20,009,320</u>	<u>\$ 20,802,796</u>
\$ 661,149	\$ 409,905	\$ 276,482	\$ 330,496	\$ 330,494	\$ 539,725
3,441,827	3,296,536	3,062,361	3,058,806	3,455,638	3,938,969
-	-	-	-	-	-
-	-	-	-	-	-
77,660	11,290	20,253	64,586	67,383	62,505
130,103	604,876	67,282	57,184	53,503	77,902
105,767	-	-	159,946	4,764,275	286,172
<u>4,416,506</u>	<u>4,322,607</u>	<u>3,426,378</u>	<u>3,671,018</u>	<u>8,671,293</u>	<u>4,905,273</u>
5,218,441	4,995,934	5,095,369	5,381,349	5,231,485	5,362,842
-	-	-	-	-	-
302,632	-	-	365,395	-	245,726
<u>5,521,073</u>	<u>4,995,934</u>	<u>5,095,369</u>	<u>5,746,744</u>	<u>5,231,485</u>	<u>5,608,568</u>
<u>\$ 9,937,579</u>	<u>\$ 9,318,541</u>	<u>\$ 8,521,747</u>	<u>\$ 9,417,762</u>	<u>\$ 13,902,778</u>	<u>\$ 10,513,841</u>

CITY OF LEON VALLEY
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
Net (Expenses)/Revenue				
Governmental Activities	\$ (7,906,906)	\$ (7,606,943)	\$ (8,289,444)	\$ (8,687,099)
Business-Type Activities	49	(68,746)	808,370	388,538
Total Primary Government Net Expenses	<u>\$ (7,906,857)</u>	<u>\$ (7,675,689)</u>	<u>\$ (7,481,074)</u>	<u>\$ (8,298,561)</u>
Governmental Revenues and Other Changes in Net Position				
<i>Governmental Activities</i>				
Taxes:				
Property Taxes	\$ 4,122,721	\$ 4,440,697	\$ 4,752,901	\$ 4,944,531
Sales Taxes	3,058,953	3,177,019	3,517,289	3,687,415
Franchise Taxes	974,361	1,072,898	1,104,166	961,149
Occupancy Taxes	86,661	67,691	80,600	94,639
Interest and Investment Earnings	4,678	17,663	55,460	134,411
Miscellaneous	21,896	27,995	447,168	371,832
Transfers	70,000	-	750	(47,650)
<i>Total Governmental Activities</i>	<u>8,339,270</u>	<u>8,803,963</u>	<u>9,958,334</u>	<u>10,146,327</u>
<i>Business-Type Activities</i>				
Interest and Investment Earnings	889	1,270	11,987	60,337
Miscellaneous	144,390	84,682	116,200	-
Transfers	(20,000)	(70,000)	-	47,650
<i>Total Business-Type Activities</i>	<u>125,279</u>	<u>15,952</u>	<u>128,187</u>	<u>107,987</u>
Total Primary Government	<u>\$ 8,464,549</u>	<u>\$ 8,819,915</u>	<u>\$ 10,086,521</u>	<u>\$ 10,254,314</u>
Changes In Net Position				
Government Activities	\$ 432,364	\$ 1,197,020	\$ 1,668,890	\$ 1,459,228
Business-Type Activities	125,328	(52,794)	936,557	496,525
Total Primary Government	<u>\$ 557,692</u>	<u>\$ 1,144,226</u>	<u>\$ 2,605,447</u>	<u>\$ 1,955,753</u>

TABLE 2 (Continued)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ (11,698,145)	\$ (10,517,475)	\$ (10,638,470)	\$ (10,915,851)	\$ (8,189,370)	\$ (12,513,126)
542,423	519,722	647,676	133,563	2,082,828	2,224,171
<u>\$ (11,155,722)</u>	<u>\$ (9,997,753)</u>	<u>\$ (9,990,794)</u>	<u>\$ (10,782,288)</u>	<u>\$ (6,106,542)</u>	<u>\$ (10,288,955)</u>
\$ 5,113,648	\$ 5,447,139	\$ 5,558,254	\$ 5,863,936	\$ 6,038,893	\$ 6,189,180
3,746,775	3,738,177	4,270,709	4,922,322	5,061,764	5,010,542
919,205	809,636	876,389	928,847	1,172,251	927,879
89,936	50,523	89,993	84,186	67,842	84,144
233,900	94,530	3,074	76,035	579,759	692,726
399,343	361,884	262,578	351,727	599,325	317,621
(481)	(313,482)	-	394,509	(189,866)	1,063,784
<u>10,502,326</u>	<u>10,188,407</u>	<u>11,060,997</u>	<u>12,621,562</u>	<u>13,329,968</u>	<u>14,285,876</u>
92,436	35,341	2,131	28,490	145,607	207,415
300	50	51,774	181,383	70,816	117,693
481	313,482	-	(394,509)	189,866	(1,063,784)
<u>93,217</u>	<u>348,873</u>	<u>53,905</u>	<u>(184,636)</u>	<u>406,289</u>	<u>(738,676)</u>
<u>\$ 10,595,543</u>	<u>\$ 10,537,280</u>	<u>\$ 11,114,902</u>	<u>\$ 12,436,926</u>	<u>\$ 13,736,257</u>	<u>\$ 13,547,200</u>
\$ (1,195,819)	\$ (329,068)	\$ 422,527	\$ 1,705,711	\$ 5,140,598	\$ 1,772,750
635,640	868,595	701,581	(51,073)	2,489,117	1,485,495
<u>\$ (560,179)</u>	<u>\$ 539,527</u>	<u>\$ 1,124,108</u>	<u>\$ 1,654,638</u>	<u>\$ 7,629,715</u>	<u>\$ 3,258,245</u>

CITY OF LEON VALLEY
 FUND BALANCES - GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
<i>General Fund:</i>				
Nonspendable	\$ 56,442	\$ 14,201	\$ 52,650	\$ 11,163
Restricted	114,962	154,393	497,329	23,868
Committed	900,000	900,000	1,000,000	1,000,000
Assigned	25,275	25,275	80,700	459,127
Unassigned	2,779,498	3,567,496	3,508,662	3,359,401
<i>Total General Fund</i>	<u>\$ 3,876,177</u>	<u>\$ 4,661,365</u>	<u>\$ 5,139,341</u>	<u>\$ 4,853,559</u>
<i>All Other Governmental Funds:</i>				
Nonspendable	\$ 1,990	\$ -	\$ 2,095	\$ -
Restricted	2,874,942	2,032,432	2,502,591	3,499,337
Committed	664,842	-	-	-
Assigned	111,139	93,679	-	-
<i>Total All Other Governmental Funds</i>	<u>\$ 3,652,913</u>	<u>\$ 2,126,111</u>	<u>\$ 2,504,686</u>	<u>\$ 3,499,337</u>

TABLE 3

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 5,824	\$ 4,434	\$ 4,854	\$ 4,568	\$ 5,472	\$ 4,883
235,416	261,124	283,940	304,190	304,923	340,037
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
1,154,763	749,556	1,068,942	1,501,435	1,006,394	1,316,749
4,370,549	3,784,196	3,361,144	4,525,932	5,919,097	6,832,000
<u>\$ 6,766,552</u>	<u>\$ 5,799,310</u>	<u>\$ 5,718,880</u>	<u>\$ 7,336,125</u>	<u>\$ 8,235,886</u>	<u>\$ 9,493,669</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,463,234	2,680,737	2,596,713	2,832,611	4,974,864	5,603,951
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,463,234</u>	<u>\$ 2,680,737</u>	<u>\$ 2,596,713</u>	<u>\$ 2,832,611</u>	<u>\$ 4,974,864</u>	<u>\$ 5,603,951</u>

CITY OF LEON VALLEY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year			
	2015	2016	2017	2018
REVENUES				
Property Taxes	\$ 4,143,068	\$ 4,432,407	\$ 4,755,462	\$ 4,940,751
Nonproperty Taxes	3,145,614	3,333,880	4,702,056	4,743,203
Grants/Intergovernmental	8,852	7,394	233,473	2,184,103
Charges for Services	2,123,854	2,132,647	1,939,695	3,014,022
Other	416,576	535,910	821,919	457,535
TOTAL REVENUES	<u>9,837,964</u>	<u>10,442,238</u>	<u>12,452,605</u>	<u>15,339,614</u>
EXPENDITURES				
Current:				
Administrative	951,121	1,035,474	878,060	937,870
Public Safety	4,609,076	4,320,120	5,179,406	6,663,001
Public Works	2,238,664	1,319,658	1,809,169	1,135,180
Parks and Recreation	142,794	198,429	324,379	358,460
Information Technology Office	-	-	-	-
Library	317,049	346,782	360,023	402,110
Communications	-	348,793	322,727	-
Community Development	624,724	823,889	699,342	768,403
Capital Outlay	3,408,801	2,110,337	1,341,443	3,137,262
Debt Service:				
Principal	430,000	445,000	460,000	475,000
Interest	245,946	233,370	222,255	205,809
Fiscal Agent Fees and Bond Issue Costs	2,250	2,000	-	-
TOTAL EXPENDITURES	<u>12,970,425</u>	<u>11,183,852</u>	<u>11,596,804</u>	<u>14,083,095</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(3,132,461)</u>	<u>(741,614)</u>	<u>855,801</u>	<u>1,256,519</u>
OTHER FINANCING				
SOURCES (USES)				
Transfers In	590,803	707,203	750	750
Transfers Out	(520,803)	(707,203)	-	(48,400)
Bond Premium	-	-	-	-
Issuance of Debt	-	-	-	-
Payments to Refunding Agent	-	-	-	-
TOTAL OTHER FINANCING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
SOURCES (USES)	<u>70,000</u>	<u>-</u>	<u>750</u>	<u>(47,650)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,062,461)</u>	<u>\$ (741,614)</u>	<u>\$ 856,551</u>	<u>\$ 1,208,869</u>
Debt Service as a Percentage of				
Noncapital Expenditures	7.1%	7.5%	6.7%	6.2%

TABLE 4

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 5,104,964	\$ 5,441,159	\$ 5,556,003	\$ 5,848,954	\$ 6,029,270	\$ 6,177,100
4,755,916	4,598,336	5,237,092	5,935,354	6,301,856	6,022,566
235,870	604,876	67,282	217,424	4,821,395	366,126
4,177,392	3,788,092	3,424,315	3,456,614	3,892,428	4,348,066
636,484	386,056	200,433	497,897	1,234,157	1,455,577
<u>14,910,626</u>	<u>14,818,519</u>	<u>14,485,125</u>	<u>15,956,243</u>	<u>22,279,106</u>	<u>18,369,435</u>
933,682	1,440,302	1,090,696	1,196,736	2,122,633	1,850,903
7,886,368	8,370,905	8,170,836	8,268,204	8,651,384	8,693,170
2,562,290	1,693,018	2,160,982	2,612,024	2,170,584	3,197,766
281,387	288,235	299,170	280,047	233,811	400,604
-	-	-	-	251,956	315,819
407,886	397,869	401,639	497,457	442,502	481,803
-	-	-	-	-	-
857,365	859,448	839,794	908,258	922,865	1,096,352
968,781	1,568,953	1,056,582	154,083	3,673,293	929,558
440,000	450,000	449,934	420,000	430,000	445,000
195,495	186,043	179,948	160,800	148,200	135,375
-	-	121,016	-	-	-
<u>14,533,254</u>	<u>15,254,773</u>	<u>14,770,597</u>	<u>14,497,609</u>	<u>19,047,228</u>	<u>17,546,350</u>
<u>377,372</u>	<u>(436,254)</u>	<u>(285,472)</u>	<u>1,458,634</u>	<u>3,231,878</u>	<u>823,085</u>
-	179,240	-	423,189	6,188,202	2,018,687
(481)	(492,722)	-	(28,680)	(6,378,067)	(954,903)
-	-	641,083	-	-	-
-	-	5,775,000	-	-	-
-	-	(6,295,066)	-	-	-
<u>(481)</u>	<u>(313,482)</u>	<u>121,017</u>	<u>394,509</u>	<u>(189,865)</u>	<u>1,063,784</u>
<u>\$ 376,891</u>	<u>\$ (749,736)</u>	<u>\$ (164,455)</u>	<u>\$ 1,853,143</u>	<u>\$ 3,042,013</u>	<u>\$ 1,886,869</u>
4.7%	4.6%	4.6%	4.0%	3.8%	3.4%

CITY OF LEON VALLEY
TAX REVENUE BY SOURCE – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year	Property	Sales & Use	Occupancy	Franchise	Total Revenue
2015	4,143,068	3,145,614	86,661	974,361	\$ 8,349,704
2016	4,432,407	3,333,880	67,691	983,728	8,817,706
2017	4,755,462	3,517,290	80,600	1,104,166	9,457,518
2018	4,940,751	3,687,415	94,639	961,149	9,683,954
2019	5,104,964	3,746,775	89,936	919,205	9,860,880
2020	5,441,159	3,738,177	50,523	809,636	10,039,495
2021	5,556,003	4,270,710	89,993	876,389	10,793,095
2022	5,848,954	4,922,321	84,186	928,847	11,784,308
2023	6,029,270	5,061,763	67,842	1,172,251	12,331,126
2024	6,177,100	5,010,543	84,144	927,879	12,199,666

CITY OF LEON VALLEY
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

TABLE 6

Fiscal Year	Total Taxable Assessed Value	Total Direct Tax Rate
2015	\$ 681,878,582	0.582915
2016	707,418,512	0.575507
2017	740,061,497	0.561615
2018	817,913,902	0.556599
2019	887,140,474	0.556599
2020	997,287,526	0.545877
2021	1,116,994,425	0.535904
2022	1,184,330,358	0.534099
2023	1,334,257,065	0.484739
2024	1,345,942,663	0.484739

Source: Bexar County Appraisal Districts

NOTES: Property in the City of Leon Valley is reassessed every year at estimated actual value. For this reason, assessed value is equal to estimated actual value. Tax rates are per \$100 of assessed value. Total taxable assessed value is before any applicable freeze adjustments.

CITY OF LEON VALLEY
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 7

Fiscal Year	City Direct Rates			Overlapping Rates	
	General Fund	Debt Service	Total Direct	School District	Bexar County
2015	0.4768	0.0988	0.5755	1.3755	0.3145
2016	0.4712	0.0904	0.5616	1.3755	0.3145
2017	0.4746	0.0820	0.5566	1.3755	0.3090
2018	0.4788	0.0778	0.5566	1.3755	0.3041
2019	0.4783	0.0676	0.5459	1.3755	0.3011
2020	0.4754	0.0682	0.5436	1.3055	0.3011
2021	0.4722	0.0637	0.5359	1.2857	0.3011
2022	0.4816	0.0525	0.5341	1.2631	0.3000
2023	0.4383	0.0464	0.4847	1.1901	0.2763
2024	0.4400	0.0447	0.4847	1.0117	0.2763

	Overlapping Rates		
	University Health System	San Antonio River Authority	Alamo Community College
2015	0.2762	0.0175	0.1492
2016	0.2762	0.0173	0.1492
2017	0.2762	0.0173	0.1492
2018	0.2762	0.0173	0.1492
2019	0.2762	0.0186	0.1492
2020	0.2762	0.0186	0.1492
2021	0.2762	0.0186	0.1492
2022	0.2763	0.0184	0.1492
2023	0.2762	0.0184	0.1492
2024	0.2762	0.0180	0.0149

Source: Bexar County Tax Offices

NOTE: Overlapping rates are those of local and county governments that apply within the City of Leon Valley. Not all overlapping rates apply to all City of Leon Valley property owners.

CITY OF LEON VALLEY
 PRINCIPAL PROPERTY TAXPAYERS
 CURRENT YEAR AND NINE YEARS AGO

TABLE 8

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
PF Bandera LLC	49,000,000	1	3.64%	-		-
Timberhill Commons LTD	49,000,000	2	3.64%	-		-
Ancira-winton Chevrolet	46,360,150	3	3.44%	22,771,680	1	3.34%
5622 Equity de LLC	41,000,000	4	3.05%	-		-
5650 Grissmo Owner LP	22,000,100	5	1.63%	-		-
Valencia Lofts	21,600,000	6	1.60%	-		-
Leors Holdings	16,807,750	7	1.25%	11,308,206	6	1.66%
Barcelona Lofts LLC	16,000,000	8	1.19%	11,100,000	7	1.63%
Vaquero Bandera Partners LP	12,000,000	9	0.89%	-		-
6300 Rue Marielyne Property	10,750,000	10	0.00%	-		-
H.E.B. Grocery	-		-	20,050,000	2	2.94%
Vista del Rey	-		-	16,600,000	3	2.43%
Shadow Valley Apartments	-		-	12,850,100	4	1.88%
Omninet Towers LP	-		-	11,308,206	5	1.66%
Leon SA Income Partners	-		-	6,500,000	8	0.95%
Forest Green Association	-		-	6,410,000	9	0.94%
SA West Loop II Investors	-		-	5,645,000	10	0.83%
TOTALS	\$ 284,518,000		20.34%	\$ 124,543,192		0

TOTAL TAXABLE

Source: Bexar County Appraisal District

CITY OF LEON VALLEY
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 9

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected Within Fiscal Year of Levy		Collections In Subsequent Years	Total Collections To Date	
		Amount	% of Levy		Amount	% of Levy
2015	4,130,740	4,050,446	98.06%	\$ 70,751	\$ 4,121,197	99.77%
2016	4,432,631	4,369,996	98.59%	51,237	4,421,233	99.74%
2017	4,738,086	4,685,787	98.90%	42,404	4,728,191	99.79%
2018	5,019,786	4,966,303	98.93%	41,274	5,007,577	99.76%
2019	5,137,625	5,080,976	98.90%	45,082	5,126,058	99.77%
2020	5,446,779	5,388,962	98.94%	41,805	5,430,767	99.71%
2021	5,599,495	5,545,111	99.03%	34,616	5,579,727	99.65%
2022	5,805,577	5,741,734	98.90%	37,491	5,704,243	98.25%
2023	5,925,028	5,856,964	98.85%	31,066	5,856,964	98.85%
2024	6,090,540	6,129,144	100.63%	-	6,129,144	100.63%

Source: Bexar County Appraisal District

CITY OF LEON VALLEY
WATER SOLD BY TYPE OF CUSTOMER
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 10

Type of Customer	Fiscal Year				
	2015	2016	2017	2018	2019
Residential	\$176,710,000	\$177,355,000	\$160,769,000	\$155,524,000	\$142,601,000
Commerical	131,218,294	142,359,865	132,729,922	128,377,775	128,044,700
Total	<u>\$307,928,294</u>	<u>\$319,714,865</u>	<u>\$293,498,922</u>	<u>\$283,901,775</u>	<u>\$270,645,700</u>
Total Direct Rate per 1,000 Gallons	<u>\$ 1.08</u>	<u>\$ 1.08</u>	<u>\$ 1.08</u>	<u>\$ 3.18</u>	<u>\$ 3.37</u>

Type of Customer	Fiscal Year				
	2020	2021	2022	2023	2024
Residential	\$160,304,400	\$146,792,100	\$155,678,000	\$154,718,000	\$141,929,000
Commerical	129,810,102	128,201,713	135,567,000	155,661,000	123,931,700
Total	<u>\$290,114,502</u>	<u>\$274,993,813</u>	<u>\$291,245,000</u>	<u>\$310,379,000</u>	<u>\$265,860,700</u>
Total Direct Rate per 1,000 Gallons	<u>\$ 3.56</u>				

Source: Leon Valley Water Department.

CITY OF LEON VALLEY
WATER AND SEWER RATES
LAST TEN FISCAL YEARS

TABLE 11

Fiscal Year	Water		Sewer	
	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons
2015	\$ 9.36	\$ 1.08	\$ 14.36	\$ 5.59
2016	9.36	1.08	15.08	5.83
2017	11.20	3.18	15.08	5.83
2018	11.48	3.37	15.08	5.92
2019	11.76	3.56	15.08	6.24
2020	11.76	3.56	15.08	6.24
2021	11.76	3.56	15.08	6.24
2022	11.76	3.56	15.08	6.24
2023	11.76	3.56	15.08	6.24
2024	11.76	3.56	15.08	6.24

NOTES: Rates are based on 5/8" meter, which is the standard household meter size.

CITY OF LEON VALLEY
TAXABLE ASSESSED VALUE
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 12

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2015	460,768,403	265,776,360	5,426,124	50,092,305	\$ 681,878,582	0.582915
2016	473,221,531	278,323,833	6,158,319	50,285,171	707,418,512	0.575507
2017	504,499,829	288,913,043	5,574,551	58,925,926	740,061,497	0.561615
2018	558,785,477	324,533,883	5,961,942	71,367,400	817,913,902	0.556599
2019	597,606,183	361,183,881	6,527,631	78,177,221	887,140,474	0.556599
2020	677,156,407	378,811,873	8,057,007	66,737,761	997,287,526	0.545877
2021	636,307,764	574,292,157	9,034,492	102,639,988	1,116,994,425	0.535904
2022	689,389,560	599,369,775	9,071,223	113,500,200	1,184,330,358	0.534099
2023	818,724,389	674,604,836	9,494,623	168,566,783	1,334,257,065	0.484739
2024	1,116,665,422	480,890,121	10,456,421	262,069,301	1,345,942,663	0.484739

CITY OF LEON VALLEY
RATIOS OF DEBT OUTSTANDING BY TYPE
LAST TEN FISCAL YEARS

TABLE 13

Fiscal Year	General Bonded Debt Outstanding			Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property
	General Obligation Bonds	Private Property Finance Contracts	Certificates of Obligation			
2015	\$ 7,857,138	\$ 725,000	\$ -	(286,735)	\$ 8,295,403	1.17%
2016	7,450,179	780,000	2,086,424	(320,527)	9,996,076	1.35%
2017	7,028,220	735,000	2,062,543	(339,874)	9,485,889	1.16%
2018	6,596,261	685,000	2,023,662	(350,176)	8,954,747	1.01%
2019	6,199,302	635,000	1,975,901	(341,448)	8,468,755	0.85%
2020	5,792,343	585,000	1,932,020	(387,927)	7,921,436	0.71%
2021	5,966,083	-	1,883,139	(419,426)	7,429,796	0.63%
2022	5,487,803	-	1,834,258	(414,099)	6,907,962	0.52%
2023	5,010,116	-	1,780,377	(428,334)	6,362,159	0.48%
2024	4,511,607	-	1,726,496	(577,210)	5,660,893	0.42%

NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. See Table 6 for the City's property tax value data. City population data can be found in Table 18.

CITY OF LEON VALLEY
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
CURRENT YEAR

TABLE 14

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percent of Gross Income	Per Capita
	General Obligation Bonds	Private Property Finance Contracts	Certificates of Obligation	Revenue Bonds	Certificates of Obligation			
2015	\$ 7,857,138	\$ 725,000	\$ -	\$ -	\$ -	\$ 8,582,138	3.17%	763
2016	7,450,179	780,000	-	-	2,086,424	10,316,603	3.81%	920
2017	7,028,220	735,000	-	-	2,062,543	9,825,763	3.63%	873
2018	6,596,261	685,000	-	-	2,023,662	9,304,923	3.43%	824
2019	6,199,302	635,000	-	-	1,975,901	8,810,203	3.25%	779
2020	5,792,343	585,000	-	-	1,932,020	8,309,363	3.07%	729
2021	5,966,083	-	-	-	1,883,139	7,849,222	2.27%	644
2022	5,487,803	-	-	-	1,834,258	7,322,061	2.22%	601
2023	5,010,116	-	-	-	1,780,377	6,790,493	1.74%	557
2024	4,511,607	-	-	-	1,726,496	6,238,103	1.60%	493

NOTE: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements. See Table 6 for the City's property tax value data. City population data can be found in Table 18.

CITY OF LEON VALLEY
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
CURRENT YEAR

TABLE 15

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
<i>Debt repaid with property taxes:</i>			
Alamo CCD	\$ 707,460,000	0.42%	\$ 2,971,332
Bexar County	2,222,135,000	0.42%	9,332,967
Bexar County Hospital District	1,280,820,000	0.42%	5,379,444
Northside Independent School District	2,539,102,021	1.72%	<u>43,672,555</u>
Subtotal, Overlapping Debt			61,356,298
City Governmental Activities Direct Debt			<u>4,511,607</u>
TOTAL NET OVERLAPPING DEBT			<u><u>\$ 65,867,905</u></u>

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

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

CITY OF LEON VALLEY
DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE 16

Assessed Value, 2023 Tax Roll		<u>\$ 1,345,942,663</u>
Debt Limit - Texas statues do not provide a legal debt limit for cities; however, through accepted practice a practical "economic" debt limit is considered to be 10% of the assessed value.		\$ 134,594,266
Amount of Applicable Debt:		
General Bonded Debt	\$ 4,511,607	
Less Debt Service Net Position	<u>(590,159)</u>	<u>3,921,448</u>
DEBT MARGIN		<u><u>\$ 130,672,818</u></u>
Total Net Debt as a Percentage of Debt Margin		3.00%

	Fiscal Year		
	2021	2022	2023
Assessed Value	\$ 1,116,994,425	\$ 1,184,330,358	\$ 1,334,257,065
Debt Limit	\$ 111,699,443	\$ 118,433,036	\$ 133,425,707
Total Net Debt Applicable to Limit	<u>5,535,681</u>	<u>5,065,956</u>	<u>4,571,454</u>
Total Debt Margin	<u><u>\$ 106,163,762</u></u>	<u><u>\$ 113,367,080</u></u>	<u><u>\$ 128,854,253</u></u>
	2018	2019	2020
Assessed Value	\$ 949,714,257	\$ 997,287,526	\$ 1,075,859,763
Debt Limit	\$ 94,971,426	\$ 99,728,753	\$ 107,585,976
Total Net Debt Applicable to Limit	<u>8,950,605</u>	<u>8,462,414</u>	<u>5,980,870</u>
Total Debt Margin	<u><u>\$ 86,020,821</u></u>	<u><u>\$ 91,266,339</u></u>	<u><u>\$ 101,605,106</u></u>
	2015	2016	2017
Assessed Value	\$ 740,061,500	\$ 817,913,900	\$ 887,140,474
Debt Limit	\$ 74,006,150	\$ 81,791,390	\$ 88,714,047
Total Net Debt Applicable to Limit	<u>8,774,392</u>	<u>10,376,736</u>	<u>8,098,078</u>
Total Debt Margin	<u><u>\$ 65,231,758</u></u>	<u><u>\$ 71,414,654</u></u>	<u><u>\$ 80,615,969</u></u>

CITY OF LEON VALLEY
 PLEDGED REVENUE COVERAGE
 LAST TEN FISCAL YEARS

TABLE 17

Fiscal Year	Water Revenue Bonds					Coverage
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2024	\$ 5,362,842	\$ 3,333,332	\$ 2,029,510	\$ 50,000	\$ 51,065	20.08
2023	5,231,485	3,094,675	2,136,810	50,000	53,982	20.55
2022	5,381,349	5,557,366	(176,017)	45,000	55,815	(1.75)
2021	5,095,369	4,389,210	706,159	45,000	58,483	6.82
2020	4,987,020	4,416,064	570,956	40,000	60,148	5.70
2019	4,990,678	4,920,092	70,586	40,000	66,363	0.66
2018	4,586,249	4,657,233	(70,984)	35,000	68,113	(0.69)
2017	4,456,994	3,833,400	623,594	20,000	82,510	6.08
2016	3,683,776	3,752,522	(68,746)	-	-	100.00
2015	3,481,570	3,481,521	49	-	-	100.00

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

CITY OF LEON VALLEY
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

TABLE 18

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2015	10,866	270,954,576	\$ 24,936	40.00	4,130	5.1%
2016	10,866	270,954,576	24,936	40.00	4,198	5.0%
2017	10,866	270,954,576	24,936	40.00	3,809	4.2%
2018	10,866	270,954,576	24,936	40.00	3,809	3.7%
2019	10,866	270,954,576	24,936	40.00	4,050	3.2%
2020	10,866	270,954,576	24,936	40.00	4,050	3.2%
2021	11,542	345,486,686	29,933	39.20	3,514	6.7%
2022	11,503	329,756,501	28,667	38.50	3,414	3.2%
2023	11,429	390,791,797	34,193	38.20	3,623	3.8%
2024	11,485	392,706,605	34,193	39.20	3,623	4.1%

Sources: Population, personal income, median age and education level information are provided by the United States Census Bureau. School enrollment information is provided by the Northside Independent School District. Unemployment data is provided by the Texas Workforce Commission.

CITY OF LEON VALLEY
TOP TEN PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

TABLE 19

<u>SAN ANTONIO EMPLOYER</u>	<u>2024</u>			<u>2015</u>		
	<u>EMPLOYEES</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL CITY EMPLOYMENT</u>	<u>EMPLOYEES</u>	<u>RANK</u>	<u>PERCENTAGE OF TOTAL CITY EMPLOYMENT</u>
Joint Base San Antonio	82,639	1	7.09%			
H.E.B.	20,000	2	1.72%	20,000	3	1.96%
USAA	18,100	3	1.55%	17,000	4	1.67%
City of San Antonio	14,500	4	1.24%	9,145	8	0.90%
Northside ISD	12,900	5	1.11%	12,751	5	1.25%
Methodist Healthcare System	12,000	6	1.03%	8,118	9	0.80%
North East I.S.D	8,208	7	0.70%	10,052	7	0.99%
UT Health San Antonio	7,930	8	0.68%			
San Antonio ISD	7,500	9	0.64%			
Baptist Health System	7,291	10	0.63%	6,498	10	0.64%
Lackland Air Force				37,097	1	3.64%
Fort Sam Houston- U.S. Army				32,000	2	3.14%
Randolph Air Force Base				11,068	6	1.09%
Total	<u>191,068</u>		<u>16.39%</u>	<u>163,729</u>		<u>16.08%</u>

The City of Leon Valley is surrounded by the City of San Antonio and no data is available for the employers in Leon Valley. The above data is for San Antonio.

Source: San Antonio Economic Development Foundation.

CITY OF LEON VALLEY
 FULL-TIME EQUIVALENT CITY GOVERNMENTAL EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

TABLE 20

<u>Function</u>	<u>Full-Time Equivalent Employees as of September 30,</u>									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>General Government</u>										
Business Office	1.6	1.1	1.1	1.1	0.7	0.7	0.5	0.5	0.6	0.6
Finance	2.0	2.0	2.0	1.5	1.1	0.7	0.7	0.7	0.9	0.9
Manager and Council	3.0	3.9	2.5	3.3	2.8	2.1	3.6	3.6	1.8	1.8
Information Technology	-	-	-	-	-	-	-	-	0.3	0.3
<u>Public Safety</u>										
<u>Police</u>										
Officers	24.0	25.0	28.5	37.0	41.0	41.0	41.0	41.0	41.0	41.0
Civilians	3.9	1.0	1.0	4.3	4.3	4.3	4.3	4.3	3.2	3.2
<u>Fire</u>										
Firefighters and Officers	0.5	1.0	1.0	1.0	1.0	1.0	-	-	-	-
Civilians	26.0	26.0	27.0	27.0	27.0	27.0	28.0	28.0	27.0	27.0
<u>Public Works</u>	12.6	13.3	13.3	13.3	11.8	11.8	11.8	11.8	13.8	13.8
<u>Development Activities</u>	1.6	1.6	2.6	3.3	4.0	3.1	3.1	3.1	2.5	2.5
<u>Economic Development</u>	2.0	2.0	1.0	0.6	0.8	0.9	0.9	0.9	1.5	1.5
<u>Parks</u>	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	-	-
<u>Library</u>	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	6.0	6.0
<u>Communications</u>	6.0	2.0	2.0	-	-	-	-	-	-	-
<u>Community Center</u>	1.6	1.6	1.1	1.6	1.0	1.0	1.0	1.0	0.8	0.8
<u>Water and Sewer</u>	18.2	17.6	17.4	17.4	17.4	17.4	17.4	17.4	17.7	17.7
TOTAL	<u>110.0</u>	<u>105.1</u>	<u>107.5</u>	<u>118.2</u>	<u>119.8</u>	<u>117.8</u>	<u>119.1</u>	<u>119.1</u>	<u>117.0</u>	<u>117.0</u>

Source: City Adopted Budgets

Note Full-time equivalent is based on the schedule hours of positions to a 40 hour work week.

CITY OF LEON VALLEY
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

<u>Function</u>	<u>Fiscal Year</u>				
	2015	2016	2017	2018	2019
<u>Police</u>					
Arrests	722.0	915.0	535.0	789.0	1221.0
Traffic Violations	3915.0	4963.0	3643.0	7616.0	10156.0
<u>Fire</u>					
Fire Calls	1183.0	942.0	505.0	598.0	441.0
EMS Calls	1136.0	1472.0	2081.0	1704.0	1561.0
Number of Inspections	480.0	310.0	730.0	724.0	392.0
<u>Public Works</u>					
Streets resurfacing (Miles)	5.0	1.0	2.3	1.2	4.1
Sidewalk Construction (Feet)	1304.0	2060.0	1957.0	350.0	1020.0
<u>Library</u>					
Reference Questions	6,485.0	7,681.0	7,149.0	7,384.0	10,393.0
Internet Sessions	6,497.0	8,055.0	8,346.0	17,456.0	17,857.0
Library Acquisitions	1,823.0	2,011.0	2,352.0	2,269.0	1,760.0
<u>Water</u>					
Daily Average Consumption (thousands of gallons)	843,639.0	869,649.0	804,105.0	777,813.0	741,495.0
Total Customers	2,561.00	2,574.00	2,583.00	2,601.00	2,613.00
Average Use Per Connection	329.42	337.86	311.31	299.04	283.77
<u>Sewer</u>					
Total Customers	2456.0	2479.0	2489.0	2505.0	2613.0
Daily Average Treatment (Gallons)	703,607.0	681,173.0	703,502.0	697,762.0	679,844.0

Source: Various City Departments.

TABLE 21

Fiscal Year				
2020	2021	2022	2023	2024
473.0	333.0	673.0	1074.0	1126.0
4277.0	2601.0	5050.0	6003.0	4163.0
680.0	795.0	729.0	627.0	623.0
1521.0	1922.0	1758.0	1777.0	2100.0
614.0	679.0	734.0	675.0	728.0
4.1	2.0	1.0	2.0	2.1
1020.0	679.0	1187.0	926.0	1251.0
5,123.0	4,572.0	6,646.0	12,952.0	20,076.0
4,061.0	8,834.0	3,801.0	8,087.0	6,875.0
1,519.0	1,618.0	2,660.0	2,044.0	2,734.0
769,308.0	753,407.0	973,521.0	862,163.0	733,102.0
2,634.00	2,637.00	2,646.00	2,631.00	2,635.00
292.07	285.71	367.92	327.69	278.22
2546.0	2549.0	2560.0	2547.0	2548.0
635,655.0	648,440.0	797,932.0	655,080.0	663,991.0

CITY OF LEON VALLEY
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

<u>Function</u>	Fiscal Year				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Police</u>					
Stations	1.0	1.0	1.0	1.0	1.0
Patrol Units	24.0	25.0	28.5	37.0	37.0
<u>Fire</u>					
Stations	1.0	1.0	1.0	1.0	1.0
Fire Fighters	26.0	26.0	27.0	27.0	27.0
<u>Streets</u>					
Streets, paved (miles)	39.5	39.5	43.0	43.0	43.0
<u>Parks and Recreation</u>					
Parks - Developed	1.0	1.0	1.0	5.0	5.0
Parks - Acreage	24.0	24.0	69.5	69.5	69.5
Swimming Pools	1.0	1.0	2.0	2.0	2.0
Tennis Courts	1.0	1.0	1.0	1.0	1.0
Community Centers	2.0	2.0	2.0	2.0	2.0
<u>Library</u>					
Facility	1.0	1.0	1.0	1.0	1.0
<u>Water</u>					
Number of Hydrants	208.0	208.0	208.0	208.0	208.0
Water Mains (Miles)	39.5	39.5	39.5	39.5	39.5
<u>Sewer</u>					
Sanitary Sewers (Miles)	47.5	47.5	47.5	47.5	47.5
Storm Sewers (Feet)	4,000.0	4,000.0	4,000.0	4,000.0	4,000.0

Source: *Various City Departments*

TABLE 22

Fiscal Year				
2020	2021	2022	2023	2024
1.0	1.0	1.0	1.0	1.0
37.0	37.0	37.0	37.0	39.0
1.0	1.0	1.0	1.0	1.0
27.0	28.0	28.0	28.0	27.0
43.0	43.0	43.0	43.0	43.0
5.0	5.0	5.0	5.0	7.0
69.5	69.5	69.5	84.6	84.6
2.0	2.0	2.0	2.0	2.0
1.0	1.0	1.0	1.0	2.0
2.0	2.0	2.0	2.0	-
1.0	1.0	1.0	1.0	2.0
208.0	208.0	208.0	208.0	208.0
39.5	39.5	39.05	39.05	39.05
47.5	47.5	47.5	47.5	47.5
4,000.0	4,000.0	5,000.0	5,000.0	5,000.0

