

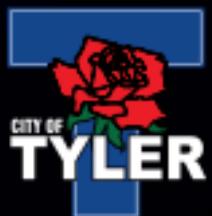
FUTURE



READY

Annual Comprehensive Financial Report for
Fiscal Year Ended September 30, 2024

City of Tyler, Texas



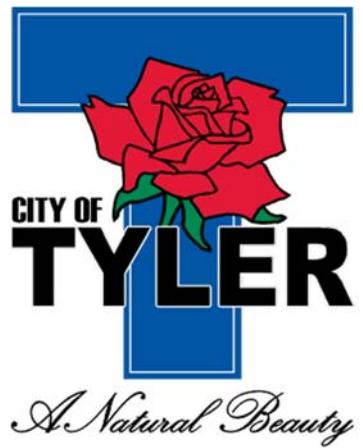
CITY OF TYLER, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2024

Prepared by:
Keidric Trimble, Chief Financial Officer
Finance Department
Tyler, Texas



CITY OF TYLER, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	<u>EXHIBIT/</u>	<u>SCHEDULE</u>	<u>PAGE(S)</u>
<u>INTRODUCTORY SECTION</u>			
Letter of Transmittal			i-vii
GFOA Certificate of Achievement for Excellence In Financial Reporting			viii
Organizational Chart			ix
List of Principal Officials			x
<u>FINANCIAL SECTION</u>			
Independent Auditors' Report			1-3
Management's Discussion and Analysis			4-12
Basic Financial Statements:			
Government-Wide Financial Statements:			
Statement of Net Position	1	16	
Statement of Activities	2	17	
Fund Financial Statements:			
Balance Sheet – Governmental Funds	3	18	
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	4	19	
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5	20	
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	21	
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	7	22-23	
Statement of Net Position – Proprietary Funds	8	24	
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	9	25	
Statement of Cash Flows – Proprietary Funds	10	26	
Statement of Net Position – Fiduciary Funds	11	27	
Statement of Changes in Net Position – Fiduciary Funds	12	28	
Notes to the Financial Statements			29-77
Required Supplementary Information:			
Schedule of Changes in Net Pension Liability and Related Ratios	A-1	79	
Schedule of Contributions	A-2	80	
Schedule of Changes in Net Pension Liability and Related Ratios – Firefighters' Relief and Retirement Fund	A-3	81	
Schedule of Contributions – Firefighters' Relief and Retirement Fund	A-4	82	

CITY OF TYLER, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	<u>EXHIBIT/</u>	<u>SCHEDULE</u>	<u>PAGE(S)</u>
Required Supplementary Information (continued):			
Schedule of Changes in Net OPEB Liability and Related Ratios – Health Plan	A-5	83	
Schedule of Contributions – Health Plan	A-6	84	
Schedule of Changes in Net OPEB Liability and Related Ratios – Supplemental Death Benefits Plan	A-7	85	
Additional Supplementary Information:			
General Governmental Funds:			
Combining Balance Sheet	B-1	87	
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	B-2	88	
Non-Major Governmental Funds:			
Combining Balance Sheet	C-1	92-93	
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	C-2	94-95	
Detailed Schedules of Revenue, Expenditures, and Changes in Fund Balances – Budget and Actual:			
Police Forfeiture Fund	C-3	96	
Park Improvement Fund	C-4	97	
Court Special Fee Fund	C-5	98	
Economic Development Fund	C-6	99	
Hotel-Motel Occupancy Tax Fund	C-7	100	
Donations Fund	C-8	101	
Passenger Facility Charge Fund	C-9	102	
PEG Fee Fund	C-10	103	
CEBG Fund	C-11	104	
Home Grant Fund	C-12	105	
Homeownership and Housing Fund	C-13	106	
Housing Assistance Fund	C-14	107	
State and Federal Grants Fund	C-15	108	
Transit System Fund	C-16	109	
TIF/TIRZ #3 Fund	C-17	110	
TIF/TIRZ #4 Fund	C-18	111	
General Capital Projects Fund	C-19	112	
Street Projects Fund	C-20	113	
One-Half Cent Sales Tax Fund	C-21	114	
Rose Complex Debt Service Fund	C-22	115	
Cemeteries Fund	C-23	116	
Internal Service Funds:			
Combining Statement of Net Position	D-1	118	
Combining Statement of Revenues, Expenses and Changes in Net Position	D-2	119	
Combining Statement of Cash Flows	D-3	120-121	
Detailed Schedules of Revenues and Expenses – Budget and Actual:			
Productivity Improvement Fund	D-4	122	
Fleet Maintenance and Replacement Fund	D-5	123	
Property and Liability Insurance Fund	D-6	124	
Employee Benefits Fund	D-7	125	
Retiree Benefits Fund	D-8	126	
Property and Facility Management Fund	D-9	127	
Technology Fund	D-10	128	

CITY OF TYLER, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

	<u>EXHIBIT/</u>	<u>SCHEDULE</u>	<u>PAGE(S)</u>
Fiduciary Funds:			
Employee Benefit Trust Funds:			
Combining Statement of Net Position	E-1	130	
Combining Statement of Changes in Net Position	E-2	131	
Private-Purpose Trust Funds:			
Combining Statement of Net Position	E-3	132	
Combining Statement of Changes in Net Position	E-4	133	
Detailed Budgetary Comparisons:			
Detailed Schedule of Revenues – Budget and Actual			
General Fund	F-1	135-137	
Detailed Schedule of Expenditures – Budget and Actual			
General Fund	F-2	138-142	
Detailed Schedule of Revenues – Budget and Actual			
Utilities Fund	F-3	143	
Detailed Schedule of Expenses – Budget and Actual			
Utilities Fund	F-4	144-145	
Detailed Schedule of Revenues and Expenses – Budget and Actual			
Sanitation Fund	F-5	146-147	
Detailed Schedule of Revenues and Expenses – Budget and Actual			
Airport Fund	F-6	148	
<u>STATISTICAL SECTION (UNAUDITED)</u>			
Net Position by Component	1	153	
Changes in Net Position	2	154-155	
Governmental Activities Tax Revenues by Source	3	156	
Fund Balances of Governmental Funds	4	157	
Changes in Fund Balances of Governmental Funds	5	158	
General Governmental Tax Revenues by Source	6	159	
Retail Sales and Sales Tax Revenue Allocation	7	160	
Assessed Value and Estimated Actual Value of Taxable Property	8	161	
Property Tax Rates – Direct and Overlapping Governments	9	162	
Principal Property Taxpayers	10	163	
Property Tax Levies and Collections	11	164	
Ratios of Outstanding Debt by Type	12	165	
Ratios of General Bonded Debt Outstanding	13	166	
Direct and Overlapping Governmental Activities Debt	14	167	
Legal Debt Margin Information	15	168	
Pledged-Revenue Coverage	16	169	
Demographic and Economic Statistics	17	170	
Principal Employers	18	171	
Full-time Equivalent City Government Employees by Function	19	172	
Operating Indicators by Function	20	173	
Capital Asset Statistics by Function	21	174	

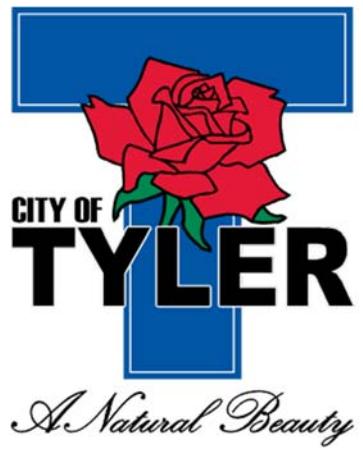
CITY OF TYLER, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

TABLE OF CONTENTS

GOVERNMENTAL COMPLIANCE SECTION

Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	176-177
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	178-179
Schedule of Expenditures of Federal Awards	G-1 180-181
Notes to Schedule of Expenditures of Federal Awards	182
Schedule of Findings and Questioned Costs	183-184
Summary Schedule of Prior Audit Findings	185

INTRODUCTORY SECTION





March 6, 2025

The Honorable Mayor, Members of the City Council, and Citizens
City of Tyler
Tyler, Texas

The City of Tyler, Texas' (City) Charter requires an audit of the City's financial activities to be conducted by an independent certified public accountant at the end of each fiscal year. Upon completion of the audit, the results shall be reported in writing to the Council as soon as reasonably possible. This report is published to fulfill that requirement for the fiscal year ending 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. In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements that are free of any material misstatements. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. To further ensure the validity of internal controls, we have implemented a fraud hotline.

Gollob Morgan Pddy & Co PC, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Tyler's financial statements for the year ended September 30, 2024. In addition to meeting City Charter requirements, the audit was designed to meet the requirements of the Federal Single Audit Act of 1996 requirements and related Uniform Guidance requirements. The independent auditor's 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. The MD&A complements this letter of transmittal and should be read in conjunction with this document.

City Profile

The City of Tyler, Texas, the county seat of Smith County, is considered the advanced manufacturing, health care, educational, and retail center of East Texas. Tyler is located on U.S. Highway 69 just south of Interstate 20, an equal distance (approximately 90 miles) between the cities of Dallas, Texas, and Shreveport, Louisiana. The City, encompassing approximately 53 square miles, had a 2020 census population of 105,995, which is a 9.38% increase from the 2010 census population of 96,900. Currently, the City's population is estimated to be 110,327. The City is commonly referred to as the City of Roses.

The City, incorporated in 1850, is a home rule city operating under the Council-Manager form of government. The City Charter was adopted on February 9, 1937. The home rule corporation status is granted under the Constitution and Laws of the State of Texas. The City Council is comprised of the Mayor and six Council members who function as the policy-making body of the City's government, determining the overall goals, objectives, and direction for City services, and adopting the annual operating budgets for all City departments. The City Council appoints the City Manager and is responsible for the daily management and implementation of the City's policy, including appointing the various executive team members and department leaders. The Mayor and Council members serve two-year terms, with general Council elections occurring yearly based on district. The mayor is elected at large; the remaining Council members are elected by district.

The City is a full-service municipality. Major services provided under general government and enterprise functions are police and fire protection, water and sewer services, sanitation services, parks and recreational facilities, library services, street improvements, capital projects administration, municipal court, animal services, code enforcement, development and planning services, and general administrative services. The City also has an airport and a convention center. Internal

services of the City, accounted for on a cost reimbursement basis, are the fleet services operations, technology services, property and facility management services, productivity pool, risk management services, and active and retired employee health and dental coverage. The City's Basic Financial Statements include all government activities, organizations, and functions for which the City is financially accountable, including blended component units defined by the Governmental Accounting Standards Board (GASB).

The City Charter provides that the City Council shall adopt by ordinance an annual budget prepared by the City Manager. This budget is presented to the City Council, and opportunities are provided for public comment during a series of public hearings before adoption. Budgetary control has been established at the individual fund level. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, the City Council must approve any revisions that alter the total revenues or expenditures of any fund. Although the budget is adopted at a fund level, continued line item review and forecasting are done monthly and quarterly throughout the fiscal year to ensure compliance with the budget and completion of projects.

Local Economy

The information presented in the budget document is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates. The chief industries in and around Tyler include health care and research; education; grocery distribution; retail and retail distribution; air conditioning unit manufacturing; cable, internet, and phone services; government services; engineering services; banking services; meat packing and processing; cast iron pipes and fitting manufacturing; oil and gas refining; ready mix concrete production; tourism; and growing and shipping rose bushes. This diversification is evident in the fact that no single taxpayer represents more than 1.90% of assessed valuation in the City.

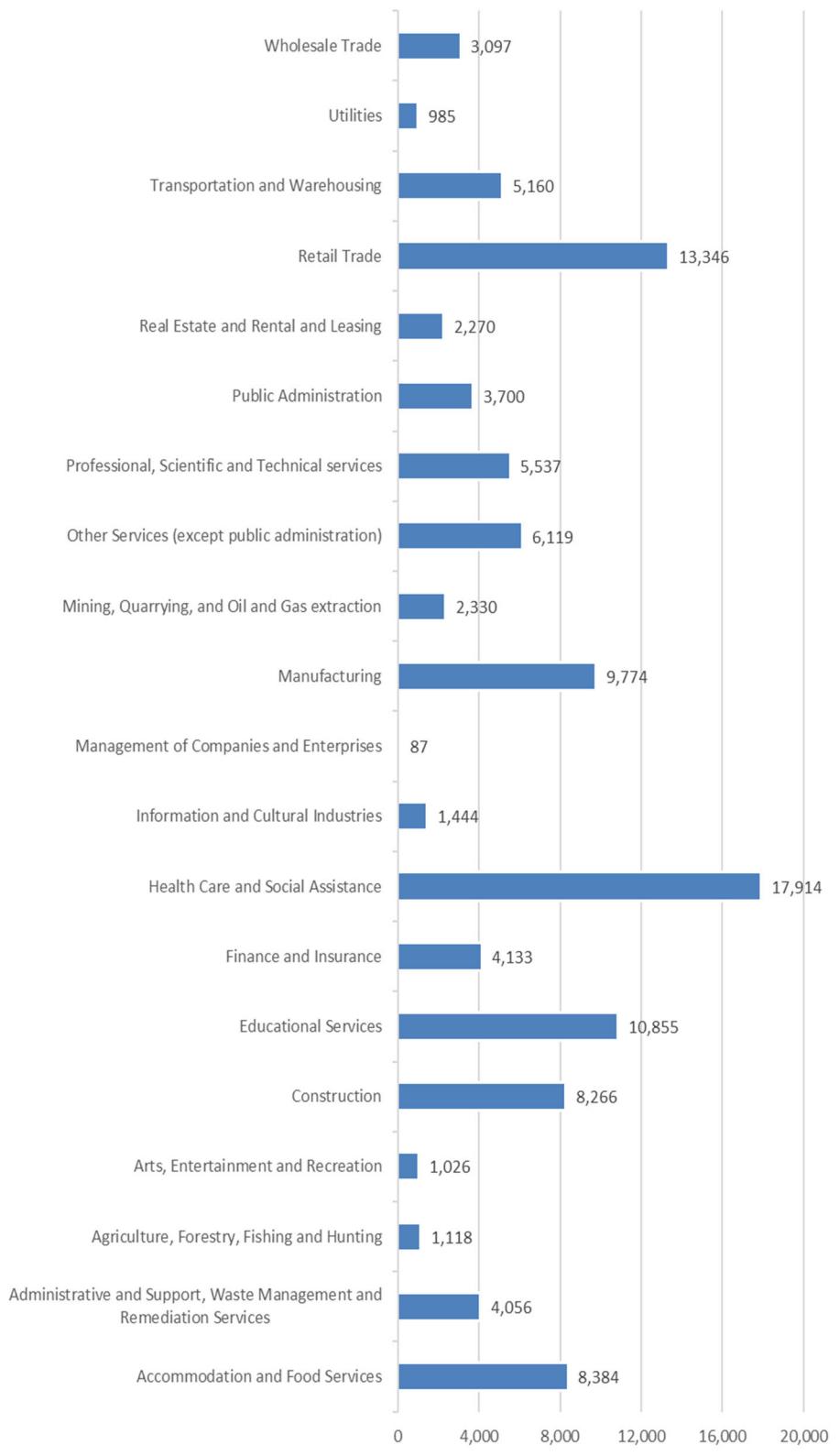
Four institutions of higher education are located in Tyler. They are The University of Texas at Tyler, The University of Texas Health Science Center, Texas College, and Tyler Junior College. Several public school districts provide primary and secondary education, three charter schools, and ten private/parochial schools in the Tyler area.

Tyler is also the medical center of East Texas with three hospitals and numerous other supporting clinics, practices and specialty hospitals. Additionally, Tyler has many tourist attractions. The Texas Rose Festival includes the crowning of the Rose Queen, attracting a large number of visitors each year. The Azalea Trails attract additional tourism in the spring. Each September Tyler hosts the East Texas State Fair for one week providing midway, craft and 4H activities. Tyler State Park is located just north of Tyler and provides nature trails and camping in a scenic setting. Lake Tyler and Lake Tyler East, located twelve miles southeast of the City, are popular recreational and fishing sites.

The City actively works with the Tyler Economic Development Corporation and local industries to encourage expansions and relocations to our community. Two TIF/TIRZ zones were created in 2008, one in downtown and another in north Tyler in coordination with revitalization efforts. In fiscal year 2016, the downtown TIF/TIRZ was dissolved due to the value falling below the initial baseline. This was due to governmental agencies purchasing of properties and housing units receiving favorable tax exemptions. In October 2016, the city began the process of creating the new downtown TIRZ. In February 2018, the interlocal agreements were approved by City Council creating zone 4. Land is available for development; the area has an abundant water supply and typically mild weather. The Tyler area cost of living index has consistently been 90-96% of the national average for the past five years. Economic incentives as well as historic preservation incentives are available to facilitate business expansions or relocations.

Because of its location in a region with a varied economic base, unemployment is relatively stable, and in the last five years, trending with the State of Texas has remained consistently below the national average. During the past ten years, the unemployment rate has ranged from a low of 3.2 percent (2019) to a previous decade high of 6.9 percent (2013), only to end at the current rate of 3.9 percent. This figure indicates an increase of 0.3 % over the prior year while remaining in line with the State and National trends. The total workforce for the Tyler MSA region has increased to 109,601 based on the most recent estimates from 2022.

Employment by Industry in the Tyler, MSA

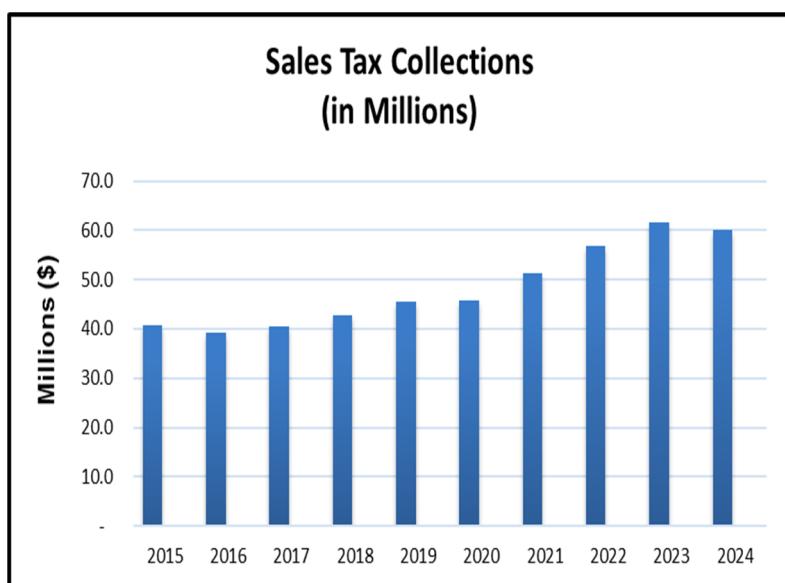


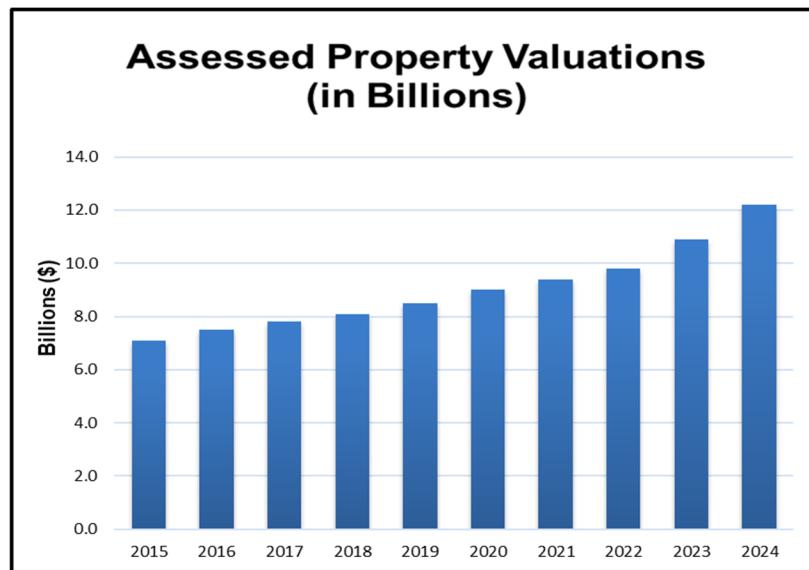
Population growth in the last five years has outpaced previous periods. The population grew 10 percent from 1990 to the year 2000. From 2000 to 2010, the population grew 16 percent. From 2010 to 2020, the population grew by 6 percent. From 2020 to the current year, the growth has been 5 percent. Market and economic analysts estimate that as many as 270,000 people come to Tyler daily to work, attend school, seek medical services, or shop. Loop 49 Toll Project is complete from State Highway 110 to I-20 to the west of Tyler. Loop 49 Toll will create a horseshoe loop around Tyler, connecting the City's southern regions to I-20. The loop allows for increased traffic from I-20 into the City of Tyler for shopping and economic development purposes.

Along with the Loop 49 project, the Northeast Texas Regional Mobility Authority was authorized in 2004 to construct, operate, and maintain turnpike projects in the state, including the Tyler area. Including various other interstate access means, the Tyler Pounds Regional Airport allows for secure and efficient air travel in and out of the region. Total flight enplanements have declined due to COVID-19 from 85,069 in 2014 to a current level of 55,653 in 2024. Tyler is the first Certified Retirement City in Texas. Tyler meets high standards for retiree living such as low cost of living, low crime rate, quality health care, abundant recreation and educational opportunities. Tyler is 16th in the nation for cost of living in Retirement Places Rated: Special Millennium Edition.

The economic outlook for Tyler is encouraging despite a decrease in sales tax collections by 2.44%. According to economist Dr. Ray Perryman, Tyler should see job growth over the next five years. Growth in Tyler is expected to occur faster than the nationwide rate. Assessed values have increased by 11.22% in 2023. The potential for sustained development is present, and many governmental and business leaders are working to ensure the City is poised for economic growth.

Economic Signs:





Long-term Financial Planning

Within the policy guidelines set by the Council for budgetary and planning purposes, the City of Tyler maintains an unassigned fund balance greater than 15 percent of total General Fund expenditures less transfers. In addition to the Capital Projects Fund, the City takes advantage of half-cent sales tax (4B) dollars to pay for capital projects related to street improvements, drainage projects, park improvements, and other projects as approved by the corporation board and the City Council. By paying cash for infrastructure projects, the City has attained its goal of eliminating general obligation debt as of February 2008.

The City has continued to maintain the lowest property tax rate for mid to large-sized cities in Texas in an effort to balance citizens' desire for lower property tax rates and the City's need to match operating costs associated with future planning initiatives. Sales tax has played a significant role in allowing the City to obtain this objective with a ten-year average increase of 4.31 percent. However, such a significant dependence has caused budgeting constraints, and all other sources of revenue will need to be reviewed to stabilize the city's revenue stream in the future. By maintaining adequate reserves and monitoring future economic conditions, the city plans to continue to provide for future citizens' needs in a streamlined and cost-effective manner.

Relevant Financial Policies

Multiyear forecasting is used in the revenue and expenditure budgeting process to realize all potential budgetary gains during restricted budgetary cycles. An OPEB trust was created in fiscal year 2009 to separate and invest the dollars related to retiree benefits to realize a greater rate of return while maintaining fiduciary responsibility and security of principal.

Major Initiatives

Tyler's rapid growth and potential for change make this the critical moment for a new comprehensive plan to guide and shape future development. The comprehensive plan, entitled Tyler 1st, was adopted in late 2007 and sets out a strategic framework for making decisions about Tyler's long-term physical development. It defines a vision for the future linked to overall goals and policies, and it contains strategies and action items for achieving those goals. During the planning process, residents and others with a stake in Tyler's future had the opportunity to articulate and review community values and goals through public discussion, create a vision for the kind of place they want Tyler to be for their children and grandchildren, and identify the key areas where the city must act -- both to preserve enduring character and to shape change so that their vision for Tyler's future can be achieved.

Tyler 1st provides policy and strategic guidance on the physical development and redevelopment of the City; guides the City to actively seek positive change and deflect negative change rather than react to change; provides predictability for developers, businesses, and residents; helps the City save money because it plans for orderly investment in services, facilities, and infrastructure; and helps Tyler preserve the sense of place and identity that make it unique.

Upgraded Bond Rating

The City of Tyler received an upgrade to AAA from Standard and Poor for general obligation indebtedness in 2009. This rating increase was partly due to the current pay as you go environment and elimination of general obligation bond debt. Additional planning initiatives that the City began during 2009 include a Lean Sigma program for standardizing and reducing costs and continued multiyear planning, including replacement funding for fleet acquisitions, HVAC replacement and roof replacements. This rating was reaffirmed in 2014.

Reimagining Downtown Tyler

We are building Tyler's future cityscape today, beginning in the heart of our community. Through a county-city partnership, Downtown Tyler will transform into a more vibrant, pedestrian-friendly and livable community space within the next three years.

Our revitalization project will provide a more connected and cohesive Downtown, focusing on enhancing our quality of life by creating green spaces and streetscapes. The revitalized square will be a beautiful central park, serving as a gathering spot for community members and visitors. The park will have multiple amenities, including seating areas, water features, bathrooms and a small food truck park. The square's east side will be an open space for large community events and festivals.

Smith County has jump-started the transformation by building a second parking structure with 500 spaces to accommodate visitors and beginning the construction of the new County Courthouse, which will be an architectural masterpiece in the center of Downtown.

We are also prioritizing improving mobility for all forms of transportation. Streets will be reconfigured to allow for two-way traffic, and roundabouts will be installed to slow down, but not stop, traffic flow. We will also widen sidewalks and install new street furniture, lighting, and landscaping. All these changes will make the area more pedestrian-friendly and a place you go to, not through.

The project will promote economic development and attract new businesses to the area. It will encourage the creation of new mixed-use developments and renovating existing buildings to create new retail, office, and residential spaces. These initiatives will help generate new jobs and opportunities for residents while making Downtown Tyler a more attractive destination.

Investing in Downtown Tyler is an investment in the future of our City. By creating a more livable, walkable, and connected Downtown, we are positioning ourselves for long-term economic growth and success. We look forward to sharing a thriving and vibrant Downtown!

Our Downtown revitalization project would not be possible without the partnership and monetary contributions from Smith County and Tyler Junior College. The additional funding approved by both entities through the Tax Increment Reinvestment Zone will support public safety and maintenance of our beautiful new Downtown.

Mayor's Initiative – Tyler Rose Complex

Centrally located in Northeast Texas, Tyler is a hub for the region and is easily accessible to several major cities like Dallas and Shreveport, which makes it the perfect location to host groups for conferences and tours. The Tyler Rose Complex includes the newly built conference center, the recently renovated Mayfair building, the historic Rose Garden, the Tyler Civic Theater, the Tyler ISD regional sports stadium and the surrounding areas. Altogether, it boasts over 60,000 square feet of meeting space. The new Complex positions Tyler as a destination experience. The City's goal is to cultivate a distinct, all-inclusive atmosphere, nestled among the natural beauty of Tyler, with the best lodging, dining, shopping, and entertainment scene in East Texas.

The conference center, built as the centerpiece of the Rose Complex, is sure to offer attendees a conference experience like no other. A three-acre park stands before the mid-century-modern-inspired building to create an impressive and inviting entrance. The Center's unique design brings the outdoor beauty of the Tyler Rose Garden indoors, even inspiring the names of each room. From small break-out rooms to one big space seating almost 1,800 people or 1,300 banquet style, the space can transform to fit all conference needs. Attractive and efficient meeting spaces will aid Tyler in recruiting larger conventions to the region.

Another prime spot of the Rose Complex is The Mayfair. From its inception in 1927, the Mayfair was a cornerstone of entertainment, hosting everything from concerts and festivals to the occasional wrestling match. Following the renovations, it now serves as a dynamic extension of the Rose Complex, integrating with the neighboring W.T. Brookshire Conference Center and Tyler Rose Garden. This multipurpose venue can host intimate gatherings or grand spectacles, with seating for up to 300 in a dinner-style arrangement or 500 in an auditorium format.

The former dance hall was renovated to preserve its historical elements, including the original floors, windows, stage and green room. The dressing room has been transformed into a small museum, displaying items found during the construction, like a vintage amplifier and record player, an unopened bottle of whiskey from the prohibition era and the mirror Elvis once sat in front of for a photo.

But the revitalization doesn't end there. New structural enhancements ensure the building's longevity, while expanded storage and ADA-compliant facilities cater to the needs of all, plus roll-up doors leading to a future spacious deck and food truck park.

The Mayfair's unique stories and community relevance have earned it a spot in the esteemed National Register of Historic Places alongside the Tyler Rose Garden. As it stands on the cusp of a new chapter, The Mayfair epitomizes Tyler's commitment to honoring its heritage while embracing a future brimming with promise and possibility.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its comprehensive annual financial report for the fiscal year ending September 30, 2023. This is the thirty-eighth consecutive year the government has received this prestigious award. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

In addition, the City has received the Government Treasurer's Organization of Texas (GTOT) Investment Policy Certificate of Distinction for the City's annually adopted investment policy for the ninth consecutive period. The award is valid for a two-year period. To qualify for the award, the City must demonstrate compliance with the State investment act and fiscal responsibility of their investments.

For eighteen years in a row, the City of Tyler has been presented with the Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada. This award assures that state and local governments prepare budget documents of the highest quality that reflect the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

The timely preparation of this report could not have been accomplished without the efficient and dedicated services of all City Department staff. Appreciation is expressed to all City staff members who assisted and contributed to its preparation. Sincere thanks are extended to the Mayor and City Council members for their interest and support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,


Edward Broussard
City Manager


Keidric Trimble
Finance Director



Government Finance Officers Association

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

Presented to

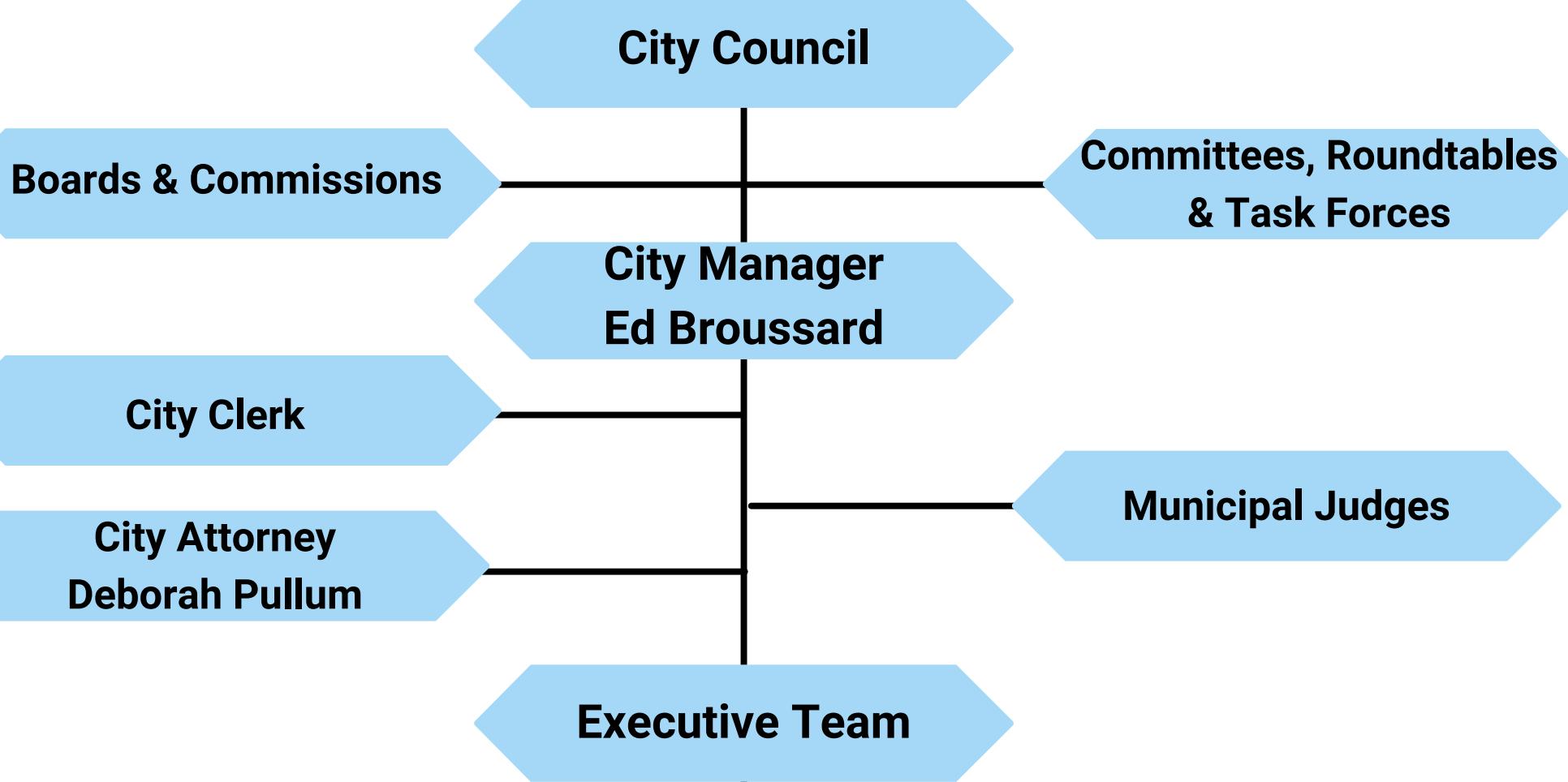
**City of Tyler
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Monell

Executive Director/CEO



David Coble
[Fire Chief](#)

Heather Nick
[Assistant City Manager](#)

Stephanie Franklin
[Deputy City Manager](#)

Keidric Trimble
[Assistant City Manager](#)

Jimmy Toler
[Police Chief](#)

Strategic Planning Priorities:
Public Safety & Emergency Management

Areas of Responsibility:

- Fire
- Emergency Management
- Airport
- EMS Liaison

Strategic Planning Priorities:
Development & Growth

Areas of Responsibility:

- Planning
- Permit Center
- MPO
- GIS
- Historic Preservation
- Comprehensive Plan
- Streets, Traffic, and Stormwater

Strategic Planning Priorities:
Quality of Life & Places

Areas of Responsibility:

- Library
- Main Street
- Liberty Hall
- Building Inspections
- Facility Services
- Engineering
- Visit Tyler Liaison

Strategic Planning Priorities:
Fiscal, Tech & Human Resources

Areas of Responsibility:

- Finance
- Budget
- Purchasing
- Municipal Court
- Internal Audit Services
- Utility Billing

Strategic Planning Priorities:
Public Safety & Emergency Management

Areas of Responsibility:

- Police
- Centralized Dispatch
- Code Enforcement
- Animal Services
- 911 Liaison

Leroy Sparrow
[Director of Solid Waste, Transit & VES](#)

Leanne Robinette
[Director of Parks & Recreation](#)

Regina Moss
[Director of Organizational Development](#)

Julie Goodgame
[Director of Marketing, Communications & Legislative Affairs](#)

Kate Dietz
[Director of Utilities](#)

Benny Yazdanpanahi
[Chief Information Officer](#)

- Solid Waste
- Transit
- Vehicle and Equipment Services

- Parks and Recreation
- Tourism Facilities
- Cemeteries
- Keep Tyler Beautiful

- Human Resources
- Civil Service
- Risk Management
- Volunteer Tyler
- City University

- Marketing
- Internal/External Communications
- Legislative Affairs
- Film Friendly Program
- PEG Channel

- Water Production
- Wastewater Treatment
- Water Service Center
- Utilities Engineering

- Information Technology

**CITY OF TYLER, TEXAS
LIST OF PRINCIPAL OFFICIALS
SEPTEMBER 30, 2024**

MAYOR – DON WARREN

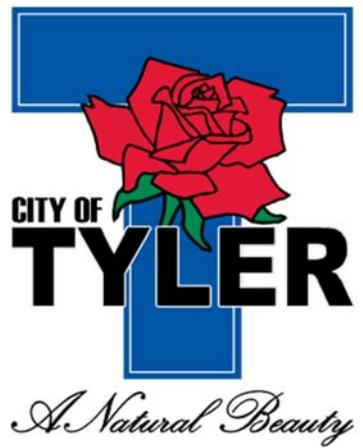
Members of City Council:

Stuart Hene, District 1
Petra Hawkins, District 2
Shirley McKellar, District 3
James Wynne, District 4
Lloyd Nichols, District 5
Brad Curtis, District 6

City Manager – Edward Broussard

Chief Financial Officer – Keidric Trimble

City Attorney – Deborah Pullum



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Tyler, Texas

Report on the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the budgetary information for the General Fund, and the aggregate remaining fund information of City of Tyler, Texas, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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 Tyler, Texas' ability to continue as a going concern for twelve months beyond the financial statement date, 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Tyler, Texas's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Tyler, Texas'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 on pages 4-13 and the schedules related to pension and OPEB activity on pages 79-85, and the budgetary comparison schedule for the One-Half Cent Sales Tax Fund at page 86 will 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 and other auditors 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 City of Tyler, Texas's basic financial statements. The introductory section, additional supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U. S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State of Texas *Uniform Grant Management Standards* are also not a required part of the basic financial statements.

The additional supplementary information and the schedules of expenditures of federal and state awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 6, 2025, on our consideration of City of Tyler, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Tyler, Texas's internal control over financial reporting and compliance.

Gollob Morgan Pddy PC

Certified Public Accountants

Tyler, Texas
March 6, 2025

CITY OF TYLER, TEXAS

Management's Discussion and Analysis
For Year Ended September 30, 2024
(Unaudited)

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

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Tyler exceeded its liabilities and deferred inflows of resources on September 30, 2024, by \$638,272,620 (net position).
- The City's total net position increased by \$36,271,906 for the current year.
- As of the close of the current fiscal year, the City of Tyler's governmental funds reported combined ending fund balances of \$76,421,272. \$12,830,567 is unassigned and available for use within the City's fund designation and fiscal policies.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$12,830,567. The general fund operating reserve targeted amount was \$14,558,837 (15% of general fund expenditures).
- The City's revenue bond payable had a net increase of \$54,225,000. The City has no general obligation bond payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The Statement of Net Position presents information on all the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information indicating how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City's governmental activities include general government, public safety, highways and streets, public services, and culture and

recreation. The business-type activities of the City include utilities, airport, and sanitation operations. The government-wide financial statements are on pages 16-17 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is helpful 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. The Governmental Funds Balance Sheet and the Governmental Fund Statements of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 25 governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General and the Capital Projects Half Cent Sales Tax Fund, both considered major funds. Data from the other 23 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements are on pages 18-23.

Proprietary Funds - The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utilities, airport, and sanitation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its fleet services, risk management, technology, property and facility management, productivity pay, active employee benefit program, and retiree benefit program. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utilities, airport, and sanitation funds as they are considered to be major funds of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided by combining statements elsewhere in this report. The basic proprietary fund financial statements are on pages 24-26 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Tyler's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary funds financial statements are on pages 27-28 of this report. Individual fund data for the fiduciary funds is provided by combining statements elsewhere in this report. An additional fiduciary fund was created in 2009 for the Other Post Employment Benefit Trust. Information about Other Post-Employment Benefits and the related trust can be found in note 5 on pages 68-69. The Fireman's Relief and Retirement Fund as of 2012 is reported in the City's financial statements as a blended component unit. This information is included in the basic fiduciary fund statement on pages 27-28. A separate independent audit of the Fund's financial condition is completed each fiscal year, and details can be found in note 5 on pages 63-64.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-77.

Other Information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 79-85 of this report.

The combined statements referred to earlier in connection with general governmental funds, non-major governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 87-148 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve as a useful indicator of governments' financial position over time. In the case of the City of Tyler, assets exceeded liabilities by \$638,272,620 as of September 30, 2024.

The largest portion of the City's net position, 85%, or \$542,251,856, reflects its investments in capital assets (e.g., land, building, equipment, improvements, construction-in-progress, and infrastructure), less any outstanding debt used to acquire the assets. The City uses these capital assets to provide service 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 the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF TYLER'S NET POSITION – Fiscal Year 2024

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$137,834,520	\$144,184,166	\$84,943,120	\$47,840,713	\$222,777,640	\$192,024,879
Capital assets	333,335,573	313,985,957	411,924,076	378,769,801	745,259,649	692,755,758
Total Assets	471,170,093	458,170,123	496,867,196	426,610,514	968,037,289	884,780,637
Deferred Outflow of Resources	45,500,512	57,775,494	10,644,706	13,651,327	56,145,218	71,426,821
Non-current liabilities	110,223,968	128,450,791	209,547,367	158,591,217	319,771,335	287,042,008
Other liabilities	23,550,130	31,005,158	12,662,217	10,293,661	36,212,347	41,298,819
Total Liabilities	133,774,098	159,455,949	222,209,584	168,884,878	355,983,682	328,340,827
Deferred Inflows of Resources	23,163,880	20,115,566	6,762,325	5,750,351	29,926,205	25,865,917
Net Position:						
Net Investment in Capital Assets	321,905,410	302,282,138	220,346,446	243,814,226	542,251,856	546,096,364
Restricted	57,837,543	58,646,738	56,739,327	16,720,857	114,576,870	75,367,595
Unrestricted	(20,010,326)	(24,554,774)	1,454,220	5,091,529	(18,556,106)	(19,463,245)
Total Net Position	\$359,732,627	\$336,374,102	\$278,539,993	\$265,626,612	\$638,272,620	\$602,000,714

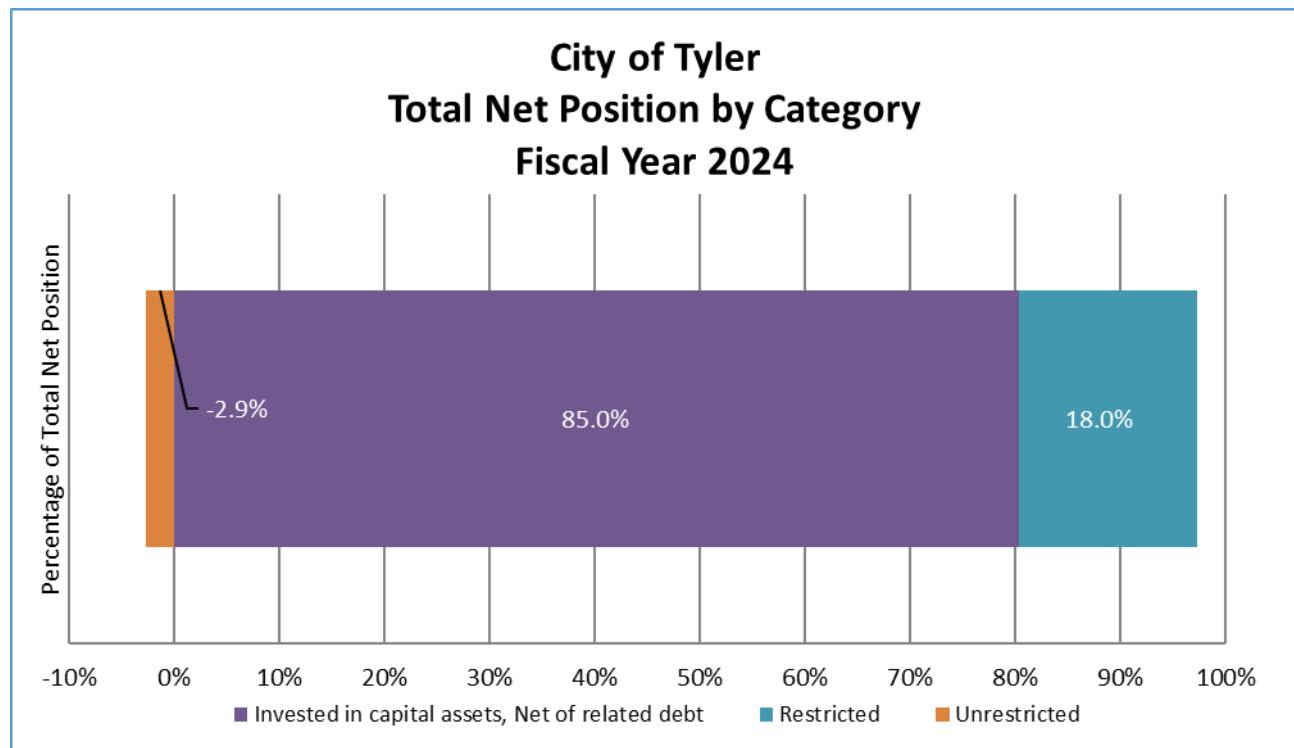
An additional portion of the City's net position, 18% or \$114,576,870, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is (2.9%) at \$(18,556,106).

The negative remaining balance in unrestricted net position is related to the implementation of GASB 68, 71, and 75 in prior years, requiring the recording of all pension and Other Post-Employment Benefits (OPEB) related assets and

liabilities in the financial statements. Currently, Pension and OPEB liabilities exceed pension assets. The City of Tyler has two pension plans: the Texas Municipal Retirement System (TMRS) and the Tyler Firemen's Relief and Retirement Fund (TFDRRF). Texas Municipal Retirement plan has a thirty-year closed amortization period. The TMRS pension plan is estimated to be 100% funded in 2036. 100% funding will mean that pension and OPEB assets will be equal to liabilities. Once that has been achieved, it is expected that the City's contribution rate (TMRS) and actuarial determined contribution (ADC) will be reduced. Tyler Firemen's Relief and Retirement Fund is an open amortization plan that aims to amortize its unfunded actuarial accrued liability over fifteen to twenty-five years.

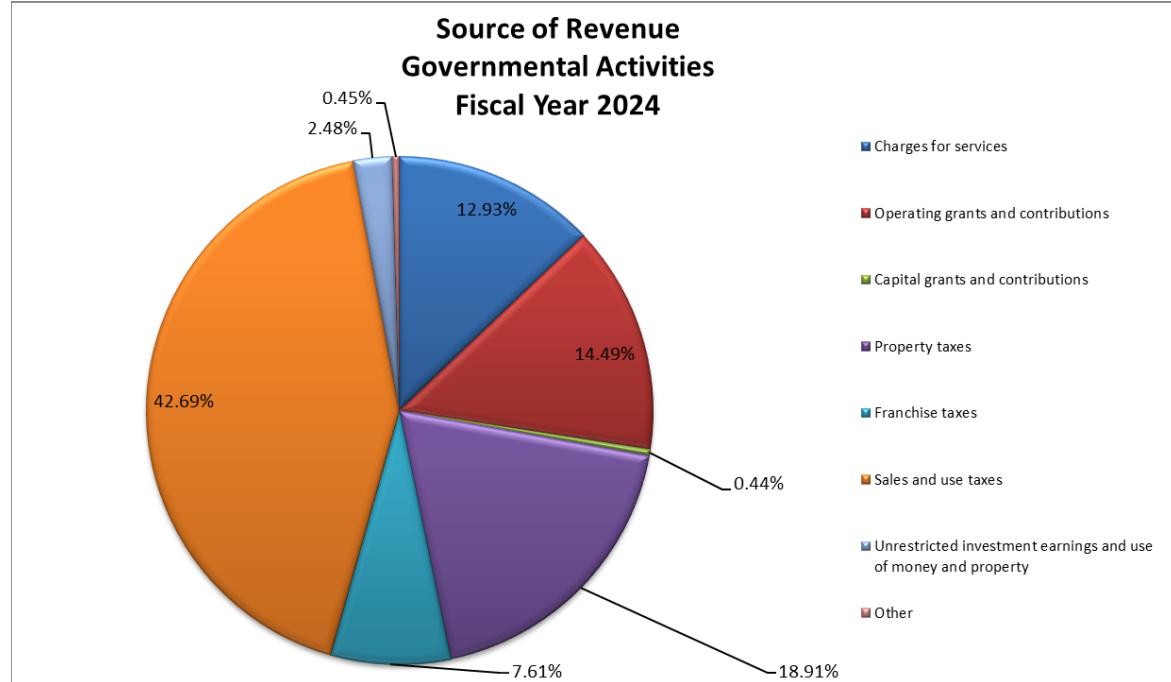
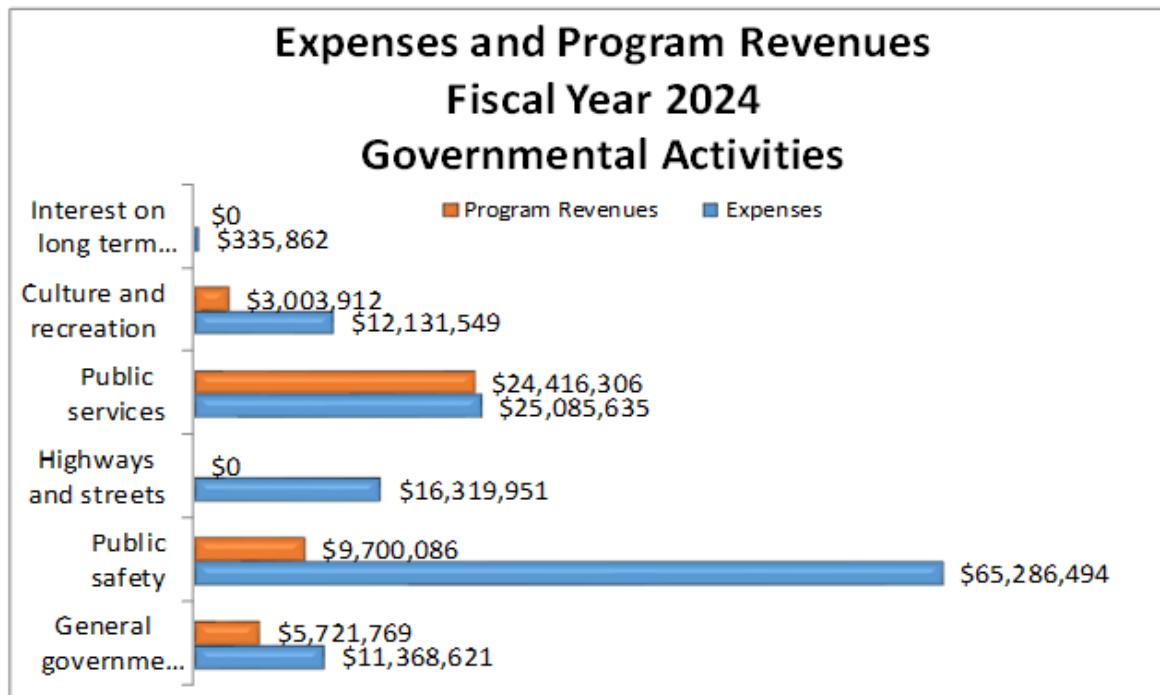
This negative impact on the City's net position is not unique to the City of Tyler. Many organizations across the country are experiencing similar scenarios when implementing this accounting standard. This standard has been discussed for some time, and organizations have prepared for its implementation. Pension plans like TMRS have worked with us and made changes to ensure we are properly setting aside the appropriate dollars for future benefits. The City has implemented a reduction in retiree Medicare RX and Medicare supplemental insurance contributions and increased its ADC to begin work toward reducing its OPEB liability.

As of September 30, 2024, the City is able to report positive balances in two of the three categories of net position. The prior fiscal year also had positive balances in two of the three categories. The following chart illustrates the percentage of total net position that each category encompasses for the current fiscal year.

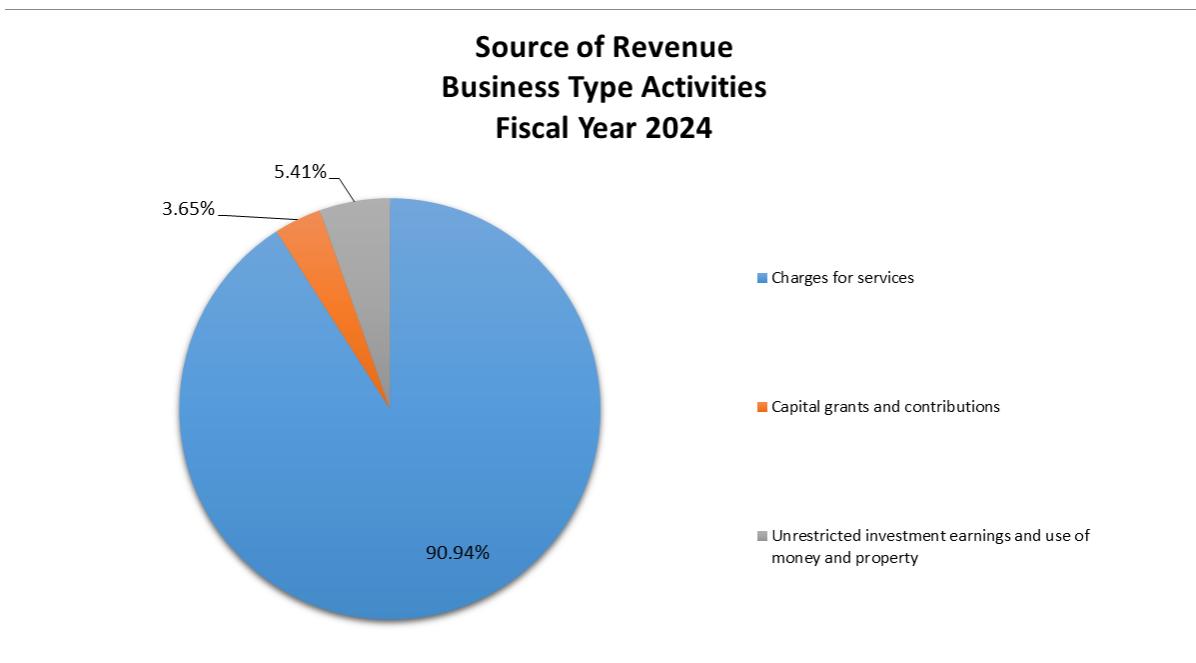
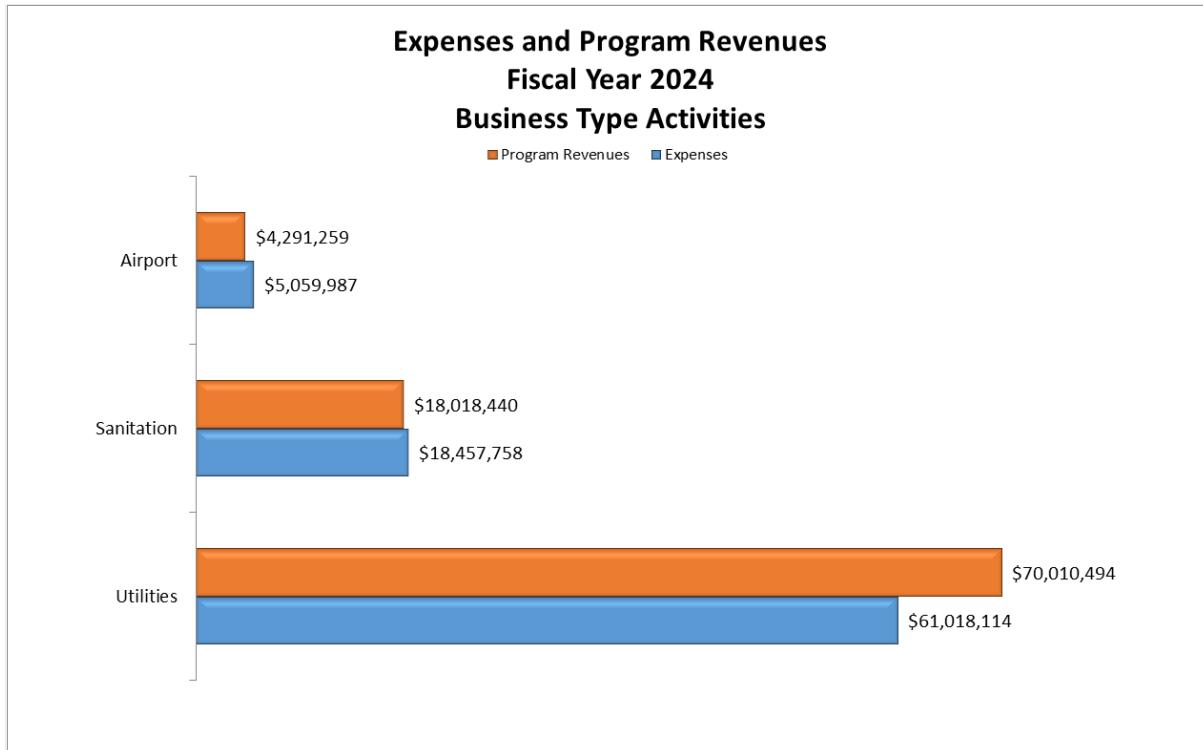


Analysis of the City's Operations – Overall, the City's total net position increased by \$36,271,906 for the current year.

Governmental Activities: Governmental activities increased total net position by \$23,358,525. Net position invested in capital assets; net of related debt increased by \$19,623,272 addition of assets. Restricted net position decreased by \$809,195.



Business-type Activities: Net Position from business-type activities increased by \$12,913,381. This increase was primarily due to increased capital assets related to the Water Utilities Fund.



The following table provides a summary of the City's operations for the year ended September 30, 2024, with comparative totals for the year ended September 30, 2023.

CITY OF TYLER'S CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for services	\$19,882,486	\$16,567,263	\$88,754,434	\$79,089,178	\$108,636,920	\$95,656,441
Operating grants and contributions	22,286,818	17,161,327	-	-	22,286,818	17,161,327
Capital grants and contributions	672,769	582,190	3,565,759	5,132,433	4,238,528	5,714,623
General revenues:						
Property taxes	29,073,015	27,403,562	-	-	29,073,015	27,403,562
Franchise taxes	11,705,110	11,462,535	-	-	11,705,110	11,462,535
Sales and use taxes	65,639,395	66,519,588	-	-	65,639,395	66,519,588
Investment earnings and use of money and property	3,807,411	3,372,781	5,277,541	2,392,860	9,084,952	5,765,641
Gain on sale of assets	692,360	189,360	(21,221)	-	671,139	189,360
Donations	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	153,759,364	143,258,606	97,576,513	86,614,471	251,335,877	229,873,077
Expenses:						
General government						
General government	11,368,621	13,865,317	-	-	11,368,621	13,865,317
Public safety	65,286,494	59,232,613	-	-	65,286,494	59,232,613
Streets	16,319,951	15,093,538	-	-	16,319,951	15,093,538
Public services	25,085,635	20,597,159	-	-	25,085,635	20,597,159
Culture and recreation	12,131,549	11,081,250	-	-	12,131,549	11,081,250
Interest on long-term debt	335,862	275,485	-	-	335,862	275,485
Water and sewer	-	-	61,018,114	54,848,189	61,018,114	54,848,189
Sanitation	-	-	18,457,758	17,899,836	18,457,758	17,899,836
Airport	-	-	5,059,987	4,980,865	5,059,987	4,980,865
Total Expenses	130,528,112	120,145,362	84,535,859	77,728,890	215,063,971	197,874,252
Increases (decreases) in net position before transfers						
Increases (decreases) in net position before transfers	23,231,252	23,113,244	13,040,654	8,885,581	36,271,906	31,998,825
Transfers	127,273	(5,082)	(127,273)	5,082	-	-
Change in net position	23,358,525	23,108,162	12,913,381	8,890,663	36,271,906	31,998,825
Net position – October 1	336,374,102	313,265,940	265,626,612	256,735,949	602,000,714	570,001,889
Prior Period Adjustment	-	-	-	-	-	-
Net position – September 30	\$ 359,732,627	\$ 336,374,102	\$ 278,539,993	\$ 265,626,612	\$ 638,272,620	\$ 602,000,714

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

At the end of the current fiscal year, the City of Tyler's governmental funds reported combined ending fund balances of \$76,421,272. Approximately 17% of this total amount, \$12,830,567, constitutes an unassigned fund balance. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been restricted or assigned for the following: 1) to pay for capital projects, \$36,804,734; 2) to pay for the perpetual care of city cemeteries, \$3,323,804; 3) to purchase items restricted under grant and donation terms,

\$16,268,701; 4) to purchase items restricted under tourism and conventions, \$1,612,821 and 5) to pay for other miscellaneous restrictions, \$5,580,645. The City of Tyler also self-imposes an operating designation in the general fund equivalent to approximately 15 percent of total expenditures, \$14,558,837.

In the general fund, the City's original budget planned to decrease the fund balance on a budget basis by \$243,162. Additional amendments were made to fund various expenses required for operations for a net budgeted decrease in the fund balance of \$4,784,664. Due to revenue and expenditure budget variances, the actual net decrease in fund balance for fiscal year 2024 was \$5,253,047. Capital Projects Half Cent Sales Tax Fund balance increased in 2024 by \$1,399,391. Other non-major governmental fund balances increased in 2024 by \$2,246,169, from \$14,631,833 to \$16,878,002.

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

Unrestricted net position of the respective proprietary funds are Utilities - \$3,480,322, Sanitation – \$(2,335,436) and Airport – \$848,183. The following funds had a net position increase/(decrease) in 2024 as follows: Utilities \$12,073,354, Sanitation \$(535,378), and Airport- \$306,903.

General Fund Budgetary Highlights - The City revised the original budget appropriations approved by the City Council. Overall, these changes resulted in increased budgeted appropriations of \$4,541,502.

Actual revenues were below the final budgeted amounts by a total of \$204,447, while actual expenditures, including transfers, were above the final budgeted amounts by a total of \$263,936.

CAPITAL ASSETS

The City of Tyler's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to \$745,259,649 (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings, equipment, improvements, infrastructure, construction in progress, right-to-use assets, and subscription assets. The total net increase in capital assets for the current fiscal year was \$52,503,891.

Major capital asset events during the current fiscal year included the following:

- \$ 40,946,699 Water and Sewer capital projects
- \$ 13,532,352 Roadway improvement projects
- \$ 9,463,041 Airport capital projects
- \$ 3,593,820 Rose Complex Convention Center
- \$ 2,322,319 Drainage Capital Projects

	Capital Assets at Year End					
	Net of Accumulated Depreciation					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$17,309,365	\$17,309,365	\$12,073,047	\$12,073,047	\$29,382,412	\$29,382,412
Water rights	-	-	12,526,700	12,526,700	12,526,700	12,526,700
Building	38,862,696	40,642,396	22,593,994	23,720,063	61,456,690	64,362,459
Improvements	35,622,148	36,124,133	296,317,366	292,511,953	331,939,514	328,636,086
Machinery & equipment	29,098,003	25,521,953	6,922,094	6,851,004	36,020,097	32,372,957
Infrastructure	135,563,036	137,509,165	15,041,504	15,496,769	150,604,540	153,005,934
Right-to-use lease assets	1,308,100	671,802	-	-	1,308,100	671,802
Subscription Assets	391,252	907,456	-	-	391,252	907,456
Construction in progress	75,180,973	55,299,687	46,449,371	15,590,265	121,630,344	70,889,952
Total	\$333,335,573	\$313,985,957	\$411,924,076	\$378,769,801	\$745,259,649	\$692,755,758

Additional information on the City of Tyler's capital assets can be found in note 4 on page 46-49 of this report.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City of Tyler had a total bonded debt of \$190,760,000, comprised of bonds secured by water and sewer revenues of \$181,780,000, airport customer facility revenues of \$380,000, and hotel bond revenues of \$8,600,000.

	Outstanding Debt at Year End					
	Bonds and Notes Payable					
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Capital leases	\$1,403,082	\$718,459	-	-	\$1,403,082	\$718,459
Subscription Leases	126,641	724,258	-	-	126,641	724,258
Revenue bonds payable	-	-	190,760,000	136,535,000	190,760,000	136,535,000
Total	1,529,723	1,442,717	\$190,760,000	\$136,535,000	\$192,289,723	\$137,977,717

During the fiscal year, the City's revenue bond debt increased by \$54,225,000 or 39.7 %.

The City's General Obligation and Revenue Bond ratings are listed below.

Standard & Poor's

General Obligation Bonds	AAA
Revenue Bonds	AA
Revenue Bonds (Rose Complex)	A+

Please see note 4 on page 55 to explain reserve requirements for the City of Tyler. State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City of Tyler is \$1,219,164,370. The City of Tyler has no outstanding general obligation bond debt.

Additional information on the City of Tyler's long-term debt can be found in note 4 on pages 54-56 of this report.

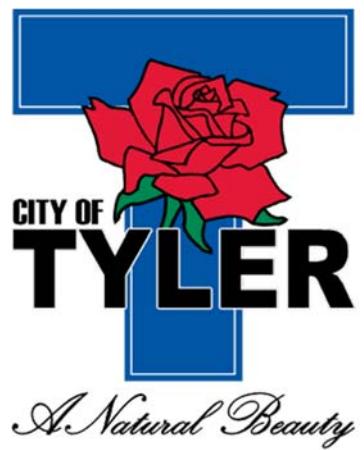
ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

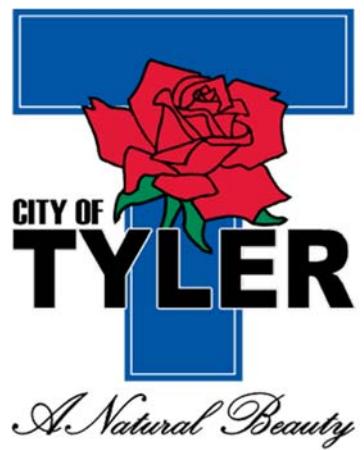
- The unemployment rate for the City of Tyler is currently 3.9%, an increase from 3.3% a year ago. This compares to the state's average unemployment rate of 4% and the national average of 4.2%.
- Sales tax receipt growth over a ten-year average decreased slightly to 4.31%. Property values have grown at an average of 5.75% over the last ten years. Growth in values includes new and existing values.

All of these factors were considered in preparing the budget for the fiscal year 2024-2025, and the City of Tyler anticipates that the total net position will remain at similar levels by September 30, 2025.

REQUEST FOR INFORMATION

The financial report is designed to give our citizens, customers, investors, and creditors a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attn: Chief Financial Officer at P.O. Box 2039, Tyler, Texas 75710, call (903) 531-1138, or email cfo@tylertexas.com.





BASIC FINANCIAL STATEMENTS

CITY OF TYLER, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and cash equivalents	\$ 51,014,257	\$ 15,308,458	\$ 66,322,715
Receivables (net of allowance for doubtful accounts)	32,487,929	11,739,064	44,226,993
Internal balances	1,596,632	(1,596,632)	-
Inventories	350,132	2,233,914	2,584,046
Prepaid items	409,764	51,381	461,145
Restricted Assets:			
Temporarily restricted			
Cash and cash equivalents	44,358,307	57,124,426	101,482,733
Permanently restricted			
Cash and cash equivalents	3,345,925	-	3,345,925
Lease receivable	119,312	82,509	201,821
Investment in joint venture	4,152,262	-	4,152,262
Capital assets not being depreciated:			
Land	17,309,365	12,073,047	29,382,412
Water rights	-	12,526,700	12,526,700
Construction in progress	75,180,973	46,449,371	121,630,344
Capital Assets net of accumulated depreciation:			
Buildings	38,862,696	22,593,994	61,456,690
Improvements, other than buildings	35,622,148	296,317,366	331,939,514
Machinery and equipment	29,098,003	6,922,094	36,020,097
Infrastructure	135,563,036	15,041,504	150,604,540
Right-to-use lease assets	1,308,100	-	1,308,100
Subscription assets (SBITA)	391,252	-	391,252
Total assets	<u>471,170,093</u>	<u>496,867,196</u>	<u>968,037,289</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	42,760,828	9,630,696	52,391,524
Deferred outflows related to OPEB	2,739,684	1,014,010	3,753,694
Total deferred outflows of resources	<u>45,500,512</u>	<u>10,644,706</u>	<u>56,145,218</u>
LIABILITIES			
Accounts payable	7,441,644	12,163,416	19,605,060
Deposits and other refundable balances	2,348,289	113,702	2,461,991
Insurance claims payable	1,349,847	-	1,349,847
Accrued interest payable	33,230	385,099	418,329
Unearned revenues	12,377,120	-	12,377,120
Non-current liabilities:			
Due within one year	1,489,953	7,364,156	8,854,109
Due in more than one year	108,734,015	202,183,211	310,917,226
Total liabilities	<u>133,774,098</u>	<u>222,209,584</u>	<u>355,983,682</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to leases	117,413	77,670	195,083
Deferred inflows related to OPEB	5,302,675	857,847	6,160,522
Deferred inflows related to pensions	17,743,792	5,826,808	23,570,600
Total deferred inflows of resources	<u>23,163,880</u>	<u>6,762,325</u>	<u>29,926,205</u>
NET POSITION			
Net investment in capital assets	321,905,410	220,346,446	542,251,856
Restricted for:			
Perpetual care - nonexpendable	3,323,804	-	3,323,804
Storm water management	-	2,082,767	2,082,767
Public Safety	1,067,336	-	1,067,336
Capital improvements	2,386,894	-	2,386,894
Tourism and convention	1,629,128	-	1,629,128
Donor restrictions	1,314,294	-	1,314,294
Capital projects	31,198,336	52,793,640	83,991,976
Airport improvements	638,507	-	638,507
Communications	1,322,474	-	1,322,474
Housing assistance	1,314,526	-	1,314,526
Grant restrictions	1,293,229	-	1,293,229
COVID fiscal recovery	12,346,652	-	12,346,652
Debt service	2,363	1,862,920	1,865,283
Unrestricted	(20,010,326)	1,454,220	(18,556,106)
Total net position	<u>\$ 359,732,627</u>	<u>\$ 278,539,993</u>	<u>\$ 638,272,620</u>

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

CITY OF TYLER, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

FUNCTIONS / PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental activities:							
General government	\$ 11,368,621	\$ 5,705,315	\$ 16,454	\$ -	\$ (5,646,852)	\$ -	\$ (5,646,852)
Public safety	65,286,494	8,088,555	938,762	672,769	(55,586,408)	-	(55,586,408)
Highways and streets	16,319,951	-	-	-	(16,319,951)	-	(16,319,951)
Public services	25,085,635	3,374,704	21,041,602	-	(669,329)	-	(669,329)
Culture and recreation	12,131,549	2,713,912	290,000	-	(9,127,637)	-	(9,127,637)
Interest on long term debt	335,862	-	-	-	(335,862)	-	(335,862)
Total governmental activities	<u>130,528,112</u>	<u>19,882,486</u>	<u>22,286,818</u>	<u>672,769</u>	<u>(87,686,039)</u>	<u>-</u>	<u>(87,686,039)</u>
Business-type activities:							
Utilities	61,018,114	70,010,494	-	-	-	8,992,380	8,992,380
Sanitation	18,457,758	18,018,440	-	-	-	(439,318)	(439,318)
Airport	5,059,987	725,500	-	3,565,759	-	(768,728)	(768,728)
Total business-type activities	<u>84,535,859</u>	<u>88,754,434</u>	<u>-</u>	<u>3,565,759</u>	<u>-</u>	<u>7,784,334</u>	<u>7,784,334</u>
Total primary government	<u>\$ 215,063,971</u>	<u>\$ 108,636,920</u>	<u>\$ 22,286,818</u>	<u>\$ 4,238,528</u>	<u>(87,686,039)</u>	<u>7,784,334</u>	<u>(79,901,705)</u>
General revenues:							
Property taxes				29,073,015	-	29,073,015	
Franchise taxes				11,705,110	-	11,705,110	
Sales and use taxes				65,639,395	-	65,639,395	
Unrestricted investment earnings and use of money and property				3,807,411	5,277,541	9,084,952	
Gain (loss) on sale of assets				692,360	(21,221)	671,139	
Transfers				127,273	(127,273)	-	
Total general revenues and transfers				<u>111,044,564</u>	<u>5,129,047</u>	<u>116,173,611</u>	
Change in net position				23,358,525	12,913,381	36,271,906	
Net position - beginning of year				<u>336,374,102</u>	<u>265,626,612</u>	<u>602,000,714</u>	
Net position - end of year				<u>\$ 359,732,627</u>	<u>\$ 278,539,993</u>	<u>\$ 638,272,620</u>	

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

CITY OF TYLER, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	MAJOR FUNDS		OTHER NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
	GENERAL	ONE-HALF CENT SALES TAX		
ASSETS				
Cash and cash equivalents	\$ 22,886,165	\$ -	\$ 9,334,875	\$ 32,221,040
Receivables (net of allowance for doubtful accounts) :				
Property taxes	772,240	-	-	772,240
Other	24,890,634	3,523,134	2,303,732	30,717,500
Due from other funds	2,434,660	-	-	2,434,660
Inventories	61,197	-	4,450	65,647
Prepaid items	106,778	218,267	3,670	328,715
Cash and cash equivalents - restricted	12,346,652	27,900,670	7,456,910	47,704,232
Total assets	<u>\$ 63,498,326</u>	<u>\$ 31,642,071</u>	<u>\$ 19,103,637</u>	<u>\$ 114,244,034</u>
LIABILITIES				
Accounts payable	\$ 4,888,482	\$ 443,605	\$ 1,094,242	\$ 6,426,329
Deposits and other refundable balances	2,093,149	-	248,152	2,341,301
Other liabilities	-	130	5,202	5,332
Due to other funds	-	-	877,210	877,210
Unearned Revenues	12,376,291	-	829	12,377,120
Total liabilities	<u>19,357,922</u>	<u>443,735</u>	<u>2,225,635</u>	<u>22,027,292</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	733,837	-	-	733,837
Unavailable revenue-fines	15,021,520	-	-	15,021,520
Unavailable revenue-permits	40,113	-	-	40,113
Total deferred inflows of recourses	<u>15,795,470</u>	<u>-</u>	<u>-</u>	<u>15,795,470</u>
FUND BALANCES				
Nonspendable:				
Inventory	61,197	-	4,450	65,647
Prepaid items	106,778	-	-	106,778
Permanent fund principal	-	-	3,323,804	3,323,804
Restricted for:				
Debt service	-	-	2,363	2,363
Public Safety	-	-	1,067,336	1,067,336
Capital improvements	-	-	2,386,894	2,386,894
Tourism and convention	-	-	1,629,128	1,629,128
Donor restrictions	-	-	1,314,294	1,314,294
Capital projects	-	31,198,336	-	31,198,336
Airport improvements	-	-	638,507	638,507
Communications	-	-	1,322,474	1,322,474
Housing assistance	-	-	1,314,526	1,314,526
Grant restrictions	-	-	1,293,229	1,293,229
COVID fiscal recovery	12,346,652	-	-	12,346,652
Assigned to:				
Development services	3,016,047	-	-	3,016,047
Capital improvements	-	-	-	-
Capital projects	-	-	2,580,997	2,580,997
Tourism and convention	(16,307)	-	-	(16,307)
Unassigned	12,830,567	-	-	12,830,567
Total fund balances	<u>28,344,934</u>	<u>31,198,336</u>	<u>16,878,002</u>	<u>76,421,272</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 63,498,326</u>	<u>\$ 31,642,071</u>	<u>\$ 19,103,637</u>	<u>\$ 114,244,034</u>

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

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

Total fund balances governmental funds (Exhibit 3)	\$ 76,421,272
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet.	303,883,250
Equity in an affiliated joint venture is included in governmental activities in the statement of net assets.	4,152,262
Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenue in the funds.	15,795,470
Deferred outflows of funds related to pension and OPEB activities	43,559,861
Deferred inflows of funds related to pension and OPEB activities	(21,821,565)
Net pension and OPEB liabilities reflected under GASB 68 and 75 at year end	(79,920,122)
Internal service funds are used by management to charge the costs of various goods or services provided to other departments or agencies of the City. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets (Net of the amount allocated to business-type activities - \$2,719,682)	43,249,400
Long term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.	<u>(25,587,201)</u>
Net position of governmental activities (Exhibit 1)	<u><u>\$ 359,732,627</u></u>

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

EXHIBIT 5

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

	MAJOR FUNDS			TOTAL GOVERNMENTAL FUNDS
	GENERAL	ONE-HALF CENT SALES TAX	OTHER NON-MAJOR GOVERNMENTAL FUNDS	
REVENUES				
Taxes:				
Property	\$ 28,535,332	\$ -	\$ 525,052	\$ 29,060,384
Franchise	11,519,996	-	185,114	11,705,110
Sales and use	41,147,608	19,970,054	4,521,733	65,639,395
Licenses and permits	3,151,601	-	87,891	3,239,492
Fines, forfeitures, and penalties	4,495,705	-	553,935	5,049,640
Revenues from use of money or property	2,971,107	1,186,459	564,089	4,721,655
Charges for current services	3,234,130	-	1,186,450	4,420,580
Revenues from other agencies	1,129,108	1,904,689	19,925,790	22,959,587
Donations	-	-	729,619	729,619
Miscellaneous	654,476	-	1,473,062	2,127,538
Total revenues	<u>96,839,063</u>	<u>23,061,202</u>	<u>29,752,735</u>	<u>-</u> <u>149,653,000</u>
EXPENDITURES				
Current:				
General government	10,682,858	343,263	712,257	- 11,738,378
Public safety	64,510,212	-	364,003	- 64,874,215
Public services	3,960,241	1,257,952	19,600,643	- 24,818,836
Highways and streets	6,736,654	-	-	- 6,736,654
Culture and recreation	10,453,675	-	649,965	- 11,103,640
Capital outlay	715,273	19,857,283	10,213,972	- 30,786,528
Debt service:				
Principal retirement	-	-	240,000	- 240,000
Interest and fiscal charges	-	-	361,898	- 361,898
Total expenditures	<u>97,058,913</u>	<u>21,458,498</u>	<u>32,142,738</u>	<u>-</u> <u>150,660,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(219,850)</u>	<u>1,602,704</u>	<u>(2,390,003)</u>	<u>-</u> <u>(1,007,149)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,500,000	-	7,903,017	5,846,125
Transfers out	(7,533,197)	(203,313)	(3,266,845)	(6,446,463)
Total other financing sources (uses)	<u>(5,033,197)</u>	<u>(203,313)</u>	<u>4,636,172</u>	<u>-</u> <u>(600,338)</u>
Net change in fund balances	(5,253,047)	1,399,391	2,246,169	- (1,607,487)
Fund balances - beginning of year	<u>33,597,981</u>	<u>29,798,945</u>	<u>14,631,833</u>	<u>-</u> <u>78,028,759</u>
Fund balances - end of year	<u>\$ 28,344,934</u>	<u>\$ 31,198,336</u>	<u>\$ 16,878,002</u>	<u>\$ -</u> <u>\$ 76,421,272</u>

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

EXHIBIT 6

CITY OF TYLER, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds	\$ (1,607,487)
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. This is the amount by which capital outlay exceeded depreciation in the current period.	15,546,575
The net increase of the equity in investment in an affiliated joint venture is reflected on the statement of activities.	93,686
The net effect of various transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	563
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. The current adjustment reflects a net decrease in the deferral of the revenue.	2,459,210
The issuance of long-term debt (e.g. capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	306,357
Some expenses reported in the statement of activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds. This amount reflects the change in the accrued liability for compensated absences, accrued legal expenses, and net pension expense.	2,351,702
Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds is reported with governmental activities, net of amount allocated to business-type activities of \$1,780,710	4,207,919
Change in net assets of governmental activities	<u>\$ 23,358,525</u>

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

CITY OF TYLER, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
REVENUES				
Property tax collections	\$ 28,534,768	\$ 28,534,768	\$ 28,535,332	\$ 564
Franchise fees	11,461,879	11,461,879	11,519,996	58,117
Sales and use taxes	42,185,725	42,185,725	41,147,608	(1,038,117)
Licenses and permits	2,961,156	2,961,156	3,151,601	190,445
Fines, forfeitures, and penalties	4,153,000	4,153,000	4,495,705	342,705
Revenues from use of money or property	2,266,485	2,266,485	2,971,107	704,622
Charges for current services	3,006,413	3,160,413	3,234,130	73,717
Revenues from other agencies	1,114,808	1,114,808	1,129,108	14,300
Miscellaneous	1,205,276	1,205,276	654,476	(550,800)
Total revenues	<u>96,889,510</u>	<u>97,043,510</u>	<u>96,839,063</u>	<u>(204,447)</u>
EXPENDITURES				
GENERAL GOVERNMENT:				
General Government Services	5,445,638	5,579,472	6,189,755	(610,283)
Communications	648,645	648,645	601,776	46,869
Finance	1,876,640	1,876,640	1,806,412	70,228
Human Resources	678,559	678,559	672,602	5,957
Legal	1,390,525	1,400,525	1,402,117	(1,592)
Innovation Pipeline	9,994	9,994	10,196	(202)
Total General Government	<u>10,050,001</u>	<u>10,193,835</u>	<u>10,682,858</u>	<u>(489,023)</u>
PUBLIC SAFETY				
Police	36,110,791	35,972,764	36,420,313	(447,549)
Fire	24,684,380	24,689,380	25,644,205	(954,825)
Municipal Court	2,419,262	2,419,262	2,204,974	214,288
COPS	197,533	197,533	240,720	(43,187)
Total Public Safety	<u>63,411,966</u>	<u>63,278,939</u>	<u>64,510,212</u>	<u>(1,231,273)</u>
PUBLIC SERVICES				
Animal Services	1,572,428	1,572,428	1,515,356	57,072
Planning and Zoning Services	871,584	871,584	852,475	19,109
Building Services	1,645,766	1,645,766	1,592,410	53,356
Total Public Services	<u>4,089,778</u>	<u>4,089,778</u>	<u>3,960,241</u>	<u>129,537</u>

(Continued)

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

CITY OF TYLER, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
EXPENDITURES (continued)				
HIGHWAYS AND STREETS				
Engineering	\$ 779,685	\$ 914,429	\$ 813,748	\$ 100,681
Street administration	3,664,581	3,686,394	3,243,864	442,530
Traffic operations	2,898,305	3,011,207	2,679,042	332,165
Total Highways and Streets	<u>7,342,571</u>	<u>7,612,030</u>	<u>6,736,654</u>	<u>875,376</u>
CULTURE AND RECREATION				
Library	2,155,681	2,157,041	2,071,602	85,439
Parks administration	3,472,952	3,479,918	3,472,037	7,881
Indoor recreation	796,795	796,795	773,066	23,729
Outdoor recreation	344,628	344,628	284,648	59,980
Median maintenance and arborist	486,963	486,963	412,525	74,438
Rose Garden center	487,263	487,263	450,553	36,710
Rose Garden maintenance	809,210	809,210	806,003	3,207
Visitor facilities	1,406,168	1,406,168	1,479,267	(73,099)
Main Street	499,633	526,919	457,195	69,724
Liberty Hall	377,877	388,851	246,779	142,072
Total Culture and Recreation	<u>10,837,170</u>	<u>10,883,756</u>	<u>10,453,675</u>	<u>430,081</u>
Capital outlay	<u>514,693</u>	<u>962,843</u>	<u>715,273</u>	<u>247,570</u>
Total expenditures	<u>96,246,179</u>	<u>97,021,181</u>	<u>97,058,913</u>	<u>(37,732)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>643,331</u>	<u>22,329</u>	<u>(219,850)</u>	<u>(242,179)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,900,000	2,900,000	2,500,000	(400,000)
Transfers out	(3,786,493)	(7,706,993)	(7,533,197)	173,796
Total other financing sources (uses)	<u>(886,493)</u>	<u>(4,806,993)</u>	<u>(5,033,197)</u>	<u>(226,204)</u>
Net change in fund balance	<u>(243,162)</u>	<u>(4,784,664)</u>	<u>(5,253,047)</u>	<u>(468,383)</u>
Fund balance - beginning of year	<u>14,205,084</u>	<u>8,008,710</u>	<u>33,597,981</u>	<u>25,589,271</u>
Fund balance - end of year	<u>\$ 13,961,922</u>	<u>\$ 3,224,046</u>	<u>\$ 28,344,934</u>	<u>\$ 25,120,888</u>

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

CITY OF TYLER, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES	
	ENTERPRISE FUNDS			TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS	
	UTILITIES	SANITATION	AIRPORT		INTERNAL SERVICE FUNDS	
ASSETS						
Current assets:						
Unrestricted current assets						
Cash and cash equivalents	13,719,224	\$ 60	\$ 1,589,174	\$ 15,308,458	\$ 18,793,217	
Prepaid expenses	43,421	7,960	-	51,381	81,049	
Accounts receivable (net of allowance for doubtful accounts)	8,249,027	2,559,580	924,064	11,732,671	998,189	
Accrued interest receivable	2,916	536	2,941	6,393	-	
Inventories - at average cost	2,233,914	-	-	2,233,914	284,485	
Lease receivable	27,325	-	-	27,325	4,691	
Total unrestricted current assets	24,275,827	2,568,136	2,516,179	29,360,142	20,161,631	
Restricted Current assets:						
Temporarily restricted:						
Cash and cash equivalents for payment of current maturities of revenue bond principal and interest	2,143,839	-	104,180	2,248,019	-	
Total restricted current assets	2,143,839	-	104,180	2,248,019	-	
Total current assets	26,419,666	2,568,136	2,620,359	31,608,161	20,161,631	
Noncurrent assets:						
Restricted assets:						
Temporarily restricted						
Cash and cash equivalents	54,555,508	320,899	-	54,876,407	-	
Total restricted assets	54,555,508	320,899	-	54,876,407	-	
Lease receivable	55,184	-	-	55,184	114,621	
Capital assets:						
Land	6,842,055	3,285,312	1,945,680	12,073,047	274,972	
Construction in progress	46,146,745	-	302,626	46,449,371	1,190,882	
Water rights	12,526,700	-	-	12,526,700	-	
Buildings and infrastructure	41,380,122	727,319	42,144,225	84,251,666	2,246,833	
Improvements other than buildings	380,183,942	605,496	90,821,830	471,611,268	2,573,286	
Machinery and equipment	8,697,309	10,045,353	2,380,868	21,123,530	61,218,255	
Subscription asset	-	-	-	-	1,421,205	
Right-to-use lease asset	-	-	-	-	2,066,136	
Less accumulated depreciation	(188,907,108)	(7,227,609)	(39,976,789)	(236,111,506)	(41,540,902)	
Total capital assets net of accumulated depreciation	306,869,765	7,435,871	97,618,440	411,924,076	29,450,667	
Total noncurrent assets	361,480,457	7,756,770	97,618,440	466,855,667	29,565,288	
Total assets	387,900,123	10,324,906	100,238,799	498,463,828	49,726,919	
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	6,592,517	2,657,437	380,742	9,630,696	1,754,153	
Deferred outflows related to OPEB	704,744	269,640	39,626	1,014,010	186,498	
Total deferred outflows of resources	7,297,261	2,927,077	420,368	10,644,706	1,940,651	
LIABILITIES						
Current liabilities:						
Unrestricted current liabilities:						
Accounts and contracts payable	11,040,664	1,015,221	107,531	12,163,416	955,240	
Due to other funds	-	49,860	1,007,923	1,057,783	559,742	
Insurance claims payable	-	-	-	-	1,349,847	
Current portion of lease liability	-	-	-	-	388,101	
Current portion of compensated absences payable	26,593	10,949	1,614	39,156	13,162	
Current portion of SBITA payable	-	-	-	-	54,869	
Total unrestricted current liabilities	11,067,257	1,076,030	1,117,068	13,260,355	3,320,961	
Current liabilities payable from restricted assets:						
Revenue bonds payable	7,235,000	-	90,000	7,325,000	-	
Customer deposits	113,702	-	-	113,702	-	
Accrued interest	385,099	-	-	385,099	33,230	
Total current liabilities payable from restricted assets	7,733,801	-	90,000	7,823,801	33,230	
Total current liabilities	18,801,058	1,076,030	1,207,068	21,084,156	3,354,191	
Noncurrent liabilities:						
Revenue bonds payable (net)	183,962,630	-	290,000	184,252,630	-	
Lease liability	-	-	-	-	799,828	
SBITA payable	-	-	-	-	49,456	
Net pension obligation	10,971,468	4,422,212	634,931	16,028,611	2,919,295	
Net OPEB obligation	661,895	262,548	37,760	962,203	176,064	
Compensated absences	638,235	262,786	38,746	939,767	315,870	
Total noncurrent liabilities	196,234,228	4,947,546	1,001,437	202,183,211	4,260,513	
Total liabilities	215,035,286	6,023,576	2,208,505	223,267,367	7,614,704	
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to OPEB	258,463	523,953	75,431	857,847	362,100	
Deferred inflows related to pensions	4,359,260	1,283,120	184,428	5,826,808	862,802	
Deferred inflows related to leases	77,670	-	-	77,670	117,413	
Total deferred inflows of resources	4,695,393	1,807,073	259,859	6,762,325	1,342,315	
NET POSITION						
Net investment in capital assets	115,672,135	7,435,871	97,238,440	220,346,446	28,158,413	
Restricted for:						
Debt service	1,758,740	-	104,180	1,862,920	-	
Storm water management	2,082,767	-	-	2,082,767	-	
Capital projects	52,472,741	320,899	-	52,793,640	-	
Unrestricted	3,480,322	(2,335,436)	848,183	1,993,069	14,552,138	
Total net position	\$ 175,466,705	\$ 5,421,334	\$ 98,190,803	\$ 279,078,842	\$ 42,710,551	
Reconciliation to government-wide statements of net assets:						
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				Prior years	(1,607,351)	
				Current year	1,068,502	
Net position of business-type activities					\$ 278,539,993	

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

CITY OF TYLER, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	ENTERPRISE FUNDS			TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
	UTILITIES	SANITATION	AIRPORT		
OPERATING REVENUES					
Water and sewer operations	\$ 55,296,792	\$ -	\$ -	\$ 55,296,792	\$ -
Trash and garbage	-	17,916,585	-	17,916,585	-
Airport services	-	-	292,369	292,369	-
Charges for services	-	-	-	-	28,092,065
Contributions	-	-	-	-	13,132,580
Miscellaneous	<u>14,046,017</u>	<u>100,379</u>	<u>33,790</u>	<u>14,180,186</u>	<u>6,516,297</u>
Total operating revenues	<u>69,342,809</u>	<u>18,016,964</u>	<u>326,159</u>	<u>87,685,932</u>	<u>47,740,942</u>
OPERATING EXPENSES					
Water and sewer operations	44,543,534	-	-	44,543,534	-
Sanitation operations	-	17,869,936	-	17,869,936	-
Municipal Airport operations	-	-	1,541,236	1,541,236	-
Garage operations	-	-	-	-	10,536,778
Depreciation	10,627,926	587,822	3,501,267	14,717,015	5,935,457
Insurance claims	-	-	-	-	16,900,085
Administrative	-	-	-	-	8,905,150
Special services	-	-	-	-	1,763,760
Maintenance	-	-	-	-	564,049
Total operating expenses	<u>55,171,460</u>	<u>18,457,758</u>	<u>5,042,503</u>	<u>78,671,721</u>	<u>44,605,279</u>
Operating income (loss)	<u>14,171,349</u>	<u>(440,794)</u>	<u>(4,716,344)</u>	<u>9,014,211</u>	<u>3,135,663</u>
NON-OPERATING REVENUES (EXPENSES)					
Revenues from use of money and property	3,974,312	31,570	1,271,659	5,277,541	861,108
Gain (loss) on sale of assets	-	(21,221)	-	(21,221)	692,360
Interest expense	<u>(5,846,654)</u>	<u>-</u>	<u>(17,484)</u>	<u>(5,864,138)</u>	<u>(40,321)</u>
Total non-operating revenues (expenses)	<u>(1,872,342)</u>	<u>10,349</u>	<u>1,254,175</u>	<u>(607,818)</u>	<u>1,513,147</u>
Income (loss) before capital contributions and transfers	<u>12,299,007</u>	<u>(430,445)</u>	<u>(3,462,169)</u>	<u>8,406,393</u>	<u>4,648,810</u>
Capital contributions	-	-	3,565,759	3,565,759	-
Transfers in	-	-	203,313	203,313	727,611
Transfers out	<u>(225,653)</u>	<u>(104,933)</u>	<u>-</u>	<u>(330,586)</u>	<u>(100,000)</u>
Net transfers and capital contributions	<u>(225,653)</u>	<u>(104,933)</u>	<u>3,769,072</u>	<u>3,438,486</u>	<u>627,611</u>
Change in net position	<u>12,073,354</u>	<u>(535,378)</u>	<u>306,903</u>	<u>11,844,879</u>	<u>5,276,421</u>
Net position - beginning of year	<u>163,393,351</u>	<u>5,956,712</u>	<u>97,883,900</u>		<u>37,434,130</u>
Net position - end of year	<u><u>\$ 175,466,705</u></u>	<u><u>\$ 5,421,334</u></u>	<u><u>\$ 98,190,803</u></u>		<u><u>\$ 42,710,551</u></u>
Reconciliation to government-wide statements of net assets					
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				1,068,502	
Change in net position of business-type activities				<u><u>\$ 12,913,381</u></u>	

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

CITY OF TYLER, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES	
	ENTERPRISE FUNDS			TOTAL ENTERPRISE FUNDS		
	UTILITIES	SANITATION	AIRPORT			
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash received from customers and users	\$ 69,309,257	\$ 17,981,532	\$ 326,159	\$ 87,616,948	\$ 47,680,112	
Cash paid to suppliers for goods and services	(29,559,451)	(11,505,003)	(705,344)	(41,769,798)	(16,581,268)	
Cash paid to employees for services	(16,190,610)	(6,464,445)	(863,650)	(23,518,705)	(4,175,139)	
Insurance claims paid	-	-	-	-	(16,820,140)	
Net cash provided by (used in) operating activities	<u>23,559,196</u>	<u>12,084</u>	<u>(1,242,835)</u>	<u>22,328,445</u>	<u>10,103,565</u>	
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES						
Advances from/ (to) other funds	-	49,860	(879,432)	(829,572)	(254,347)	
Transfers in from other funds	-	-	203,313	203,313	727,611	
Transfers out to other funds	(225,653)	-	-	(225,653)	(100,000)	
Net cash (used in) provided by non-capital financing activities	<u>(225,653)</u>	<u>49,860</u>	<u>(676,119)</u>	<u>(851,912)</u>	<u>373,264</u>	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition and construction of capital assets	(42,674,866)	(1,333,634)	(3,542,446)	(47,550,946)	(9,361,699)	
Proceeds from grants for capital purposes	-	-	4,924,763	4,924,763	-	
Payments on subscription (SBITA) liabilities	-	-	-	-	(528,002)	
Proceeds from sale of assets	-	294,141	-	294,141	1,303,542	
Bond proceeds	62,205,000	-	-	62,205,000	-	
Payments on debt and lease liabilities	(8,040,000)	-	(85,000)	(8,125,000)	(425,464)	
Interest paid	(2,627,586)	-	(17,484)	(2,645,070)	(41,050)	
Net cash provided by (used in) capital and related financing activities	<u>8,862,548</u>	<u>(1,039,493)</u>	<u>1,279,833</u>	<u>9,102,888</u>	<u>(9,052,673)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends on investments	3,974,312	31,570	1,271,659	5,277,541	861,108	
Net cash (used in) provided by investing activities	<u>3,974,312</u>	<u>31,570</u>	<u>1,271,659</u>	<u>5,277,541</u>	<u>861,108</u>	
Net increase (decrease) in cash and cash equivalents	36,170,403	(945,979)	632,538	35,856,962	2,285,264	
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR						
	<u>34,248,168</u>	<u>1,266,938</u>	<u>1,060,816</u>	<u>36,575,922</u>	<u>16,507,953</u>	
CASH AND CASH EQUIVALENTS AT END OF YEAR						
	<u><u>\$ 70,418,571</u></u>	<u><u>\$ 320,959</u></u>	<u><u>\$ 1,693,354</u></u>	<u><u>\$ 72,432,884</u></u>	<u><u>\$ 18,793,217</u></u>	
Reconciliation to Exhibit 8:						
Unrestricted cash and cash equivalents	\$ 13,719,224	\$ 60	\$ 1,589,174	\$ 15,308,458	\$ 18,793,217	
Restricted cash - current asset	2,143,839	-	104,180	2,248,019	-	
Restricted cash - noncurrent asset	54,555,508	320,899	-	54,876,407	-	
Total Cash and Cash Equivalents at End of Year	<u>\$ 70,418,571</u>	<u>\$ 320,959</u>	<u>\$ 1,693,354</u>	<u>\$ 72,432,884</u>	<u>\$ 18,793,217</u>	
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
Operating income (loss)	\$ 14,171,349	\$ (440,794)	\$ (4,716,344)	\$ 9,014,211	\$ 3,135,663	
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation expense	10,627,926	587,822	3,501,267	14,717,015	5,935,457	
(Increase) decrease in accounts receivable	(48,451)	(35,432)	-	(83,883)	(60,830)	
(Increase) decrease in prepaid expenses	10,215	374	-	10,589	1,195,906	
(Increase) decrease in inventories	(633,081)	-	-	(633,081)	22,725	
(Increase) decrease in net pension asset	-	-	-	-	-	
(Increase) decrease in deferred outflows related to pensions	1,420,399	542,543	78,925	2,041,867	376,119	
(Increase) decrease in deferred outflows related to OPEB	653,652	272,744	38,358	964,754	174,328	
Increase (decrease) in accounts payable	453,537	356,685	30,904	841,126	92,110	
Increase (decrease) in claims payable	-	-	-	-	52,572	
Increase (decrease) in accrued interest payable	-	-	-	-	-	
Increase (decrease) in customer deposits	14,899	-	-	14,899	-	
Increase (decrease) in compensated absences payable	5,443	(545)	6,856	11,754	26,619	
Increase (decrease) in post employment benefits liability	(1,585,727)	(634,888)	(91,274)	(2,311,889)	(420,967)	
Increase (decrease) in deferred inflows related to pensions	751,234	328,040	47,234	1,126,508	213,456	
Increase (decrease) in deferred inflows related to OPEB	60,080	(69,796)	(9,939)	(19,655)	(19,362)	
Increase (decrease) in net pension obligation	(2,342,279)	(894,669)	(128,822)	(3,365,770)	(620,231)	
Total adjustments	<u>9,387,847</u>	<u>452,878</u>	<u>3,473,509</u>	<u>13,314,234</u>	<u>6,967,902</u>	
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES						
	<u><u>\$ 23,559,196</u></u>	<u><u>\$ 12,084</u></u>	<u><u>\$ (1,242,835)</u></u>	<u><u>\$ 22,328,445</u></u>	<u><u>\$ 10,103,565</u></u>	

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

EXHIBIT 11

CITY OF TYLER, TEXAS
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	EMPLOYEE BENEFIT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS
ASSETS		
Equity in pooled cash	\$ 3,166,818	\$ 3,420,627
Investments, at fair value		
Equities	57,094,366	97,497
Mutual funds	18,749,710	-
Fixed income	37,514,969	-
Total investments	<u>113,359,045</u>	<u>97,497</u>
Receivables		
Contributions receivable	32,950	-
Interest receivable	<u>814,684</u>	<u>5,356</u>
Total receivables	<u>847,634</u>	<u>5,356</u>
Total assets	<u>117,373,497</u>	<u>3,523,480</u>
LIABILITIES		
Accounts payable	<u>1,531,858</u>	<u>-</u>
Total liabilities	<u>1,531,858</u>	<u>-</u>
NET POSITION		
Restricted for OPEB benefits	23,464,830	-
Restricted for pensions	92,066,382	-
Held in trust for other purposes	310,427	3,523,480
Total net position held in trust for pension/OPEB benefits and other purpose	<u>\$ 115,841,639</u>	<u>\$ 3,523,480</u>

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

EXHIBIT 12

CITY OF TYLER, TEXAS
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	EMPLOYEE BENEFIT TRUST FUNDS	PRIVATE- PURPOSE TRUST FUNDS
ADDITIONS		
Contributions:		
Employees	\$ 2,458,025	\$ -
Employer	6,369,735	-
Other	-	175,666
Total contributions	<u>8,827,760</u>	<u>175,666</u>
Investment income:		
Interest and dividend income	6,375,815	145,592
Net depreciation in fair value of investments	12,645,827	13,686
Less investment expense	(350,843)	(3,227)
Total investment income	<u>18,670,799</u>	<u>156,051</u>
Other income	935,073	-
Total additions	<u>28,433,632</u>	<u>331,717</u>
DEDUCTIONS		
Reimbursement for benefit claims	1,606,065	-
Benefits	6,317,819	-
Total deductions	<u>7,923,884</u>	<u>-</u>
Change in net position	20,509,748	331,717
Net position - beginning of year	<u>95,331,891</u>	<u>3,191,763</u>
Net position - end of year	<u>\$ 115,841,639</u>	<u>\$ 3,523,480</u>

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

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

The City of Tyler, Texas (City) was incorporated on January 29, 1850. The City Charter was adopted February 9, 1937. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, health and social services, culture-recreation, public transportation, public improvements, planning and zoning, and general administrative services.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting practices generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governments Units and by the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the City are described below.

Blended Component Unit

The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue in their own name)
- the City holds the corporate powers of the organization.
- the City appoints a voting majority of the organization's board.
- the City is able to impose its will on the organization.
- the organization has the potential to impose a financial benefit/burden on the City.
- there is fiscal dependency by the organization on the City.

Based upon the aforementioned criteria, the City has two component units.

The Tyler One-Half Cent Sales Tax Corporation, Inc.

The Tyler One-Half Cent Sales Tax Corporation, Inc. was formed in 1996, and is governed by a seven-member board of directors. Each member of the City Council and the Mayor may nominate one member. Directors are appointed for a two-year term and are removable by the City Council at any time without cause. For financial reporting purposes, the Tyler One-Half Cent Sales Tax Corporation, Inc. has been presented as a blended component unit of the City. It is reported as a Capital Projects Fund, because its purpose is to account for construction activities funded by the revenues generated by the one-half cent sales tax. The Tyler One-Half Cent Sales Tax Corporation, Inc. does not issue separate financial statements. The City uses the proceeds of the one-half cent sales tax to pay for infrastructure, thereby removing the need for debt financing of such improvements, which has resulted in the elimination of general obligation indebtedness and has enabled the City to reduce its property tax rate.

Tyler Fire Department Relief and Retirement Fund

The City's fire department employees participate in the Tyler Fire Department Relief and Retirement Fund (TFDRRF). TFDRRF functions for the benefit of these employees and is governed by a pension board. The City and TFDRRF participants are obligated to fund all TFDRRF costs based upon actuarial valuations. The City is authorized to approve the actuarial assumptions used in the determination of contribution levels. For financial reporting purposes, TFDRRF is reported if it were a part of the City's operations as a fiduciary fund, and therefore is not included in the government wide financial statements. TFDRRF's fiscal year-end is December 31 but the information reported corresponds with the City's September 30, 2024 reporting period. Financial statements of TFDRRF can be obtained directly from the FIRE Pension Board, 1520 West Front St., Tyler, Texas 75702.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Government-Wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is susceptible to accrual as revenue of the current period. All other revenue items are measurable when earned.

The government reports the following major governmental funds:

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

The One-Half Cent Sales Tax Fund accounts for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds and Trust Funds.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Measurement Focus, Basis of Accounting, and Financial Statement Presentation - continued

The government reports the following major proprietary funds:

The Utilities Fund is used to account for the sale of water and wastewater treatment by the City to businesses and residential customers and to surrounding communities.

The Sanitation Fund accounts for residential and commercial solid waste collection, disposal services, and recycling operations of the City.

The Airport Fund is used to account for operations of the Tyler Pounds Regional Airport.

Additionally, the government reports the following fund types:

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

The City of Tyler reports the following Internal Service Funds:

1. Productivity Improvement Fund – to track performance pay of City employees. This fund accounts for City University, Strategic Planning, and the Internal Audit functions.
2. Fleet Maintenance and Replacement Fund – performs maintenance and repair work on vehicles of all City departments. The fund also acquires vehicles and equipment for use by all City departments.
3. Property and Liability Insurance Funds – accounts for the City's property, casualty, liability, disability, and workers' compensation insurance programs.
4. Employee Benefits Fund – accounts for the City's self-insurance program for health and dental insurance as well as life insurance for current employees.
5. Retiree Benefits Fund – accounts for the City's self-insurance program for health and dental insurance as well as life insurance for retired employees.
6. Property and Facility Management Fund – accounts for maintenance on City's facilities including roof and HVAC repairs and replacement.
7. Technology Fund – accounts for the City's investment and maintenance of technology and office automation.

The City of Tyler reports the following Fiduciary Funds:

The Employee Benefit Trust (Section 125 Plan) Fund is used to account for the resources accumulated and payments made on behalf of the City employees enrolled in the City's cafeteria plan administered by Health First.

The Other Post Employment Benefit (OPEB) Trust Fund is used to account for the resources accumulated to meet ARC (annual required contributions) and long-term liability requirements associated with administering post-employment health, dental and life benefits for retired employees in accordance with GASB 43 and 45.

The Tyler Fire Department Relief and Retirement Fund is used to account for the resources accumulated to be used for the retirement benefits payments to the members of the fund.

The Greenwood Landfill Private-Purpose Trust Fund is used to accumulate resources held in trust for Allied Waste Management and is used for closure and post-closure expenses of the Greenwood Landfill.

The Lindsey Trust Fund is used to account for the endowment fund created for the charitable purpose of making awards to police officers and firefighters employed by the City of Tyler for outstanding service and providing aid to those injured in the line of duty.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – continued

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and of the internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When more than one classification of fund balance is available for use, it is the government's policy to use the most restricted resources first.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

1. **Equity in Pooled Cash and Investments**

The City classifies certain of its cash, investments, due to, and due from accounts into "equity in pooled cash and investments." Each fund participates on a daily transaction basis and income for all assets included in "pooled cash and investments" is allocated to individual funds based on their respective balance in "equity in pooled cash and investments."

For the statements of cash flows for the Proprietary and Internal Service Funds, the City considers all assets included in "equity in pooled cash and investments" to be "cash and cash equivalents."

2. **Investments**

Accounting pronouncement Governmental Accounting Standards Board Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, is applied to investments in external investment pools, investments purchased with maturities greater than one-year, mutual funds, and certain investment agreements. Generally, governmental entities are required to report the "fair value" changes for these investments at year-end and record these gains or losses on their income statement. Investments with maturities less than one year at the time of purchase are stated at cost or amortized cost. The fair value of the City's position in these investment pools is the same as the value of the pool shares.

Methods and Assumptions used to Estimate Fair Value

The City maintains investment accounting records and adjusts those records to "fair value" on an annual basis. This information is provided by the City's investment custodian. The investments held by the City are widely traded in the financial markets and trading values are readily available from numerous published sources. Material unrealized gains and losses are recorded on an annual basis and the carrying value of its investments is considered "fair value".

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Consistent with GASB Statement 42, *Fair Value Measurement and Application*, the City categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. A detail of the fair value hierarchy of investments held by the City is disclosed in Note 4 to the financial statements.

Investment Pools

The City holds investments in external investment pools, TexStar and Logic.

Texas Local Government Investment Pool (TexStar) and Local Government Investment Cooperative (Logic) were created to provide local governments with a safe and efficient way to invest their funds. Only local governments having contracted to participate in TexStar and Logic have an undivided beneficial interest in their respective pools of assets. TexStar and Logic do not place any restrictions such as notice periods or maximum transaction amounts. They are not registered with the Securities and Exchange Commission as investment companies but are subject to annual review by independent auditors consistent with the Public Funds Investment Act. Audited financial statements of the pools are available by request through their respective websites.

The investment pools carry investments at amortized cost as the pools meet the requirements of GASB 79, *Certain External Investment Pools and Pool Participants*. The investment pools are priced daily and compared to carrying value. If the ratio of the fair value of the portfolio of investments to the carrying value of investments is less than .995 or greater than 1.005, the investment pools will sell investment securities, as required, to maintain the ratio at a point between .995 and 1.005.

Other

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements. The City is authorized by its governing board to invest in the obligations of the United States government, bonds guaranteed by the United States government, certificates of deposit at financial institutions, local government investment pools, direct obligations of the State of Texas, no load government money market mutual funds, and repurchase agreements. Investments are stated at cost or amortized cost.

3. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (the current portion of interfund loans) or “advances to/from other funds” (the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

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

The City provides an allowance for doubtful accounts based upon the anticipated collectability of each specific account, as determined by experience. All receivables are shown net of this allowance. A detailed schedule of receivables can be found at Note 4:B.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Property taxes are levied October 1 on the assessed value of property at January 1 and are due by January 31 of the following year. Unpaid taxes attach as an enforceable lien on property as of January 31. Revenue from taxes assessed is recorded as unavailable revenue on October 1. The unavailable revenue from taxes is then recognized as revenue during the year as the taxes are actually received. All delinquent property tax receivables are assets of the General Fund.

The City Charter limits the City's ad valorem tax rate to \$1.75 per \$100 of assessed valuation. The tax rate for the year ended September 30, 2024, was \$.247920 per \$100, which means that the City has a tax margin of \$1.48815 per \$100 and could raise up to \$181,261,858 additional taxes a year from the present valuation of \$12,180,348,615 before the limit is reached.

4. Inventories and Prepaid Items

Inventories of materials and supplies are accounted for using the consumption method. Under the consumption method, inventories are recorded as expenditures when they are used with significant amounts on hand reported on the balance sheet at average cost.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid in both the government-wide and fund financial statements. Prepaid items are accounted for using the consumption method.

In Governmental Funds, reported inventories and prepaid items do not represent available spendable resources and are, therefore, equally offset by a non-spendable fund balance account.

5. Due from Other Funds

Current portions of long-term interfund loans receivable (reported in "Due from" asset accounts) are considered "available spendable resources."

6. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$10,000 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. 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. Donated capital assets are recorded at acquisition value. Infrastructure assets are reported retroactively based on estimated historical cost.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	10 to 20
Improvements other than buildings	10 to 50
Public domain infrastructure	15 to 50
Heavy equipment	7 to 10
Small equipment	3 to 7
Vehicles	3 to 5
Computer and other electronic equipment	3 to 5
Office equipment	3

7. Construction-in-Progress

Expenditures on incomplete capital projects have been capitalized as construction-in-progress. The assets resulting from these projects will be transferred from the construction-in-progress accounts to the appropriate asset account as the projects are completed.

8. Leases

Leases are defined by the general government as the right to use an underlying asset. As lessee, the City recognizes a lease liability and an intangible right-to-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. Right-to-use lease assets are measured based on the net present value of the future lease payments at inception, using the weighted average cost of capital, which approximates the incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability.

The City calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As lessor, the City recognizes a lease receivable. The lease receivable is measured using the net present value of the future lease payments to be received for the lease term and deferred inflow of receivables at the beginning of the lease term. Periodic amortization of the discount on the receivable are reported as interest revenue for that period. Deferred inflows of resources are recognized as inflows in a straight-line basis over the term of the lease. This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. Any initial direct costs are reported as an outflow of resources for that period. Remeasurement of lease receivables occurs when there are modifications, including but not limited to changes in the contract price, lease term, and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

For lease contracts that are short-term, the City recognizes short-term lease payments as inflows of resources (revenues) based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Leases between the Airport and air carriers, Lake Tyler Marina, and other aeronautical users are subject to external laws and regulations. As permitted by GASB Statement No. 87, paragraph 43, the City recognizes inflows of resources based on the payment provisions of the lease contract, and the accounting policies do not apply to certain regulated leases. Additional disclosures regarding regulated leases are in Note 4F.

9. Subscription-Based Information Technology Arrangements – SBITAs

Subscription-based information technology arrangements (SBITAs) are defined by the City as a contract that conveys control of the right to use another party's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in exchange or exchange-like transactions. The City recognizes an intangible subscription asset and subscription liability. The subscription liability is measured as the present value of the total subscription payments expected to be made to the vendor during the subscription term. The total future payments are discounted using the interest rate the vendor charges, or if the implicit interest rate is not readily determinable the City uses an estimated incremental borrowing rate. The subscription asset is measured as the initial value of the subscription liability plus and initial capitalized costs and less any vendor incentives received at the commencement of the subscription term.

10. Restricted Assets

Certain proceeds of the City's enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants. The Utilities Fund is used to report those proceeds of revenue bond issuances that are restricted for use in water and sewer projects. The Utilities Fund is also used to segregate resources accumulated for debt service payments over the life of the bonds. The City also classifies other cash and cash equivalents as restricted because of the restrictions due to enabling legislation and trust agreements established to govern the spending of funds for the permanent care of the City's cemeteries.

Non-Civil Service Employees

Full-time, permanent, non-civil service employees earn paid time off (PTO), which may be used as vacation, sick time or personal time. The PTO is accrued in hourly increments at the end of each pay period. The total amounts accrued annually depend on the number of years of service with the City. Maximums are from 18 to 24 days. All existing non-civil service employees on January 1, 1999, with accumulated vacation and sick time, were allowed to carryover accrued vacation into the PTO program at a maximum of 240 hours. The employees with accrued sick time were allowed to carryover up to 720 hours, only to be paid after 10 years of service. The employees eligible to receive accrued sick leave balance upon termination would be paid at the pay rate applicable when the PTO program was implemented.

Any non-civil service employees hired after January 1, 1999, were enrolled into the PTO program and may only carryover 30 days of PTO per year. Any amount accrued above the 30 days carryover is lost as of December 31 of that year. Unused PTO up to 30 days will be paid to the employee upon termination at employee's current pay rate.

Civil Service Employees

Civil service employees are granted vacation and sick time benefits in varying amounts to specified maximums depending on tenure with the City. Civil service employees are 100% vested in both sick time and vacation time at the start of their employment.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Civil and Non-Civil Service Employees

Vested or accumulated vacation leave is recorded as an expense and a liability, as the benefits accrue to employees, in the government-wide, proprietary, and fiduciary fund financial statements. In accordance with the provisions of Governmental Accounting Standards Board Statement No.16, “*Accounting For Compensated Absences*,” no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of cumulative sick leave benefits that it is estimated will be taken as “terminal leave” prior to retirement.

11. Long-Term Obligations

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

12. Bond Premiums, Discounts, and Issuance Costs

Bond premiums in enterprise funds are amortized over the term of the bonds using the effective interest amortization method. Gains or losses on enterprise fund refunding are reported as deferred inflows or outflows and are amortized over the term of the lesser of the new bonds or the refunded bonds using the effective interest method. Debt issuance costs are recognized as expenditures/expenses when incurred.

13. Deferred Outflows/Inflows of Resources

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

- Deferred charges on refunding - A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – The pension contributions made from the measurement date of the pension plan to the current fiscal year end are deferred and will be recognized in the subsequent fiscal year.
- Difference between estimated and actual experience related to – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Changes in assumptions related to pensions and OPEB – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity continued

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

- Deferred charges on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Unavailable revenue – This item arises only under the modified accrual basis of accounting. Accordingly, unavailable revenue is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The deferred inflow is reclassified to revenue on the government-wide financial statements.
- Net difference in projected and actual earnings on pension assets and difference between estimated and actual experience related to pensions – These are amortized as a component of pension expense over a closed period of five years.
- Difference between estimated and actual experience related to pensions and OPEB – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Changes in assumptions related to pensions and OPEB – These are amortized as a component of pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions and benefits through the pension and OPEB plans (active employees and inactive employees) determined as of the beginning of the measurement period.
- Deferred inflows of resources related to leases are reported when the City is the lessor. At the commencement of the lease, both a lease receivable and deferred inflow of resources are reported. The deferred inflow of resources is amortized and recognized as inflow of resources (revenue) over the term of the lease.

14. Fund Equity

In the fund financial statements, governmental funds report fund balance categorized as non-spendable, restricted, committed, assigned or unassigned.

Non-spendable fund balance – represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid items) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted fund balance – represents amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, other governments, etc.) or imposed by enabling legislation.

Committed fund balance – represents amounts that can only be used for specific purposes imposed by an ordinance of the City's highest level of decision-making authority, the City Council. Committed resources cannot be used for any other purpose unless the City Council removes or changes the specified use by the same type of action previously used to commit those amounts.

Assigned fund balance – represents amounts the City intends to use for the specific purpose as expressed by the City Council. The City Council may also assign fund balance when appropriating fund balance to cover a gap between estimated revenues and appropriations in the subsequent year's appropriated budget. The amount reflected in the financial statements has been assigned for the purpose intended by the City Council.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

Unassigned fund balance – represents the residual classification for the general fund or deficit balances in other funds.

The City's minimum fund balance policy requires that fund balance shall be maintained at a level of 15 percent of estimated annual operating expenditures for the General Fund and at 15 percent of estimated annual operating expenses in the Utility Fund and Solid Waste Fund.

When an expenditure is incurred for a purpose for which more than one fund balance classification could be used, the City considers the expenditure to be made from the most restrictive classification first.

15. Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net invested in capital assets consists of the City's capital assets, net of accumulated depreciation, reduced by any outstanding debt used for the acquisition or construction of those assets less unspent cash acquired through debt at year-end. Net position reported as restricted are those amounts which have limitations imposed by creditors, grantors or other laws and regulations. The government-wide statement of net position reports \$114,576,870 of restricted net position.

In the City's governmental activities, there is a deficit unrestricted net position of \$20,010,326 as a result of long-term liabilities for items such as bonds, compensated absences, net pension liability, and OPEB. Because of the focus on current assets and liabilities, the City's budget is developed to address the needs of current operations. The City plans to fund long-term liabilities in future budgets as those liabilities consume current assets.

16. Tax Abatements

The City has evaluated the total tax abatements issued for the year and has determined that the amount is not material to the financial statements.

17. Pensions and Other Post-Employment Benefits

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pension and OPEB, and pension and OPEB expense, information about the fiduciary net position of the City's retirement and OPEB plan and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the fiscal year ending September 30, 2024, the City recognized total pension expense of \$14,943,637, \$10,327,225 of which was for the TMRS Plan and \$4,616,412 for the TFDRRF Plan. For the fiscal year ending September 30, 2024, the City recognized total net OPEB income of \$1,783,070, income of \$(1,844,640) of which was for the Health Plan and expense of \$101,570 for the TMRS Supplemental Death Benefit Plan.

18. 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity – continued

19. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation, is employed in Governmental Funds. However, encumbrances in the Governmental Funds lapse at the end of the each year and are re-budgeted during the next fiscal year.

Encumbrance accounting is also employed by Proprietary Funds for management control purposes. Encumbrances outstanding at year-end are not reported as restrictions of net position nor have they been included as expenses or liabilities of Proprietary Funds.

20. Newly Implemented Standards

In June 2022, GASB issues statement No., 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62* which defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this statement are effective for reporting periods beginning after June 15, 2023. The City adopted this guidance as of October 1, 2023. There was no material effect on the financial statements.

21. Future Implementation of New Standards

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement under a unified model and by amending previously required disclosures. This statement is effective for fiscal periods beginning after December 31, 2023. The City is evaluating the impact of this statement on its financial statements.

GASB Statement 102, Certain Risk Disclosures. This statement was issued December 2023 and requires governments to disclose essential information about risks related to vulnerabilities due to certain concentrations or constraints. A concentration, as defined by Statement 102, is a lack of diversity related to an aspect of a significant inflow or outflow of resources, for example, a small number of companies that represent a majority of employment in a government's jurisdiction, or a government that relies on one revenue source for most of its revenue. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority, such as a voterapproved property tax cap or a state-imposed debt limit. The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier implementation is encouraged. The City is evaluating the impact of this statement on its financial statements.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(25,587,201) difference are as follows:

Claims and judgement	\$ (100,000)
Lease liabilities	(60,553)
SBITA liabilities	(17,492)
Revenue bond	(10,059,864)
Compensation absences	<u>(15,349,292)</u>
Net adjustment to reduce fund balance - total governmental funds	
to arrive at net position - governmental activities	<u><u>\$ (25,587,201)</u></u>

Another element of that reconciliation states that “Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.” The details of this \$15,795,470 difference are as follows:

Unavailable property tax revenues	\$ 733,837
Unavailable fines	15,021,520
Unavailable permits	<u>40,113</u>
Net adjustment to increase balance - total governmental funds	
to arrive at net position - governmental activities	<u><u>\$ 15,795,470</u></u>

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “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. The details of this 15,546,575 difference are as follows:

Capital outlay	\$ 30,516,996
Depreciation expense	<u>(14,970,421)</u>
Net adjustment to increase net changes in fund balances - total	
Governmental funds to arrive at changes in net position of	
Governmental activities	<u><u>\$ 15,546,575</u></u>

NOTE 3: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. After August 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted in Council chambers at City Hall to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

A. Budgetary Information - continued

4. Budgetary control is established at the fund level. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. The City Charter prohibits budgeting total proposed expenditures in excess of total anticipated revenues and any unencumbered funds from prior years; therefore, expenditures may not legally exceed revenues and unencumbered fund balances from prior years for each fund.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, certain Special Revenue Funds (Police Forfeiture Fund, Court Special Fee Fund, Hotel-Motel Occupancy Tax Fund, Passenger Facility Charge Fund, PEG Fee Fund, Homeownership and Housing Fund, CDBG Fund, Home Grant Fund, Housing Assistance Payment Fund, Transit System Fund, TIF/TIRZ #3 Fund), Capital Projects Fund, all Enterprise Funds, all Internal Service Funds and Permanent Funds.

Budgets for the General Fund, certain Special Revenue Funds (Police Forfeiture Fund, Court Special Fee Fund, Hotel-Motel Occupancy Tax Fund, Passenger Facility Charge Fund, PEG Fee Fund, Homeownership and Housing Fund, CDBG Fund, Home Grant Fund, Housing Assistance Payment Fund, Transit System Fund, TIF/TIRZ #3 Fund), Capital Projects Fund and Permanent Funds are adopted by the Council and presented in this report on a basis consistent with generally accepted accounting principles (GAAP). Budgeted expenditures for the General Fund's current fiscal year as adopted in the original budget and amendments thereto were \$97,021,181. Appropriations, which are not expended or encumbered at year-end, must be re-budgeted in the succeeding year.

6. Budgets for Proprietary Funds are adopted on a basis consistent with GAAP (accrual basis) except that for budgetary comparisons capital outlay items are expensed, accrual for compensated absences is excluded, and principal payments on debt are treated as expenses. The budgetary comparisons for Proprietary Funds are on this non-GAAP budgetary basis.

B. Expenditures Over Appropriations

For the year ended September 30, 2024, neither the general fund nor any major special revenue fund had expenditures in excess of appropriations.

The remainder of this page is intentionally left blank.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4: DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. Agencies, municipal bonds, and managed public funds investment pools. The City's cash and investments for the year ended September 30, 2024, are as follows:

Statement of net position:

Primary Government	
Cash and cash equivalents	\$ 66,322,715
Temporarily restricted cash and cash equivalents	101,482,733
Permanently restricted cash and cash equivalents	3,345,925
Fiduciary Funds	
Cash and cash equivalents	6,587,445
Investments	<u>113,456,542</u>
Total Cash and Investments	<u>\$ 291,195,360</u>
Cash on hand	\$ 9,552
Savings and checking accounts	56,705,066
Cash and cash equivalents held in investment accounts	1,024,157
Investments	<u>233,456,585</u>
Total Cash and Investments	<u>\$ 291,195,360</u>

Custodial Credit Risk – Deposits – At September 30, 2024, the City held several bank accounts, including a NOW interest bearing account, at one financial institution. The City's bank balances totaled \$59,146,182 All bank balances not covered by federal depository insurance, were covered by collateral held in the pledging financial institutions' trust department in the City's name. In accordance with the City's deposit and investment policy, all deposits placed at a financial institution shall be insured or collateralized in compliance with applicable State law. The City requires market value of pledged securities in excess of 102% of all uninsured deposits.

The remainder of this page is intentionally left blank

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

A. Deposits and Investments – continued

Investments are stated at fair value or amortized costs, which approximates fair value. As of September 30, 2024, the City had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Years)	Credit Risk
Primary Government			
Certificates of deposit	\$ 119,061,762	0.84	N/A
Texas government investment pool	<u>938,281</u>	0.07	AAAm
Total Primary Government	120,000,043		
Fiduciary Funds			
Equities	57,191,863	N/A	N/A
Mutual Funds	18,749,710	N/A	N/A
Fixed income	<u>37,514,969</u>	N/A	N/A
Total Fiduciary Funds	<u>113,456,542</u>		
Total Reporting Entity	<u><u>\$ 233,456,585</u></u>		
Portfolio weighted average maturity (years)		0.77	

Interest Risk Rate – This is the risk that changes in market risk rates will adversely affect the fair value of an investment. Investments with interest rates that are fixed for longer periods of time are more likely to be subject to increased variability in their fair values due to changes in the market interest rates. The City, in compliance with its investment policy adopted by the City Council, invests in shorter-term securities to protect market valuation from unanticipated rate movements. In addition, the City will not directly invest in securities maturing more than two years from the date of purchase.

Credit Risk – This is the risk that an issuer or other counterparty of a debt type investment will not fulfill its obligation to the holder of the investment. The City's investment policy requires the City to invest in U.S. Treasury and Agency securities along with Texas Local Government Pool (TexPool) investments. In addition, the City's investment policy requires approved broker/dealer meeting strict qualification.

Concentration of Credit Risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City's attempts to avoid over-investment in local government pools and matches a portion of its investments with anticipated cash flow requirements.

Custodial Credit Risk – This custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. As noted previously, the City requires market value of pledged securities in excess of 102% of all uninsured deposits.

Foreign Currency risk – This is the risk that exchange rates will adversely affect the fair value of an investment. At year-end, the City was not exposed to foreign currency risk.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

A. Deposits and Investments – continued

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, level 2 inputs are significant other observable inputs, and level 3 inputs are significant unobservable inputs.

A summary of the City's investments under the requirements of the fair value hierarchy as of September 30, 2024 are as follows:

	Assets at Fair Value as of September 30, 2024			
	Level 1	Level 2	Level 3	Total
Primary Government:				
Certificates of Deposit	\$ -	\$ 119,061,762	\$ -	\$ 119,061,762
Texas government investment pool	- -	938,281	- -	938,281
Total Primary Government	- -	120,000,043	- -	120,000,043
Fiduciary Funds:				
Equities	57,191,863	- -	- -	57,191,863
Mutual Funds	18,749,710	- -	- -	18,749,710
Fixed income	- -	37,514,969	- -	37,514,969
Total Fiduciary Funds	75,941,573	37,514,969	- -	113,456,542
Total Reporting Entity	<u><u>\$ 75,941,573</u></u>	<u><u>\$ 157,515,012</u></u>	<u><u>\$ - -</u></u>	<u><u>\$ 233,456,585</u></u>

B. Receivables

Receivables as of year-end for the City's individual major funds and nonmajor, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Receivables:	One-Half Cent					Non-Major Governmental Funds	Internal Service Funds	Total
	General Fund	Sales Tax Fund	Utilities Fund	Sanitation Fund	Airport Fund			
Accounts	\$ 23,495,502	\$ - -	\$ 8,447,624	\$ 2,623,789	\$ 927,005	\$ 1,109,523	\$ 998,189	\$ 37,601,632
Grants	140,586	- -	- -	- -	- -	1,194,209	- -	1,334,795
Taxes	10,127,553	3,479,282	- -	- -	- -	- -	- -	13,606,835
Lease	- -	- -	82,509	- -	- -	- -	119,312	201,821
Miscellaneous	48,806	43,852	2,916	- -	- -	- -	- -	95,574
Gross receivables	33,812,447	3,523,134	8,533,049	2,623,789	927,005	2,303,732	1,117,501	52,840,657
Less: Allowance for uncollectibles	(8,149,037)	- -	(198,597)	(64,209)	- -	- -	- -	(8,411,843)
Net total receivables	<u><u>\$ 25,663,410</u></u>	<u><u>\$ 3,523,134</u></u>	<u><u>\$ 8,334,452</u></u>	<u><u>\$ 2,559,580</u></u>	<u><u>\$ 927,005</u></u>	<u><u>\$ 2,303,732</u></u>	<u><u>\$ 1,117,501</u></u>	<u><u>\$ 44,428,814</u></u>

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

C. Lindsey Trust Fund

The S.A. Lindsey Police and Firemen's Trust was created by Louise Lindsey Merrick on July 20, 1971, for the charitable purpose of making awards to police officers and firefighters employed by the City of Tyler for outstanding service and to aid those and their families injured in the line of duty. The S.A. Lindsey Police and Fireman's Trust was terminated by court order on September 24, 2007, on the petition of the Trustee, Bank of America, due to new legislation making continuation of the trust economically infeasible.

As a result, the Lindsey Police and Firemen's Board contracted with the East Texas Communities Foundation to receive and manage the assets distributed from the termination of the S.A. Lindsey Police And Firemen's Trust, to create an Endowment Fund, to be known as the Lindsey Police and Firemen's Endowment Fund (Fund), designed to meet the primary purposes outlined in the originating trust document. The Lindsey Trust Fund was created to account for this Fund, as reflected in the Private-Purpose Trust Funds Combining Statement of Net Position and Combining Statement of Changes in Net Position, schedules E-3 and E-4 in the additional supplemental information.

The Fund is defined as a Permanent Endowment. The permanent portion or corpus of the Fund is \$25,000, with the remaining amount of the Fund considered net appreciation. Under the terms of the endowment, and consistent with State statutes, distributions from the Fund are to be made from the net appreciation so that the corpus of the fund will not be exhausted or depleted. Distributions may only be made to the City. Ordinary distributions to the City shall be made from the Fund once per calendar year in the amount requested by the City up to a cumulative limit of five percent (5%) of the value of the Fund determined as of the preceding December 31. Any portion of the net appreciation available for distribution which is not withdrawn by the City in one year may be withdrawn in a subsequent year. No additional distributions shall be made from the Fund. To the extent possible, the Donor intends to preserve the permanent portion or corpus of the Fund by limiting distributions to 5% per year. At September 30, 2024, the net appreciation on investments of the Fund was \$13,686.

Because the Lindsey Police and Firefighters' Endowment Fund is separately organized and managed by contract with an investment company as directed by the Lindsey Police and Firefighters' Fund Board, it is excluded from the City of Tyler's Investment Fund policy.

D. Capital Assets

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

Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 17,309,365	\$ -	\$ -	\$ 17,309,365
Construction in progress	55,299,687	26,677,258	(6,795,972)	75,180,973
Total capital assets, not being depreciated	72,609,052	26,677,258	(6,795,972)	92,490,338
Capital assets, being depreciated:				
Buildings	70,702,691	422,936	-	71,125,627
Improvements other than buildings	124,092,403	2,271,264	-	126,363,667
Machinery and equipment	90,707,674	10,683,850	(6,663,856)	94,727,668
Infrastructure	390,464,150	6,619,351	-	397,083,501
Right-to-use assets	1,245,515	1,057,120	-	2,302,635
SBITAs	1,466,753	-	-	1,466,753
Total capital assets being depreciated	678,679,186	21,054,521	(6,663,856)	693,069,851
Less accumulated depreciation and amortization for:				
Buildings	(30,060,295)	(2,202,636)	-	(32,262,931)
Improvements other than buildings	(87,968,270)	(2,773,249)	-	(90,741,519)
Machinery and equipment	(65,185,721)	(6,427,487)	5,983,543	(65,629,665)
Infrastructure	(252,954,985)	(8,565,480)	-	(261,520,465)
Right-to-use assets	(573,713)	(420,822)	-	(994,535)
SBITAs	(559,297)	(516,204)	-	(1,075,501)
Total accumulated depreciation and amortization	(437,302,281)	(20,905,878)	5,983,543	(452,224,616)
Total capital assets, being depreciated, net	241,376,905	148,643	(680,313)	240,845,235
Governmental activities capital assets, net	\$ 313,985,957	\$ 26,825,901	\$ (7,476,285)	\$ 333,335,573

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

D. Capital Assets – continued

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 12,073,047	\$ -	\$ -	\$ 12,073,047
Water Rights	12,526,700	-	-	12,526,700
Construction in progress	<u>15,590,265</u>	37,192,813	(6,333,707)	<u>46,449,371</u>
Total capital assets, not being depreciated	<u>40,190,012</u>	<u>37,192,813</u>	<u>(6,333,707)</u>	<u>71,049,118</u>
Capital assets, being depreciated:				
Buildings	63,500,219	-	-	63,500,219
Improvements other than buildings	456,149,606	15,461,662	-	471,611,268
Machinery and equipment	19,954,866	1,970,817	(802,153)	21,123,530
Infrastructure	<u>20,751,447</u>	<u>-</u>	<u>-</u>	<u>20,751,447</u>
Total capital assets being depreciated	<u>560,356,138</u>	<u>17,432,479</u>	<u>-</u>	<u>576,986,464</u>
Less accumulated depreciation and amortization for:				
Buildings	(39,780,156)	(1,126,069)	-	(40,906,225)
Improvements other than buildings	(163,637,653)	(11,656,249)	-	(175,293,902)
Machinery and equipment	(13,103,862)	(1,479,432)	381,858	(14,201,436)
Infrastructure	<u>(5,254,678)</u>	<u>(455,265)</u>	<u>-</u>	<u>(5,709,943)</u>
Total accumulated depreciation and amortization	<u>(221,776,349)</u>	<u>(14,717,015)</u>	<u>381,858</u>	<u>(236,111,506)</u>
Total capital assets, being depreciated, net	<u>338,579,789</u>	<u>2,715,464</u>	<u>381,858</u>	<u>340,874,958</u>
Business-type activities capital assets, net	<u><u>\$ 378,769,801</u></u>	<u><u>\$ 39,908,277</u></u>	<u><u>\$ (5,951,849)</u></u>	<u><u>\$ 411,924,076</u></u>

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

Governmental activities:			
General Government		\$ 1,480,544	
Public Safety		1,601,843	
Highways and streets, including depreciation of general infrastructure assets		757,433	
Public Services		9,742,378	
Culture and recreation		1,388,223	
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets		5,935,457	
Total depreciation expense - governmental activities		<u><u>\$ 20,905,878</u></u>	
Business-type activities:			
Utilities		\$ 10,627,926	
Sanitation		3,501,267	
Airport		587,822	
Total depreciation expense - business-type activities		<u><u>\$ 14,717,015</u></u>	

Water Rights

In 1965, the City purchased the right to 40% of the perpetual annual water yield of Lake Palestine from the Upper Neches River Municipal Water Authority for \$12,524,200. At September 30, 2024, total water rights were \$12,526,700. Management believes there is no impairment in the value of the water rights at September 30, 2024.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

D. Capital Assets – continued

Construction Commitments

As of September 30, 2024, the City has active construction projects. At year-end the City's commitments with contractors are as follows:

Project	Spent To-Date	Estimated Remaining Commitment
Group 3 24"-42" CIPP	19,960,116	22,458,652
Group 3: Remedial Measures 54" CIPP	11,863,284	12,011,039
Cambridge Road Drainage	7,890,788	606,050
Group 4 Traditional Mainline	4,921,525	4,824,725
Group 5 Remedial Open Cut	4,868,526	6,638,513
Taxiway Alpha Rehab	4,634,700	6,930,292
Group 5 Pipeburst	4,322,368	4,671,386
Group 1 Sewer Sites 2e1 and 10a1	4,022,964	4,086,123
Group 2 Traditional Pipe Rehabilitation	3,858,151	4,338,104
Southside WWTP Chlorination/Aeration	3,630,626	3,661,620
Cloverdale Drainage	3,389,668	3,389,668
2023 Asphalt Enhancement (Overlay)	2,956,145	4,474,061
Group 4 Mainline Specialty CIPP	2,795,798	3,640,612
John Soules Waterline Extension	2,398,946	3,470,534
Group 4 Manhole Specialty	2,038,177	2,528,849
Golden Road WTP Clarifier & Filters 11-14	2,025,637	4,700,136
Group 4 Mainline Specialty	1,862,935	2,374,732
Westside WWTP Administration Building	1,704,332	2,290,000
Group 5 Manhole Rehab	1,423,370	1,492,750
N. Glenwood EST Rehabilitation	1,062,613	1,042,325
Group 5 Open Cut Re-route	989,950	2,304,072
Security Fencing Construction	890,296	1,978,797
2023 Water Main Improvements	885,163	1,177,945
Shiloh Rd Elevated Storage Tank Site Improv.	791,892	960,000
S Thompson Drainage Imp	790,867	1,318,390
2021 Creek Crossings	768,808	1,055,409
Sludge Lagoon Cleanout	735,084	2,750,000
Melinda/Donna Street Reconstruction	722,317	1,182,064
Pollard Park	634,128	634,128
VES Parking Lot	630,185	1,970,000
Misc Drainage Improvements	580,903	747,958
UT Tyler Project	558,978	558,978
CIPP Drainage Improvements	536,303	1,046,175
Grande Reverse Curve	518,375	519,000
Treatment Plant Construction (Service Center)	449,142	616,132
Group 4 Manhole Traditional	403,581	469,815
Charleston LS Rehab	403,573	621,033
Group 2 Private Lateral	389,150	1,125,844
Traffic Signal Modernization	379,529	823,823
2023 Seal Coat	364,269	429,919
Group 6 Traditional	359,037	7,022,462
Ferguson Training Room Improvements	239,644	287,317
Earl Campbell Gravity Sewer Main	156,647	795,208

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

D. Capital Assets – continued

Project	Spent To-Date	Estimated Remaining Commitment
Brick Street Repair	119,060	993,161
Highway Safety Improvements	107,717	107,717
Lindsey Park	87,200	87,200
Gentry MLK Traffic Signal	72,010	660,725
Fun Forest Park	53,180	53,180
Streets Building Renovations	48,320	64,000
Shackelford Creek Lift Station	35,558	-
Traffic Signal Grande/Noonday	22,592	397,123
Fire Station 10 Renovations	12,019	29,783
Hillside Park	11,950	11,950

The above projects are funded by resources held in the One-Half Cent Sales Tax Fund, airport revenue bonds, water and sewer revenue bonds, and grant funding.

E. Interfund Receivables, Payables, and Transfers

The interfund balance in the General Fund resulted from overdrafts in the City's pooled cash accounts that were funded by the Utility Fund.

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

Receivable Fund	Payable Fund	Amount
Utility Fund	General Fund	\$1,596,632

Interfund transfers are recorded to reflect the allocation of internal service fund activities between governmental and business-type fund types.

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

	Transfer In					
	General Fund	One-Half Cent Sales Tax Fund	Nonmajor Governmental Funds	Airport Enterprise Funds	Internal Service Funds	Total
Transfers Out:						
General Fund	\$ -	\$ -	\$ 6,931,892	\$ -	\$ 601,305	\$ 7,533,197
One-Half Cent Sales Tax Fund	-	-	-	203,313	-	203,313
Nonmajor Governmental Funds	2,500,000	-	-	-	25,000	2,525,000
Utilities Enterprise Funds	-	-	175,000	-	50,653	225,653
Sanitation Enterprise Funds	-	-	54,280	-	50,653	104,933
Totals	\$ 2,500,000	\$ -	\$ 7,161,172	\$ 203,313	\$ 727,611	\$ 10,592,096

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Leases

City as Lessee

The City has obtained various equipment and infrastructure through long-term operating leases. The terms and conditions for these leases vary. The leases contain fixed, periodic payments over the lease terms, which range between 1-20 years. The interest rates for the leases vary between 0.5120% and 3.0161%. At September 30, 2024, operating leases consisted of the following:

GOVERNMENTAL ACTIVITIES

	Balance as of October 1, 2023	Additions	Reductions	Balance as of September 30, 2024
Lease Assets				
Equipment				
Pitney Bowes Lease-SLA Equipment	\$ 19,294	\$ -	\$ -	\$ 19,294
Pitney Bowes Lease-Send Pro P Series	28,759	-	-	28,759
Xerox Copiers	348,249	-	-	348,249
PD Body Cams	451,480	-	-	451,480
Breathing Apparatus	236,499	-	-	236,499
Dell servers	-	1,057,113	-	1,057,113
Total Equipment Lease Assets	1,084,281	1,057,113	-	2,141,394
Infrastructure				
702 West Cumberland Rd - Radio Tower	161,241	-	-	161,241
Total Infrastructure Lease Assets	161,241	-	-	161,241
Total Lease Assets	1,245,522	1,057,113	-	2,302,635
Lease Accumulated Amortization				
Equipment				
Pitney Bowes Lease-SLA Equipment	7,880	3,940	-	11,820
Pitney Bowes Lease-Send Pro P Series	11,732	5,866	-	17,598
Xerox Copiers	152,359	87,062	-	239,421
PD Body Cams	269,472	91,004	-	360,476
Breathing Apparatus	118,250	59,125	-	177,375
Dell servers	-	166,814	-	166,814
Total Equipment Lease Accumulated Amortization	559,693	413,811	-	973,504
Infrastructure				
702 West Cumberland Rd - Radio Tower	14,021	7,010	-	21,031
Total Infrastructure Lease Assets	14,021	7,010	-	21,031
Total Lease Accumulated Amortization	573,714	420,821	-	994,535
Total Governmental Lease Assets, Net	\$ 671,808	\$ 636,292	\$ -	\$ 1,308,100

Principal and interest requirements to maturity for the lease liability at September 30, 2024 are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 448,654	\$ 53,048	\$ 501,702
2026	234,905	40,283	275,188
2027	217,314	28,196	245,510
2028	230,077	15,432	245,509
2029	6,492	1,908	8,400
2030 - 2034	34,077	7,923	42,000
2035 - 2039	36,934	5,066	42,000
2040 - 2044	40,029	2,744	42,773
Total	\$ 1,248,482	\$ 154,600	\$ 1,403,082

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Leases – continued

City as Lessor

On October 1, 2021, the City leased water tower space to a cellular company. The lease is a seventy-seven-month lease with one extension option for an additional sixty months. The lessee is required to make monthly fixed payments of \$1,659 with no additional variable payments. The lease has an interest rate of 0.740%.

On October 1, 2021, the City leased land from its utilities fund to a tower company for the placement of a radio tower. The lease is a 331-month lease with five extension options for an additional sixty months in each option. The lessee is required to make annual fixed payments of \$6,000 with no additional variable payments. The lease has an interest rate of 1.703%.

On October 1, 2021, the City leased space in the airport to a car rental company. The lease is a sixteen-month lease with no extension options. The lessee is required to make monthly fixed payments of \$500 with no additional variable payments. The lease has an interest rate of 0.193%.

Principal and interest to maturity for the lease receivable at September 30, 2024 are as follows:

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	27,325	531	27,856
2026	23,530	358	23,888
2027	23,705	184	23,889
2028	7,949	26	7,975
Total	\$ 82,509	\$ 1,099	\$ 83,608
Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	4,961	2,032	6,993
2026	4,036	1,964	6,000
2027	4,104	1,895	5,999
2028	4,174	1,825	5,999
2029	4,245	1,755	6,000
2030 - 2034	22,336	7,664	30,000
2035 - 2039	24,304	5,696	30,000
2040 - 2044	26,625	3,555	30,180
2045 - 2049	24,527	1,112	25,639
Total	\$ 119,312	\$ 27,498	\$ 146,810

The balance of the deferred inflows of resources related to lease payments receivable as of September 30, 2024 were as follows:

Deferred Inflows of Resources	Balance as of September 30, 2024
Business-Type Activities	\$ 77,670
Government Type Activities	117,413
Total	\$ 195,083

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Leases – continued

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

Governmental Activities		
Inflows of Resources		Total
Lease Revenue	27,453	\$ 27,453
Interest Revenue	2,802	\$ 2,802

Regulated Leases

The City does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g., the U.S. Department of Transportation and the Federal Aviation Administration (FAA) regulated aviation leases between airports, air carriers, and other aeronautical users.

The City has regulated leases for the following City property:

- Airport hangar space subject to FAA requirements,
- Lake Tyler marina space subject to City code related to lake activity, and
- Certain tower leases subject to Federal Communications Commission requirements related to lighting, marking, and painting of towers.

The future expected minimum rentals to be received related to existing regulated leases as of September 30, 2024 are as follows:

Fiscal Year	Future Minimum Expected Receipts
2025	\$ 195,222
2026	137,697
2027	115,334
2028	115,334
2028 - 2033	519,215
2034 - 2038	463,044
2039 - 2043	355,841
2044 - 2048	350,985
2049 - 2053	183,759
	\$ 2,436,431

G. Subscription -based information technology arrangements - SBITAs

On 10/01/2022, the City entered into a 16-month subscription for the use of Granicus Software. An initial subscription liability was recorded in the amount of \$24,723. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$34,918. The subscription has an interest rate of 3.14%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0.

On 10/01/2022, the City entered into a 47-month subscription for the use of Bibliotheca SaaS. An initial subscription liability was recorded in the amount of \$19,638. As of 09/30/2024, the value of the subscription liability is \$6,753. The City is required to make annual fixed payments of \$6,974. The subscription has an interest rate of 3.27%. The value of the right to use asset as of 09/30/2024 of \$19,638 with accumulated amortization of \$9,867.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Subscription-based information technology arrangements – SBITAs – continued

On 10/01/2022, the City entered into an 18-month subscription for the use of ESRI Enterprise License. An initial subscription liability was recorded in the amount of \$80,993. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$82,500. The subscription has an interest rate of 3.21%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0.

On 10/01/2022, the City entered into a 24-month subscription for the use of ProjectDox SaaS Subscription. An initial subscription liability was recorded in the amount of \$69,700. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$65,100. The subscription has an interest rate of 3.217%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0.

On 07/01/2023, the City entered into a 48-month subscription for the use of Darktrace DETECT Platform. An initial subscription liability was recorded in the amount of \$195,218. As of 09/30/2024, the value of the subscription liability is \$97,572. The City is required to make annual fixed payments of \$50,834. The subscription has an interest rate of 2.79%. The value of the right to use asset as of 09/30/2024 of \$195,218 with accumulated amortization of \$61,006.

On 10/01/2022, the City entered into a 20-month subscription for the use of Standard Enterprise License. An initial subscription liability was recorded in the amount of \$85,179. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$87,000. The subscription has an interest rate of 3.21%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0.

On 10/01/2022, the City entered into a 22-month subscription for the use of StormWind Software. An initial subscription liability was recorded in the amount of \$14,432. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$14,850. The subscription has an interest rate of 3.21%. The value of the right to use asset as of 09/30/2023 of \$0 with accumulated amortization of \$0.

On 10/01/2022, the City entered into a 32-month subscription for the use of Microsoft 365 - Azure. An initial subscription liability was recorded in the amount of \$876,048. As of 09/30/2024, the value of the subscription liability is \$0. The City is required to make annual fixed payments of \$454,609. The subscription has an interest rate of 3.24%. The value of the right to use asset as of 09/30/2024 of \$876,048 with accumulated amortization of \$657,036.

On 08/11/2023, the City entered into a 36-month subscription for the use of DebtBook. An initial subscription liability was recorded in the amount of \$45,548. As of 09/30/2024, the value of the subscription liability is \$17,493. The City is required to make annual fixed payments of \$13,000. The subscription has an interest rate of 2.90%. The value of the right to use asset as of 09/30/2024 of \$45,548 with accumulated amortization of \$17,291.

At September 30, 2024, SBITAs consisted of the following:

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of
	October 1, 2023	Additions	Reductions	
Subscription Assets				
Software				
Granicus Software	\$ 79,999	\$ -	\$ -	\$ 79,999
Bibliotheca SaaS	19,637	-	-	19,637
ESRI Enterprise License	80,992	-	-	80,992
ProjectDox SaaS Subscription	69,700	-	-	69,700
Darktrace DETECT Platform	195,218	-	-	195,218
Standard Enterprise License	85,179	-	-	85,179
StormWind Software	14,432	-	-	14,432
Microsoft 365 - Azure	876,048	-	-	876,048
DebtBook	45,548	-	-	45,548
Total Subscription Assets	\$ 1,466,753	\$ -	\$ -	\$ 1,466,753

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

G. Subscription-based information technology arrangements – SBITAs - continued

Subscription Accumulated Amortization	Balance as of			Balance as of September 30, 2024
	October 1, 2023	Additions	Reductions	
Software				
Granicus Software	\$ 63,999	\$ 16,000	\$ -	\$ 79,999
Bibliotheca SaaS	4,933	4,933	-	9,866
ESRI Enterprise License	53,995	26,997	-	80,992
ProjectDox SaaS Subscription	34,850	34,850	-	69,700
Darktrace DETECT Platform	12,201	48,805	-	61,006
Standard Enterprise License	51,107	34,072	-	85,179
StormWind Software	7,585	6,847	-	14,432
Microsoft 365 - Azure	328,518	328,517	-	657,035
DebtBook	2,109	15,183	-	17,292
Total Software Subscription Accumulated Amortization	\$ 559,297	\$ 516,204	\$ -	\$ 1,075,501
Total Governmental Subscription Assets, Net	\$ 907,456	\$ (516,204)	\$ -	\$ 391,252

Principal and interest requirements to maturity for the lease liability at September 30, 2024 are as follows:

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 72,361	\$ 3,446	\$ 75,807
2026	49,456	1,378	50,834
	\$ 121,817	\$ 4,824	\$ 126,641

H. Long-term debt

Revenue Bonds

The City issues bonds where the City pledges income derived from the acquired or constructed assets to pay debt service. The revenue bonds issued by the City in prior years were to fund construction projects to improve or expand the water system and to refund prior issuances. Additionally, the City issued a revenue bond in 2021 to fund the construction of the Rose Complex Convention Center. The original amount of the outstanding revenue bonds was \$163,590,000 with maturities ranging from 2027 to 2052.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

H. Long-term debt - continued

Revenue bonds currently outstanding are as follows:

Issue	Purpose	Interest Rates	Amount
Series 2012	Water and sewer refunding	1.50 to 2.625%	\$ 415,000
Series 2013	Customer facility use	3.76%	380,000
Series 2015A	Water refunding and improvements	2.00 to 4.00%	6,085,000
Series 2015B	Water and sewer refunding	2.00 to 5.00%	8,015,000
Series 2017A	Water and sewer refunding	3.00 to 4.00%	2,410,000
Series 2017B	Water and sewer refunding	2.00 to 3.50%	7,950,000
Series 2018A	Water and sewer revenue	3.00 to 4.00%	6,530,000
Series 2018B	Water and sewer refunding	3.00%	3,945,000
Series 2019	Water and sewer revenue	2.00 to 5.00%	17,805,000
Series 2020	Water and sewer revenue	2.00 to 3.00%	3,005,000
Series 2021	Hotel occupancy tax revenue	2.00 to 5.00%	8,600,000
Series 2021	Water and Sewer revenue	2.00 to 5.00%	25,380,000
Series 2022	Water and sewer revenue	2.00 to 5.00%	39,660,000
Series 2023	Water and Sewer revenue	2.00 to 5.00%	60,580,000
Total outstanding revenue bonds			<u><u>\$ 190,760,000</u></u>

Annual debt service requirements to maturity for revenue bonds are as follows:

Year ending September 30	Principal	Interest	Total
2025	\$ 7,575,000	\$ 7,293,601	\$ 14,868,601
2026	7,885,000	6,990,886	14,875,886
2027	8,205,000	6,648,938	14,853,938
2028	8,410,000	6,310,716	14,720,716
2029	8,010,000	5,954,006	13,964,006
2030-2034	35,665,000	25,188,834	60,853,834
2035-2039	28,455,000	19,494,710	47,949,710
2040-2044	30,350,000	14,302,734	58,955,468
2045-2049	34,215,000	8,397,007	42,612,007
2050-2053	21,990,000	2,174,538	26,339,076
	<u><u>\$ 190,760,000</u></u>	<u><u>\$ 102,755,970</u></u>	<u><u>\$ 309,993,242</u></u>

Cash in the amount of \$2,248,019 as restricted at September 30, 2024 in order to fund the City's annual debt service requirements, to meet the debt service reserve fund requirements of bond covenants and for construction costs in connection with the 2013 Customer Facility Charge Bonds. Revenue bonds are subject to the provisions of the Internal Revenue Code of 1986 related to arbitrage and interest tax regulations under these provisions.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

H. Long-term debt - continued

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2024, was as follows:

	Beginning Balance 10/1/2023	Additions	Reductions	Ending Balance 9/30/2024	Due Within One Year	Due in More Than One Year
Governmental Activities:						
Revenue bonds payable	\$ 8,840,000	\$ -	\$ 240,000	\$ 8,600,000	\$ 250,000	\$ 8,350,000
ADD: bond premiums/(discounts)	1,526,221	-	66,357	1,459,864	-	1,459,864
Claims and judgements	100,000	-	-	100,000	100,000	-
Lease liability	675,723	1,057,113	484,354	1,248,482	448,654	799,828
Subscription liability	664,875	-	543,058	121,817	72,361	49,456
Net pension liability	92,704,445	-	12,237,050	80,467,395	-	80,467,395
Net OPEB liability	9,309,069	142,545	6,903,528	2,548,086	-	2,548,086
Compensated absences	14,630,458	1,646,519	598,653	15,678,324	618,938	15,059,386
Governmental activities						
Long-term liabilities	<u>\$ 128,450,791</u>	<u>\$ 2,846,177</u>	<u>\$ 21,073,000</u>	<u>\$ 110,223,968</u>	<u>\$ 1,489,953</u>	<u>\$ 108,734,015</u>
Business-Type Activities:						
Revenue bonds payable	\$ 127,695,000	\$ 62,505,000	\$ 8,040,000	\$ 182,160,000	\$ 7,325,000	\$ 174,835,000
ADD: bond premium/(discount)	7,260,575	2,647,164	490,109	9,417,630	-	9,417,630
Net pension liability	19,394,381	-	3,365,770	16,028,611	-	16,028,611
Net OPEB liability	3,274,092	49,095	2,360,984	962,203	-	962,203
Compensated absences	967,169	339,778	328,024	978,923	39,156	939,767
Business-Type Activities						
Long-Term Liabilities	<u>\$ 158,591,217</u>	<u>\$ 65,541,037</u>	<u>\$ 14,584,887</u>	<u>\$ 209,547,367</u>	<u>\$ 7,364,156</u>	<u>\$ 202,183,211</u>

The liabilities listed above for claims and judgments, net pension obligation, compensated absences, and contracts payable will be liquidated by the City's General and Proprietary Funds. The liability for leases will be liquidated by the General and Technology Funds. The net pension and OPEB obligations are liquidated primarily by the General Fund, the remaining obligations are liquidated across other funds on a pro rata basis calculated by historical pension and OPEB expenses in each fund.

The City has defeased certain bonds by placing the proceeds of new bond issues in an irrevocable trust for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. The 2017A Series bonds were issued to refund the remaining portion of the 2008 Series bonds and resulted in a \$80,000 reduction in the City's debt service fund. The 2017B Series bonds were issued to retire the 2009 Series bonds and this issue resulted in an economic gain of \$286,681 to the City and the debt service fund was reduced by \$273,921 as a result of the issuance of these bonds. The 2020A Series bonds were issued to retire the 2011 Series bond, which resulted in the City's debt service fund being reduced by \$395,000. At September 30, 2024, \$18,450,000 of bonds outstanding are considered defeased. The issues and amounts of outstanding defeased bonds are as follows:

Bond Issue	Year Refunded	Outstanding
Series 2017A Water and Sewer System Refunding Bonds	2008	\$ 2,895,000
Series 2017B Water and Sewer System Refunding Bonds	2009	8,230,000
Series 2018B Water and Sewer System Refunding Bonds	2009	4,385,000
Series 2020A Water and Sewer System Refunding Bonds	2011	2,940,000
Total Bonds Defeased		<u>\$ 18,450,000</u>

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 5: OTHER INFORMATION

A. Risk management

Property and Casualty Insurance Plans

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. A comprehensive insurance plan for property and casualty coverage has been established. Third-party administrators handle property and casualty claims review and processing. Deductibles and self-insured retentions for building and contents are \$100,000 deductible; \$100,000 for claims involving flood and earthquake; 5% with \$250,000 minimum per occurrence for claims involving wind/hail damage. Automobile liability, general liability, employment practices liability, law enforcement liability, and management liability; and \$50,000 for airport liability. The amount of settlements has not exceeded insurance coverage for the last three fiscal years.

Worker's Compensation Plan

The City is exposed to risk of loss due to injuries incurred by employees while performing work-related duties. The City has established and maintains a comprehensive self-insurance worker's compensation plan. Third party administrators handle claims review and processing. An insurance company provides excess workers compensation insurance for losses over \$1,000,000 fire and police and \$500,000 all other employee classifications self-insured retention with an aggregate retention of \$2,000,000.

Health, Dental, and Life Plans

HEALTH - Employee/Dependents and Non-Medicare Eligible Retirees/Dependents

The City implemented a partially self-insured health plan for employees, their dependents, and retirees/dependents, who are non-Medicare eligible. Non-Medicare Retirees and/or their dependents that have been continuously covered under the City's health plan may elect to continue their coverage at retirement. Active employees pay a portion of current premiums with the City paying the remainder. To reduce long term liabilities, the City elected to eliminate the subsidy for non-Medicare Retiree premiums for those employees hired after January 1, 1997. For those employees hired before January 1, 1997, the same apportionment of premiums continues at retirement. For those employees hired after January 1, 1997, the employee is responsible for the full cost of current premiums.

The city has retained an insurance policy for specific and aggregate stop-loss coverage. There is an individual stop-loss of \$375,000 per illness. A third-party administrator administers health claims and payments.

Medicare Eligible Retirees/Dependents

Retirees and/or their spouses who become eligible for Medicare and have been continuously covered under the City's health insurance plan may elect to participate in a Medicare Supplement Insurance Program. The City provides Retirees hired before January 1, 1997, a monthly subsidy to assist with payment of the Medicare premiums. The Medicare Supplement insurance provider processes and pays all health claims.

DENTAL - Employees/Retirees

The City offers fully self-funded dental and orthodontic benefits to eligible employees/dependents and retirees/dependents. Employees and retirees hired after January 1, 1997, pay a portion of the premiums and the City pays the remainder. Employees and retirees hired after January 1, 1997, pay the full cost of the current premium. A third-party administrator administers dental claims and payments.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

A. Risk management - continued

LIFE INSURANCE - Employees/Retirees

The City provides a \$10,000 basic life and AD&D insurance for all full-time active employees. Additionally, the City provides a \$5,000 basic life and AD&D insurance policy for eligible retirees. For active employees, supplemental Life insurance is available for purchase by the employee without evidence of insurability, if purchased during initial election period in the amounts of 5 times their annual salary up to a maximum of \$300,000 (guarantee issuance). Spousal Life insurance of 50% of the employee's covered amount up to a maximum of \$50,000 (Guarantee Issuance) whichever is less. Dependent child(ren) coverage is also available for purchase by the employee in \$5,000 increments of to a maximum of \$20,000.

For employees actively at work, Employee and/or Spousal Life Insurance Benefit amounts reduce beginning at age 65 thru 69 by 65%, age 70 thru 74 by 50% and age 75 and thereafter by 30%.

Other Self-Insurance Plans

In addition, the City meets the self-insurance requirements as promulgated by the Environmental Protection Agency, through the Texas Water Commission, for potential third-party claims.

Estimated liabilities for claims incurred but not reported at year-end have been recorded in the Self-Insurance Funds and a reconciliation of changes in claims liabilities is included in the note on contingent liabilities.

B. Contingent liabilities

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management and collective legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City. City management and the collective legal counsel have determined the estimated liability for outstanding lawsuit contingencies at September 30, 2024, was \$100,000. See Note 4: G for a reconciliation of changes in claims and judgments.

The City's self-insurance program is described in Note 5: A. The following is a reconciliation of the changes in the estimated liabilities for claims payable within 90 days for the years ended September 30, 2024 and 2023:

	Insurance Claims Payable At Beginning of Year	Current Year Claims and Changes In Estimates	Actual Claim Payments	Insurance Claims Payable At End of Year
Employees Benefits Fund				
FYE 2023	\$ 673,280	\$ 14,398,701	\$ 14,606,650	\$ 465,331
FYE 2024	465,331	14,235,878	13,822,845	878,364
Retiree Benefits Fund				
FYE 2023	\$ 142,632	\$ 1,721,207	\$ 1,806,008	\$ 57,831
FYE 2024	57,381	1,735,841	1,796,986	(3,314)

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

C. Joint Venture

The Northeast Public Health District (“District”) was established by a cooperative agreement between the City and Smith County, Texas pursuant to authority granted by the Texas Health & Safety Code for the purpose of providing public health services previously provided by the participating entities. The District is considered a joint venture between the City and County with each retaining an equity interest based upon the percentage each contributed to the budget.

For the year ended September 30, 2024, the City budgeted funding of \$200,000 for the District. The City's equity interest in the District at September 30, 2024 is \$4,152,262. The Health District's total fund balance at September 30, 2024 was approximately \$6.7 million. Financial statements for the Health District may be obtained at the entity's administrative offices.

D. Deferred Compensation

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The plan assets are not part of the City's financial statements because a third-party administrator holds these plan assets in trust. The market value and carrying value of deferred compensation plan assets is \$32,494,648 for September 30, 2024.

E. Pension Plans

1. Texas Municipal Retirement System Plan

TMRS Plan Description

The City of Tyler participates as one of 887 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code.

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

Firefighters are covered by a separate pension plan (see Note 5 E: 2); therefore, they are not included in the Texas Municipal Retirement System Plan. TMRS issues a publicly available annual comprehensive financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained from TMRS' website at www.tmrs.com.

Benefits Provided

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

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

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans - continued

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

	Plan Year 2023	Plan Year 2022
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Year required for vesting	5	5
Service retirement eligibility	60/5, 0/20	60/5, 0/20
Updated Service Credit	100% Repeating Transfers	100% Repeating Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Employees Covered by Benefit Terms

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

	12/31/2023	12/31/2022
Inactive employees or beneficiaries currently receiving benefits	639	622
Inactive employees entitled to but not yet receiving benefits	368	356
Active employees	<u>707</u>	<u>708</u>
	<u><u>1,714</u></u>	<u><u>1,686</u></u>

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 of Tyler were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Tyler were 20.65% and 21.58% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024, were \$10,669,216, and exceeded the required contributions by \$2,950.

Net Pension Liability

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

Actuarial assumptions:

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

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

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans - continued

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements. For disabled annuitants, the gender-distinct 2019 Municipal Retirees of Texas mortality tables were used with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. For determining the amount of the monthly benefit at the time of retirement for both healthy and disabled annuitants, the annuity purchase rates (APRs) until 2027 are based on a mortality study performed in 2013, with the factors phasing into being based on a unisex blend of the RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment for males and females with both male and female rates multiplied by 107.5% and projected on a fully generational basis with scale BB. The current table of APRs is explicitly valued through 2032 and then it is assumed the APRs and the valuation mortality assumptions will be consistent over time. For members, a unisex blend of 70% of the males table and 30% of the female table is used, while 30% of the male table and 70% of the female table is used for beneficiaries.

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2024 are summarized in the following table:

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

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 TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans – continued

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balance at 12/31/2022	\$ 306,338,714	\$ 236,204,300	\$ 70,134,414
Changes for the year:			
Service cost	7,838,386	-	7,838,386
Interest	20,441,509	-	20,441,509
Change of benefit terms	-	-	-
Difference between expected and actual experience	2,240,320	-	2,240,320
Changes of assumptions	(2,754,349)	-	(2,754,349)
Contributions - employer	-	9,792,055	(9,792,055)
Contributions - employee	-	3,319,341	(3,319,341)
Net investment income	-	27,328,225	(27,328,225)
Benefit payments, including refunds of employee contributions	(14,841,488)	(14,841,488)	-
Administrative expense	-	(173,918)	173,918
Other changes	-	(1,215)	1,215
Net changes	12,924,378	25,423,000	(12,498,622)
Balance at 12/31/2023	\$ 319,263,092	\$ 261,627,300	\$ 57,635,792

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
\$ 100,836,230	\$ 57,635,792	\$ 22,051,046

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.tmrs.com.

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 \$10,327,225.

At September 30, 2024, the City reported deferred outflows of resource 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	\$ 5,134,866	\$ -
Changes in actuarial assumptions	-	1,982,822
Difference between projected and actual investment earnings	21,568,897	15,198,275
Contributions subsequent to the measurement date	7,927,447	-
Total	\$ 34,631,210	\$ 17,181,097

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans - continued

\$7,927,447 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31		
2024	\$	4,043,359
2025	\$	2,925,521
2026	\$	4,830,673
2027	\$	(2,276,887)
2028	\$	-
Thereafter	\$	-
	\$	9,522,666

2. Tyler Firefighter's Relief and Retirement Fund

Plan Description

The City contributes to the retirement plan for firefighters in the Tyler Fire Department known as the Tyler Firefighters' Relief and Retirement Fund (the Fund). The Fund is a single employer, contributory, defined benefit plan. The benefit provisions of the Fund are authorized by the Texas Local Fire Fighters' Retirement Act (TLFFRA). TLFFRA provides the authority and procedure to amend benefit provisions. The plan is administered by the Board of Trustees of the Tyler Firefighters' Relief and Retirement Fund. The City does not have access to nor can it utilize assets within the retirement plan trust. The Fund issues a stand-alone report pursuant to GASB Statement No. 67, which may be obtained by writing the Tyler Firefighters' Relief and Retirement Fund at 1718 West Houston, Tyler, Texas 75702.

The Tyler Firefighter's Relief and Retirement Fund is considered part of the City's financial reporting entity and is included in the City's financial reports as a Pension Trust Fund.

Benefits Provided

Firefighters in the Tyler Fire Department are covered by the Tyler Firefighters' Relief and Retirement Fund which provides service retirement, death, disability, and withdrawal benefits. These benefits fully vest after 20 years of credited service. Firefighters become eligible for normal service retirement at age 50 with 25 years of service or at age 55 with 20 years of service. If a terminated firefighter has a vested benefit but is not eligible for normal retirement, he may elect an actuarially equivalent early retirement benefit or he may wait to retire starting on the date he would have first satisfied both age and service requirements for normal retirement if he had remained a Tyler firefighter. The present plan effective July 1, 2011 provides a monthly normal service retirement benefit, payable in a Joint and Two-Thirds to Spouse form of annuity (except those who had 20 years of service as of January 1, 2005 have a normal form of a Joint and 100% to Spouse form), equal to 71.5% of Highest 60-Month Average Salary plus \$113 for each year of service in excess of 20. A \$1,000 minimum monthly benefit was added in 2018.

A retiring firefighter eligible for normal service retirement with certain minimum combinations of years of service and age has the option to elect the Retroactive Deferred Retirement Option Plan (RETRO DROP) which will provide a lump sum benefit and a reduced monthly benefit. The reduced monthly benefit is based on the service and Highest 60-Month Average Salary as if they had terminated employment on their selected RETRO DROP benefit calculation date, which is no earlier than the later of the date they meet the RETRO DROP eligibility requirements and the date preceding the date they actually retire by the maximum lump sum accumulation period (36 or 60 months, depending upon age and service). Upon retirement, the member will receive, in addition to their monthly retirement benefit, a lump sum equal to the sum of (1) the amount of monthly contributions the member has made to the fund, after the RETRO DROP benefit calculation date plus (2) the total of the monthly retirement benefits the member would have received between the RETRO DROP benefit calculation date and the date they retired under the plan. There are no account balances. The lump sum is calculated at the time of retirement and distributed as soon as administratively possible.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans - continued

There is no provision for automatic postretirement benefit increases. The Fund has the authority to provide, and has periodically in the past provided, ad hoc postretirement benefit increases.

Members Covered by the Fund

In the December 31, 2023 actuarial valuation, the following numbers of members were covered by the Fund:

Retirees and beneficiaries currently receiving benefits	117
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>165</u>
	<u><u>282</u></u>

Funding Policy

The contribution provisions of the Fund are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the City.

The funding policy of the Tyler Firefighters' Relief and Retirement Fund requires contributions equal to 13.50% of pay by the firefighters, the rate elected by the firefighters according to TLFFRA. The City currently contributes according to an agreement between the City and the Fund's board of trustees. In 2020, the City agreed to a new contribution policy that will contribute 23% over the remainder of the unfunded liability amortization period. This new policy will gradually phase in from the 21.38% contribution rate to an ultimate rate of 23%. The actual City contribution rate was 22.00% in 2023 and 22.50% in 2024. The costs of administering the plan are paid from the Fund assets.

Ultimately, the funding policy also depends upon the total return of the Fund's assets, which varies from year to year. Investment policy decisions are established and maintained by the board of trustees. The board selects and employs investment managers with the advice of their investment consultant who is completely independent of the investment managers. For the year ending December 31, 2023, the money-weighted rate of return on pension plan investments was 13.15%. This measurement of the investment performance is net of investment-related expenses, reflecting the effect of the timing of the contributions received and the benefits paid during the year.

While the contribution requirements are not actuarially determined, state law requires that each change in plan benefits adopted by the Fund must first be approved by an eligible actuary, certifying that the contribution commitment by the firefighters and the assumed City contribution rate together provide an adequate contribution arrangement. Using the entry age actuarial cost method, the plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contribution rate is used to amortize the plan's unfunded actuarial accrued liability (UAAL). The number of years needed to amortize the plan's UAAL is actuarially determined using an open, level percentage of payroll method.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans – continued

Net Pension Liability

The City's total pension liability used to calculate the net pension liability was determined based on the actuarial valuation as of December 31, 2023.

Total pension liability	\$ 122,212,262
Plan fiduciary net position	83,352,048
City's net pension liability	<hr/> \$ 38,860,214
Plan fiduciary net position as a percentage of the total pension liability	68.2%

Actuarial Method and Assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	2.75%, plus promotion, step and longevity increases that vary by service
Investment rate of return	7%, net of pension plan investment expense, including inflation

Mortality rates were based on the PubS-2010 (public safety) total dataset mortality tables for employees and retirees (sex distinct), projected generationally using projection scale MP-2019.

The long-term expected rate of return on pension plan investments is reviewed for each biennial actuarial valuation and was determined using a building-block method in which expected future net real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These components are combined to produce the long-term expected rate of return by weighting the expected future net real rates of return by the target asset allocation percentage (currently resulting in 4.33%) and by adding expected inflation (2.75%). In addition, the final 7% assumption was selected by “rounding up”. The target allocation and expected arithmetic net real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities		
Large cap domestic	29.00%	5.94%
Mid cap domestic	9.00%	5.83%
Small cap domestic	6.00%	5.88%
International developed	7.00%	6.50%
International developing	5.00%	7.26%
Alternatives		
Real estate	5.00%	3.88%
Commodities	5.50%	1.11%
Fixed income		
Domestic core	19.30%	2.00%
Domestic high yield	4.00%	2.77%
Global	5.00%	1.70%
Domestic bank loan	3.70%	2.14%
Cash	1.50%	0.00%
Total	<hr/> <hr/> 100.00%	4.33%
Weighted Average		

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans – continued

Discount Rate

The discount rate used to measure the total pension liability was 7 %. No projection of cash flows was used to determine the discount rate because the December 31, 2023 actuarial valuation showed that expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 25 years. Because of the 25-year amortization period of the UAAL, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City of Tyler, calculated using the discount rate of 7%, as well as what the city's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease in Discount Rate (6%)	Discount Rate (7%)	1% Increase in Discount Rate (8%)
City's net pension liability Plan Fiduciary Net Position	\$ 53,675,679	\$ 38,860,214	\$ 26,440,917

The plan fiduciary net position reported above is the same as reported by the Fund. Detailed information about the plan fiduciary net position is available in the Fund's separately issued audited financial statements, which are reported using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Investments are reported at fair value, the price that would be recognized to sell an asset in an orderly transaction between market participants at the measurement date.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
	\$	\$	\$
Balance as of September 30, 2023	\$ 116,730,034	\$ 74,765,622	\$ 41,964,412
Changes for the year:			
Service cost	2,879,269	-	2,879,269
Interest	8,153,409	-	8,153,409
Difference between expected and actual experience	713,621	-	713,621
Contributions by the City	-	3,213,284	(3,213,284)
Firefighter contributions	-	1,972,462	(1,972,462)
Net investment income	-	9,754,690	(9,754,690)
Benefit payments	(6,264,071)	(6,264,071)	-
Administrative expenses	-	(89,939)	89,939
Assumption changes	-	-	-
Other changes	-	-	-
Net changes	5,482,228	8,586,426	(3,104,198)
Balance as of September 30, 2024	\$ 122,212,262	\$ 83,352,048	\$ 38,860,214

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

E. Pension Plans – continued

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

For the year ended September 30, 2024, the City's GASB 68 pension expense was \$4,616,412. Amounts recognized in the fiscal year represent changes between the current and prior measurement dates.

Components of Pension Expense for the Fiscal Year Ended September 30, 2024:

Components of Pension Expense	
Service cost	\$ 2,879,269
Interest	8,153,409
Firefighter contributions	(1,972,462)
Projected earnings on pension plan investments	(5,192,704)
Amortization of differences between projected and actual earnings on plan investments	(407,083)
Amortization of changes of assumptions	1,105,893
Amortization of differences between expected and actual experience	(39,849)
Pension plan administrative expenses	89,939
Changes in benefit provisions	-
Total pension expense	<u>\$ 4,616,412</u>

Deferred Outflows of Resources and Deferred Inflows of Resources to Be Recognized in Pension Expense in Future Years

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,752,376	\$ 958,001
Changes in actuarial assumptions	4,148,238	-
Difference between projected and actual investment earnings	5,374,814	-
Contributions subsequent to the measurement date	<u>2,567,087</u>	<u>404,448</u>
Total	<u>\$ 13,842,515</u>	<u>\$ 1,362,449</u>

\$2,567,087 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Year Ended September 30
2025	\$ 2,069,657
2026	2,980,451
2027	3,823,584
2028	(112,162)
2029	629,193
Thereafter	<u>522,256</u>
Total	<u>\$ 9,912,979</u>

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions

1. Health Plan

Plan Description

In addition to the pension benefits previously described, the City makes available health care benefits to eligible employees, and their spouses and children, who retire from the City and who are receiving benefits from a City sponsored retirement program (Texas Municipal Retirement System or Tyler Firefighters' Relief and Retirement Fund) through a single-employer defined benefit healthcare plan.

The plan does not issue a stand-alone report.

Benefits Provided

In addition to providing pension benefits, the City may provide group medical, dental, life and other benefits to eligible employees and their dependents. Detailed and summary information concerning eligibility, coverage and costs will be provided annually by the Finance Department and any outside service or insurance providers. The nature and extent of such benefits are subject to change without prior notice.

Employees who are working for City at the time of their retirement are eligible to continue to participate in City group health, dental, and life insurance plan. If such retiree's dependents were enrolled for coverage at the time of the retiree's retirement, then retiree may continue to have retiree's dependents covered.

Retirees who elect to remain in the insurance plan must continue to pay their portion of premiums and abide by the other conditions of the plan to have coverage. A retiree seeking continued coverage must inform the Finance Department no later than the date of retirement that the person elects to continue coverage for the retiree and/or dependents. Employees hired after 01/01/1997 must pay the full cost of premiums to continue coverage upon retirement. The City may substitute Medicare supplement health benefits coverage as the coverage provided for a retiree who receives health benefits coverage under this policy, including a dependent, after the date that the retiree becomes eligible for Federal Medicare benefits. The City may refuse health benefits coverage to a retiree and/or the retiree's dependent covered under this policy if the retiree and/or retiree's dependent is eligible for group health benefits coverage through another employer; or if premiums are not paid; or if they do not provide required certificate of insurance from insurance company. Non-Medicare Retirees, Medicare Retirees, and their dependents, who elect to opt out of the health and/or dental plan(s), may do so by submitting a written notice to the Finance Department. This written notice must include which plan(s) (health, dental and/or both) and the effective date (first day no longer covered). Retirees terminated for non-payment or who opted out and had not served 20 years with the City of Tyler will not be eligible to opt back into the health and/or dental plan(s) at a later date.

Retirees terminated due to alternative coverage may be able to opt back into the City's coverage if the retiree:

1. No longer qualifies for coverage,
2. Served 20 years with the City of Tyler, and
3. Had selected the coverage at the time of retirement.

Only the coverage selected at the time of retirement will be considered for the 20-year opt-in provision.

Additionally, the City provides eligible retirees with \$5,000 in basic life insurance coverage at no cost to the retirees.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions – continued

Employees Covered by Benefit Terms

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

Inactive employees currently receiving benefits	502
Inactive employees entitled to but not yet receiving benefits	-
Active employees	<u>864</u>
	<u><u>1,366</u></u>

Contributions

City contributions consists of monthly premium contributions to the Public Agency Retirement Services (PARS) Post-Retirement Health Funding Plan Trust, which is a multi-employer irrevocable trust that has a private letter ruling confirming it is in full compliance with the requirements of Section 115 of the Internal Revenue Code.

Medicare eligible retirees are provided with a Medicare insurance supplement program. For retirees hired before January 1, 1997, the City contributions are fixed at the 2013 subsidy level for age-band as of December 31, 2017. For retirees hired on and after January 1, 1997, there is no City contribution. See the table below for the monthly rates for employees:

	Medical Plan	Dental Plan	Vision Plan	
			Gold 100	Gold 150
Employee only	\$ 117.84	\$ 9.82	\$ 5.50	\$ 6.14
Employee + Spouse	392.96	36.10	9.30	10.50
Employee + Child(ren)	305.34	34.96	9.90	11.14
Employee + Family	532.46	54.34	14.80	16.70

Consistent with the requirements of GASB Statement No. 74, the employer contributions include amounts for OPEB as the benefits come due that will not be reimbursed to the employer using OPEB plan assets.

Net OPEB Liability

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

Actuarial assumptions:

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

Inflation	2.50%
Overall payroll growth	TMRS: 3.60% to 11.85%, including inflation FIRE: 2.75% to 8.92%, including inflation
Healthcare cost trend rates	Initial rates of 7.20% declining to ultimate rates of 4.25% after 15 years

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions – continued

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

In addition, a 3.5% and 3% minimum mortality rate is 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 BB to account for future mortality improvements subject to the 3% floor. Per FTDRRF, mortality rates for active members, retirees, and beneficiaries were based on the RP2000 Combined Healthy Mortality Tables projected to 2024 using Scale AA for males and females.

The actuarial assumptions for TMRS members are based on the assumptions that were developed for the defined benefit plan in which the City participates. The assumptions are based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement Plan (TMRS). The assumptions for firefighters are based on the pension valuation report provided by the City as of December 31, 2022.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 6.25%. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on OPEB plan investments is 6.25%; the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index"); and the resulting Single Discount Rate is 6.25%.

The City is expected to consistently fund the actuarially determined employer contribution, which uses a closed amortization period. As a result, the plan's fiduciary net position is expected to be sufficient to pay all future benefits.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions – continued

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balances as of December 31, 2022	\$ 25,206,849	\$ 16,035,712	\$ 9,171,137
Changes for the year:			
Service cost	540,515	-	540,515
Interest on the total OPEB liability	1,527,917	-	1,527,917
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(1,826,279)	-	(1,826,279)
Changes in assumptions	(1,650,708)	-	(1,650,708)
Employer contributions	-	4,626,632	(4,626,632)
Net investment income	-	2,522,210	(2,522,210)
Benefit payments	(2,060,867)	(2,060,867)	-
Administrative expenses	-	(38,066)	38,066
Other	-	-	-
Net Changes	(3,469,422)	5,049,909	(8,519,331)
Balances as of December 31, 2023	<u>\$ 21,737,427</u>	<u>\$ 21,085,621</u>	<u>\$ 651,806</u>

Sensitivity Analysis

The following presents the Net OPEB Liability of the City, calculated using the discount rate of 6.25%, as well as what the City's Net OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	1% Decrease in Discount Rate (5.25%)	1% Increase in Discount Rate (6.25%)	1% Increase in Discount Rate (7.25%)
Net OPEB Liability	\$ 2,105,107	\$ 651,806	\$ (663,968)

The following presents the Net OPEB Liability of the City, calculated using the assumed trend rates (7.00% declining to the ultimate rate of 4.15% after 13 years), as well as what the City's Net OPEB Liability would be if it were calculated using a trend rate that is 1-percentage-point lower (5.25% declining to the ultimate rate of 3.15% after 13 years) or 1-percentage-point higher (7.25% declining to the ultimate rate of 5.15% after 13 years) than the current rate:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Net OPEB Liability	\$ (465,158)	\$ 651,806	\$ 1,904,973

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions – continued

OPEB Income

For the year ended September 30, 2024, the City recognized OPEB income of \$1,884,640.

Components of OPEB Expense		
Service cost	\$ 540,515	
Interest on total OPEB liability	1,527,917	
Current-period benefit changes	-	
Employee contributions	-	
Projected earnings on OPEB plan investments	(1,081,223)	
OPEB plan administrative expenses	38,066	
Other changes in plan fiduciary net position	-	
Recognition of current year outflow/(inflow) due to liabilities	(566,672)	
Recognition of current year outflow/(inflow) due to assets	(288,197)	
Amortization of prior year outflow/(inflow) due to liabilities	(2,335,380)	
Amortization of prior year outflow/(inflow) due to assets	280,334	
Total OPEB expense	<u>\$ (1,884,640)</u>	

Deferred Outflows of Resources and Deferred Inflows of Resources to be Recognized in OPEB expense in Future Years

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 247,821	\$ 5,151,596
Changes in actuarial assumptions	158,185	1,460,200
Difference between projected and actual investment earnings	935,954	-
Contributions subsequent to the measurement date	<u>2,231,387</u>	<u>-</u>
Total	<u>\$ 3,573,347</u>	<u>\$ 6,611,796</u>

The City had 2,231,387 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction/(addition) of the total OPEB liability for the year ending September 30, 2025. The employer contributions include trust contributions of \$4,626,632 plus the benefit payments paid by the City of \$2,060,867 minus the trust reimbursements of \$1,422,062. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Year Ended December 31
2024	\$ (2,535,745)
2025	(771,390)
2026	(525,402)
2027	(793,672)
2028	(566,672)
Thereafter	(76,955)
	<u>\$ (5,269,836)</u>

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions - continued

2. Supplemental Death Benefits Plan

Plan Description

The City also participates in a single-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). Like the Defined Benefit Pension Plan, the OPEB Plan is under 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.

This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. 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.

TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

Benefits Provided

Payments from this fund are similar to group term life insurance benefits, and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an "other postemployment benefit" (OPEB) and is a fixed amount of \$7,500.

Employees Covered by Benefit Terms

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

	<u>12/31/2023</u>	<u>12/31/2022</u>
Inactive employees currently receiving benefits	507	499
Inactive employees entitled to but not yet receiving benefits	86	81
Active employees	<u>707</u>	<u>708</u>
	<u>1,300</u>	<u>1,288</u>

Contributions

The member cities contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the City. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree life insurance during employee's entire careers.

As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions - continued

For calendar year 2024, the total SDB contributions rate for the City was 0.45%, while the retiree portion of the SDB contribution was 0.22%. The City's contributions for the year ended September 30, 2024, were \$108,788 for the retiree portion, and \$223,666 for the total SDB rate. Due to the SDBF being considered an unfunded OPEB plan, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

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

Inflation	2.50%
Overall payroll growth	3.60% to 11.85% including inflation
Discount rate *	3.77%
Retiree's share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

The actuarial cost method being used is known as the Entry Age Normal Method. This method develops the annual cost of the Plan in two parts: that attributable to benefits accruing in the current year, known as the normal cost, and that due to service earned prior to the current year, known as the amortization of the unfunded actuarial accrued liability. The normal cost and the actuarial accrued liability are calculated individually for each member. The normal cost rate for an employee is the contribution rate which, if applied to a member's compensation through their period of anticipated covered service with the municipality, would be sufficient to meet all benefits payable on their behalf. The normal cost is calculated using an entry age based on benefit service with the City. If a member has additional time-only vesting service through service with other TMRS cities or other public agencies, they retain this for determination of benefit eligibility and decrement rates. The salary-weighted average of these rates is the total normal cost rate. The unfunded actuarial accrued liability reflects the difference between the portion of projected benefits attributable to service credited prior to the valuation date and assets already accumulated.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions - continued

These actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2014 to December 31, 2018. The assumptions were adopted in 2019 and first used in the December 31, 2019 actuarial valuation.

Changes in the Total OPEB Liability

	<u>Increase (Decrease)</u>
	Total OPEB
	Liability
Balance at 12/31/2022	\$ 2,666,839
Changes for the year:	
Service cost	90,096
Interest	107,719
Change of benefit terms	-
Difference between expected and actual experience	(34,004)
Changes of assumptions or other inputs	132,155
Benefit payments	(104,322)
Net changes	191,644
Balance at 12/31/2023	<u><u>\$ 2,858,483</u></u>

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

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

	1% Decrease in Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase in Discount Rate (4.77%)
Total OPEB Liability	\$ 3,358,038	\$ 2,858,483	\$ 2,460,745

OPEB Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense of \$101,570.

	<u>Components of OPEB Expense</u>
Service cost	\$ 90,096
Interest on total OPEB liability	107,719
Changes in benefit terms	-
Employer administrative costs	-
Recognition of deferred outflows/inflows of resources:	
Differences between expected and actual experience	(52,367)
Changes in assumptions or other inputs	<u><u>(43,878)</u></u>
Total OPEB expense	<u><u>\$ 101,570</u></u>

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

F. Post-Employment Benefits Other Than Pensions - continued

Deferred Outflows of Resources and Deferred Inflows of Resources to Be Recognized in OPEB Expense in Future Years

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$ 66,140
Changes in actuarial assumptions	103,222	587,053
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	68,221	-
Total	\$ 171,443	\$ 653,193

The City had \$68,221 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Year Ended December 31
2024	\$ (164,332)
2025	(225,095)
2026	(174,803)
2027	14,259
2028	-
Thereafter	-
	<u>\$ (549,971)</u>

G. Commitments

The City invested in other projects and contracts with outside parties. The more significant of these at September 30, 2024, are as follows:

Greenwood Landfill TX, L.P. – The City established a trust fund in January 2001 to ensure the eventual closure and post-closure expenditure requirements. The trust fund will be 100% funded by Greenwood Landfill TX, L.P. (Greenwood). The initial agreement was that Greenwood would fund the trust at the annual rate of \$400,000 per year for 5 years. In January 2005 the agreement was amended to reduce the annual funding rate to \$36,000 per year beginning October 1, 2004 to allow Greenwood to actively pursue authorization to expand the Landfill from the appropriate regulatory agencies. The funding will be re-evaluated periodically to determine future needs. The trust is set up as an expendable trust with expenditures restricted to closure and post-closure costs. Liability for closure and post-closure costs are the responsibility of Greenwood and will be calculated annually under requirements established by the Texas Commission on Environmental Quality.

Water Sales Contracts – The City has an agreement with surrounding cities and water supply corporations to provide a supplemental source of water. The amount to be provided is estimated to be 50% of the annual supply. The parties have established a minimum annual and monthly take or pay volume and a surcharge to water taken above maximum day volume.

CITY OF TYLER, TEXAS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

H. Landfill Closure and Post-closure Costs

Greenwood Landfill – The City has contracted with a private enterprise to operate the Greenwood Landfill. The private enterprise bears the full financial responsibility of operating the landfill including all closure and post-closure costs. The operator is funding a landfill trust, which is administered by the City of Tyler and established for the future closure and post-closure costs of the Greenwood Landfill.

J. Subsequent Events

Subsequent events were evaluated through March 6, 2025, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

Total pension liability	Measurement									
	Year 2014	Year 2015	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023
Service Cost	\$ 4,665,697	\$ 5,126,201	\$ 5,561,888	\$ 5,616,579	\$ 5,645,418	\$ 5,888,461	\$ 6,538,350	\$ 7,005,071	\$ 7,462,072	\$ 7,838,386
Interest (on the Total Pension Liability)	14,108,492	14,704,123	14,812,165	15,456,387	16,127,408	16,704,156	17,359,476	18,090,098	19,191,678	20,441,509
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Difference between expected and actual results	(1,004,139)	(331,903)	(473,353)	(196,987)	(1,686,661)	(1,141,178)	(159,058)	4,626,384	5,894,474	2,240,320
Change of assumptions	-	(478,359)	-	-	-	347,014	-	-	-	(2,754,349)
Benefit payments, including refunds of employee contributions	(9,268,702)	(9,713,879)	(10,000,772)	(10,767,252)	(11,131,440)	(12,195,107)	(12,634,794)	(13,661,415)	(13,599,266)	(14,841,488)
Net Change in Total Pension Liability	8,501,348	9,306,183	9,899,928	10,108,727	8,954,725	9,603,346	11,103,974	16,060,138	18,948,958	12,924,378
Total Pension Liability - Beginning	203,851,387	212,352,735	221,658,918	231,558,846	241,667,573	250,622,298	260,225,644	271,329,618	287,389,756	306,338,714
Total Pension Liability - Ending (a)	<u>\$ 212,352,735</u>	<u>\$ 221,658,918</u>	<u>\$ 231,558,846</u>	<u>\$ 241,667,573</u>	<u>\$ 250,622,298</u>	<u>\$ 260,225,644</u>	<u>\$ 271,329,618</u>	<u>\$ 287,389,756</u>	<u>\$ 306,338,714</u>	<u>\$ 319,263,092</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 6,710,788	\$ 7,010,794	\$ 7,040,230	\$ 7,170,297	\$ 7,214,614	\$ 7,579,707	\$ 8,375,887	\$ 8,969,352	\$ 9,363,589	\$ 9,792,055
Contributions - Employee	2,227,512	2,327,022	2,388,648	2,420,194	2,438,458	2,539,876	2,801,479	2,982,695	3,175,209	3,319,341
Net Investment Income	8,776,879	238,696	10,912,920	23,797,094	(5,816,547)	28,874,055	16,195,750	29,723,296	(18,674,379)	27,328,225
Benefit payments, including refunds of employee contributions	(9,268,702)	(9,713,879)	(10,000,772)	(10,767,252)	(11,131,440)	(12,195,107)	(12,634,794)	(13,661,415)	(13,599,266)	(14,841,488)
Administrative Expense	(91,634)	(145,395)	(123,252)	(123,321)	(112,418)	(163,154)	(104,816)	(137,546)	(161,649)	(173,918)
Other	(7,534)	(7,181)	(6,641)	(6,250)	(5,873)	(4,901)	(4,089)	942	192,895	(1,215)
Net Change in Plan Fiduciary Net Position	8,347,309	(289,943)	10,211,133	22,490,762	(7,413,206)	26,630,476	14,629,417	27,877,324	(19,703,601)	25,423,000
Plan Fiduciary Net Position - Beginning	153,424,630	161,771,939	161,481,996	171,693,129	194,183,891	186,770,685	213,401,161	228,030,578	255,907,901	236,204,300
Plan Fiduciary Net Position - Ending (b)	<u>\$ 161,771,939</u>	<u>\$ 161,481,996</u>	<u>\$ 171,693,129</u>	<u>\$ 194,183,891</u>	<u>\$ 186,770,685</u>	<u>\$ 213,401,161</u>	<u>\$ 228,030,578</u>	<u>\$ 255,907,901</u>	<u>\$ 236,204,300</u>	<u>\$ 261,627,300</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ 50,580,796</u>	<u>\$ 60,176,922</u>	<u>\$ 59,865,717</u>	<u>\$ 47,483,682</u>	<u>\$ 63,851,613</u>	<u>\$ 46,824,483</u>	<u>\$ 43,299,040</u>	<u>\$ 31,481,855</u>	<u>\$ 70,134,414</u>	<u>\$ 57,635,792</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	76.18%	72.85%	74.15%	80.35%	74.52%	82.01%	84.04%	89.05%	77.11%	81.95%
Covered Payroll	\$ 31,816,401	\$ 33,222,301	\$ 34,080,198	\$ 34,542,306	\$ 34,783,842	\$ 36,281,338	\$ 39,817,416	\$ 42,609,922	\$ 45,362,142	\$ 47,419,151
Net Pension Liability as a Percentage of Covered Payroll	158.98%	181.13%	175.66%	137.47%	183.57%	129.06%	108.74%	73.88%	154.61%	121.55%

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 6,906,104	\$ 7,323,791	\$ 7,067,763	\$ 7,242,722	\$ 7,480,539	\$ 7,930,591	\$ 8,631,602	\$ 9,404,910	\$ 9,711,882	\$ 10,666,266
Contributions in relation to the actuarially determined contributions	<u>6,906,104</u>	<u>7,323,791</u>	<u>7,067,763</u>	<u>7,242,722</u>	<u>7,480,539</u>	<u>7,930,591</u>	<u>8,631,602</u>	<u>9,404,910</u>	<u>9,711,604</u>	<u>10,669,216</u>
Contribution deficiency (Overpayment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278	\$ (2,950)
Covered payroll	\$ 32,746,475	\$ 35,299,165	\$ 34,107,320	\$ 34,968,816	\$ 35,884,086	\$ 37,823,838	\$ 41,049,345	\$ 44,647,369	\$ 47,037,135	\$ 49,998,205
Contributions as a percentage of covered payroll	21.09%	20.75%	20.72%	20.71%	20.85%	20.97%	21.03%	21.06%	20.65%	21.34%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 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	21 Years
Asset Valuation Method	10 Year smoothed market; 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	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 by the most recent Scale MP-2021 (with immediate convergence). Pre-retirement PUB(10) mortality rates, 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 by the most recent Scale MP-2021 (with immediate convergence).

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

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' RELIEF AND RETIREMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022	Measurement Year 2023
Total pension liability										
Service Cost	\$ 2,135,428	\$ 2,215,179	\$ 2,248,539	\$ 2,327,238	\$ 2,303,706	\$ 2,382,032	\$ 2,548,466	\$ 2,624,920	\$ 2,802,208	\$ 2,879,269
Interest (on the Total Pension Liability)	5,987,025	6,277,350	6,474,280	6,684,234	6,849,003	7,121,777	7,296,397	7,506,525	7,849,328	8,153,409
Changes in benefit terms	-	-	-	-	158,198	-	-	-	-	-
Difference between expected and actual experience	-	198,165	-	(1,038,495)	-	(1,839,950)	-	1,726,837	-	713,621
Change of assumptions	-	808,186	-	1,214,295	-	4,861,656	-	2,949,576	-	-
Benefit payments, including refunds of employee contributions	(3,413,612)	(5,498,546)	(6,299,846)	(5,814,190)	(4,940,827)	(6,247,265)	(7,770,776)	(6,275,210)	(6,505,116)	(6,264,071)
Net Change in Total Pension Liability	4,708,841	4,000,334	2,422,973	3,373,082	4,370,080	6,278,250	2,074,087	8,532,648	4,146,420	5,482,228
Total Pension Liability - Beginning	76,823,319	81,532,160	85,532,494	87,955,467	91,328,549	95,698,629	101,976,879	104,050,966	112,583,614	116,730,034
Total Pension Liability - Ending (a)	<u>\$ 81,532,160</u>	<u>\$ 85,532,494</u>	<u>\$ 87,955,467</u>	<u>\$ 91,328,549</u>	<u>\$ 95,698,629</u>	<u>\$ 101,976,879</u>	<u>\$ 104,050,966</u>	<u>\$ 112,583,614</u>	<u>\$ 116,730,034</u>	<u>\$ 122,212,262</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 2,407,993	\$ 2,452,070	\$ 2,336,615	\$ 2,405,117	\$ 2,430,912	\$ 2,511,677	\$ 2,708,618	\$ 2,739,984	\$ 2,858,276	\$ 3,213,284
Contributions - Employee	1,522,493	1,555,182	1,512,916	1,549,098	1,568,701	1,605,481	1,722,252	1,730,935	1,794,764	1,972,462
Net Investment Income	2,403,790	(2,891,814)	5,091,311	9,480,792	(4,565,736)	12,119,485	9,868,054	10,095,696	(12,570,100)	9,754,690
Benefit payments, including refunds of employee contributions	(3,413,612)	(5,498,546)	(6,299,846)	(5,814,190)	(4,940,827)	(6,247,265)	(7,770,776)	(6,275,210)	(6,505,116)	(6,264,071)
Administrative Expense	(53,740)	(30,035)	(54,206)	(15,132)	(35,836)	(15,903)	(46,062)	(48,171)	(110,092)	(89,939)
Other	-	-	-	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	2,866,924	(4,413,143)	2,586,790	7,605,685	(5,542,786)	9,973,475	6,482,086	8,243,234	(14,532,268)	8,586,426
Plan Fiduciary Net Position - Beginning	61,495,625	64,362,549	59,949,406	62,536,196	70,141,881	64,599,095	74,572,570	81,054,656	89,297,890	74,765,622
Plan Fiduciary Net Position - Ending (b)	<u>\$ 64,362,549</u>	<u>\$ 59,949,406</u>	<u>\$ 62,536,196</u>	<u>\$ 70,141,881</u>	<u>\$ 64,599,095</u>	<u>\$ 74,572,570</u>	<u>\$ 81,054,656</u>	<u>\$ 89,297,890</u>	<u>\$ 74,765,622</u>	<u>\$ 83,352,048</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ 17,169,611</u>	<u>\$ 25,583,088</u>	<u>\$ 25,419,271</u>	<u>\$ 21,186,668</u>	<u>\$ 31,099,534</u>	<u>\$ 27,404,309</u>	<u>\$ 22,996,310</u>	<u>\$ 23,285,724</u>	<u>\$ 41,964,412</u>	<u>\$ 38,860,214</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	78.94%	70.09%	71.10%	76.80%	67.50%	73.13%	77.90%	79.32%	64.05%	68.20%
Covered Payroll	\$ 11,272,803	\$ 11,519,867	\$ 11,206,785	\$ 11,474,800	\$ 11,620,007	\$ 11,892,452	\$ 12,757,422	\$ 12,821,741	\$ 13,294,548	\$ 14,610,830
Net Pension Liability as a Percentage of Covered Payroll	152.31%	222.08%	226.82%	184.64%	267.64%	230.43%	180.26%	181.61%	315.65%	265.97%

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FIREFIGHTERS' RELIEF AND RETIREMENT FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 2,448,625	\$ 2,508,633	\$ 2,244,357	\$ 2,640,922	\$ 2,525,746	\$ 2,578,616	\$ 2,696,067	\$ 2,838,333	\$ 3,228,787	\$ 3,492,809
Contributions in relation to the actuarially determined contributions	<u>2,448,625</u>	<u>2,442,540</u>	<u>2,189,346</u>	<u>2,620,919</u>	<u>2,487,004</u>	<u>2,578,616</u>	<u>2,697,932</u>	<u>2,838,333</u>	<u>3,229,058</u>	<u>3,510,567</u>
Contribution deficiency	\$ -	\$ 66,093	\$ 55,011	\$ 20,003	\$ 38,742	\$ -	\$ (1,865)	\$ -	\$ (271)	\$ (17,758)
Covered payroll	\$ 11,506,705	\$ 11,963,428	\$ 10,721,551	\$ 12,616,845	\$ 11,985,380	\$ 12,160,729	\$ 12,634,170	\$ 13,219,703	\$ 14,760,951	\$ 15,876,405
Contributions as a percentage of covered payroll	21.28%	20.42%	20.42%	20.77%	20.75%	21.20%	21.35%	21.47%	21.88%	22.11%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll Method
Remaining Amortization Period	26 years
Inflation	2.75%
Salary Increases	2.75%, plus promotion, step and longevity increases that vary by service
Investment Rate of Return	7%, net of pension plan investment expense, including inflation
Retirement Age	Firefighters become eligible for normal service retirement at age 50 with 25 years of service or at age 55 with 20 years of service.
Mortality	Based on the PubS-2010 (public safety) total dataset mortality tables for employees and retirees (sex distinct), projected using projection scale MP-2019
Other Information:	There were no benefit changes during the year.

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
HEALTH PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2024

Total OPEB liability	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022	Measurement Year 2023
Service Cost	\$ 617,273	\$ 656,975	\$ 660,205	\$ 597,389	\$ 578,751	\$ 532,651	\$ 540,515
Interest (on the Total OPEB Liability)	2,303,993	2,317,569	2,329,351	1,780,085	1,791,868	1,516,111	1,527,917
Changes in benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(736,059)	(9,134,915)	(517,661)	(3,838,670)	371,763	(1,826,279)
Change of assumptions	-	-	(477,666)	-	316,309	-	(1,650,708)
Benefit payments	(3,459,056)	(2,005,477)	(2,112,205)	(1,479,405)	(1,859,031)	(2,410,244)	(2,060,867)
Net Change in Total OPEB Liability	(537,790)	233,008	(8,735,230)	380,408	(3,010,773)	10,281	(3,469,422)
Total OPEB Liability - Beginning	<u>36,866,945</u>	<u>36,329,155</u>	<u>36,562,163</u>	<u>27,826,933</u>	<u>28,207,341</u>	<u>25,196,568</u>	<u>25,206,849</u>
Total OPEB Liability - Ending (a)	<u>\$ 36,329,155</u>	<u>\$ 36,562,163</u>	<u>\$ 27,826,933</u>	<u>\$ 28,207,341</u>	<u>\$ 25,196,568</u>	<u>\$ 25,206,849</u>	<u>\$ 21,737,427</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 6,125,793	\$ 2,880,184	\$ 3,188,005	\$ 2,119,542	\$ 1,862,790	\$ 3,590,759	\$ 4,626,632
Contributions - Employee	1,042,478	(539,956)	2,019,451	1,709,041	1,869,730	(3,126,981)	2,522,210
OPEB plan net investment income	(3,459,056)	(2,005,477)	(2,112,205)	(1,479,405)	(1,859,031)	(2,410,244)	(2,060,867)
Benefit payments	(23,966)	(29,550)	(37,313)	(35,395)	(44,114)	(43,346)	(38,066)
OPEB plan administrative Expense	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,685,249	305,201	3,057,938	2,313,783	1,829,375	(1,989,812)	5,049,909
Plan Fiduciary Net Position - Beginning	<u>6,833,978</u>	<u>10,519,227</u>	<u>10,824,428</u>	<u>13,882,366</u>	<u>16,196,149</u>	<u>18,025,524</u>	<u>16,035,712</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 10,519,227</u>	<u>\$ 10,824,428</u>	<u>\$ 13,882,366</u>	<u>\$ 16,196,149</u>	<u>\$ 18,025,524</u>	<u>\$ 16,035,712</u>	<u>\$ 21,085,621</u>
Net OPEB Liability (Asset) - Ending (a)-(b)	<u>\$ 25,809,928</u>	<u>\$ 25,737,735</u>	<u>\$ 13,944,567</u>	<u>\$ 12,011,192</u>	<u>\$ 7,171,044</u>	<u>\$ 9,171,137</u>	<u>\$ 651,806</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	28.96%	29.61%	49.89%	57.42%	71.54%	63.62%	97.00%
Covered-Employee Payroll	\$ 45,211,468	\$ 45,363,280	\$ 48,419,528	\$ 52,976,140	\$ 55,515,984	\$ 58,782,015	\$ 62,292,667
Net OPEB Liability as a Percentage of Covered-Employee Payroll	57.09%	56.74%	28.80%	22.67%	12.92%	15.60%	1.05%

Notes to Schedule:

This schedule will present 10 years information when it becomes available.

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
HEALTH PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2024

	2018	2019	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 2,988,214	\$ 2,988,214	\$ 2,748,039	\$ 2,769,150	\$ 1,627,754	\$ 1,627,754	\$ 1,112,972
Contributions in relation to the actuarially determined contributions	3,226,151	3,129,268	3,414,231	3,421,369	3,413,596	4,188,625	2,231,387
Contribution excess	\$ (237,937)	\$ (141,054)	\$ (666,192)	\$ (652,219)	\$ (1,785,842)	\$ (2,560,871)	\$ (1,118,415)
Covered-Employee Payroll	\$ 44,647,862	\$ 48,416,755	\$ 50,375,986	\$ 53,826,836	\$ 57,964,136	\$ 61,269,497	\$ 48,294,197
Contributions as a percentage of Covered-Employee Payroll	7.23%	6.46%	6.78%	6.36%	5.89%	6.84%	4.62%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date: The actuarially determined contribution for fiscal year ending September 30, 2024 was developed in the December 31, 2023 valuation.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Dollar
Amortization Period	Closed, 18 years as of FYE24
Asset Valuation Method	Market Value
Investment Rate of Return	6.25%, as of December 31, 2023
Inflation	2.50%
Salary Increases	TMRS: 3.60% to 11.85%, including inflation FIRE: 2.75% to 8.92%, including inflation
Demographic Assumptions	TMRS: Based on the 2023 experience study conducted by the Texas Municipal Retirement System. FIRE: Based on the pension valuation report for the Tyler Firefighters' Relief and Retirement Fund as of December 31, 2023.
Mortality	TMRS: For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used, with male rates multiplied by 103% and female rates multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP-2021 table to account for future mortality improvements. FIRE: PubS-2010 (public safety) total dataset mortality tables for employees and retirees (sex distinct), projected for mortality improvement generationally using the projection scale MP-2019.
Participation Rates	It was assumed that 85% of future retirees who were hired before January 1, 1997 and 15% of future retirees who were hired after January 1, 1997 would choose to receive retiree health care benefits through the City.
Healthcare Cost Trend Rates	Initial rates of 7.0% declining to ultimate rates of 4.15% after 13 years.

Notes to Schedule:

(1) Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

(2) There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

CITY OF TYLER, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
SUPPLEMENTAL DEATH BENEFITS PLAN
FISCAL YEAR ENDED SEPTEMBER 30, 2024

Total OPEB liability	Measurement						
	Year 2017	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023
Service Cost	\$ 72,539	\$ 86,960	\$ 79,819	\$ 115,476	\$ 144,874	\$ 167,840	\$ 90,096
Interest	86,877	86,971	95,473	84,548	71,588	69,930	107,719
Changes in benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(27,611)	(111,448)	(85,897)	(18,292)	(32,526)	(34,004)
Change of assumptions and other inputs	190,285	(168,451)	451,855	442,998	108,151	(1,207,422)	132,155
Benefit payments	(27,634)	(27,827)	(29,025)	(35,837)	(98,003)	(95,260)	(104,322)
Net Change in Total OPEB Liability	322,067	(49,958)	486,674	521,288	208,318	(1,097,438)	191,644
Total OPEB Liability - Beginning	2,275,888	2,597,955	2,547,997	3,034,671	3,555,959	3,764,277	2,666,839
Total OPEB Liability - Ending (a)	\$ 2,597,955	\$ 2,547,997	\$ 3,034,671	\$ 3,555,959	\$ 3,764,277	\$ 2,666,839	\$ 2,858,483
Covered Payroll	\$ 34,542,306	\$ 34,783,842	\$ 36,281,338	\$ 39,819,429	\$ 42,609,992	\$ 47,037,135	\$ 47,419,151
Net OPEB Liability as a Percentage of Covered Payroll	7.52%	7.33%	8.36%	8.93%	8.83%	5.67%	6.03%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Summary of Actuarial Assumptions:

Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Discount Rate*	3.77%
Retirees' share of benefit-related costs	\$0.00
Administrative Expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68
Mortality Rates - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality Rates - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

Other Information: The Supplemental Death Benefits Fund is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

* The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

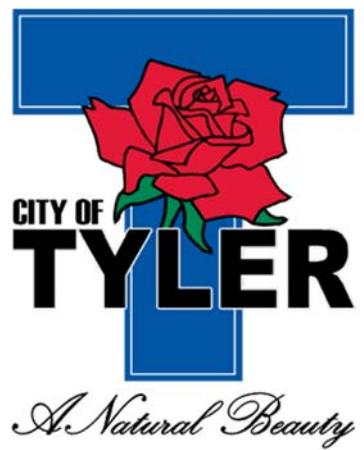
ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF TYLER, TEXAS
COMBINING BALANCE SHEET
GENERAL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	GENERAL	DEVELOPMENT SERVICES	TOURISM AND CONVENTION	RAINY DAY	FAIR PARKING GARAGE	ELIMINATIONS	TOTAL GENERAL GOVERNMENTAL FUNDS
ASSETS							
Cash and cash equivalents	\$ 10,188,528	\$ 5,130,024	\$ 283,351	\$ 7,284,262	\$ -	\$ -	\$ 22,886,165
Receivables (net of allowance for doubtful accounts) :							
Property taxes	772,240	-	-	-	-	-	772,240
Other	24,823,755	48,220	766	17,893	-	-	24,890,634
Due from other funds	2,436,388	-	-	-	-	(1,728)	2,434,660
Inventories	61,197	-	-	-	-	-	61,197
Prepaid items	106,243	-	535	-	-	-	106,778
Cash and cash equivalents - restricted	<u>12,346,652</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,346,652</u>
Total assets	<u><u>\$ 50,735,003</u></u>	<u><u>\$ 5,178,244</u></u>	<u><u>\$ 284,652</u></u>	<u><u>\$ 7,302,155</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1,728)</u></u>	<u><u>\$ 63,498,326</u></u>
LIABILITIES							
Accounts payable	\$ 4,518,594	\$ 108,069	\$ 260,966	\$ -	\$ 853	\$ -	\$ 4,888,482
Due to other funds	-	-	-	-	1,728	(1,728)	-
Deposits and other refundable balances	34,676	2,014,015	39,458	5,000	-	-	2,093,149
Unearned revenue	<u>12,376,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,376,291</u>
Total liabilities	<u><u>16,929,561</u></u>	<u><u>2,122,084</u></u>	<u><u>300,424</u></u>	<u><u>5,000</u></u>	<u><u>2,581</u></u>	<u><u>(1,728)</u></u>	<u><u>19,357,922</u></u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	733,837	-	-	-	-	-	733,837
Unavailable revenue - fines	15,021,520	-	-	-	-	-	15,021,520
Unavailable revenue - permits	-	40,113	-	-	-	-	40,113
Total deferred inflows of resources	<u><u>15,755,357</u></u>	<u><u>40,113</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>15,795,470</u></u>
FUND BALANCES							
Restricted	12,346,652	-	-	-	-	-	12,346,652
Nonspendable:							
Inventories	61,197	-	-	-	-	-	61,197
Prepaid items	106,243	-	535	-	-	-	106,778
Assigned to:							
Development services	-	3,016,047	-	-	-	-	3,016,047
Capital improvements	-	-	-	-	-	-	-
Tourism and convention	-	-	(16,307)	-	-	-	(16,307)
Unassigned	<u>5,535,993</u>	<u>-</u>	<u>-</u>	<u>7,297,155</u>	<u>(2,581)</u>	<u>-</u>	<u>12,830,567</u>
Total fund balances	<u><u>18,050,085</u></u>	<u><u>3,016,047</u></u>	<u><u>(15,772)</u></u>	<u><u>7,297,155</u></u>	<u><u>(2,581)</u></u>	<u><u>-</u></u>	<u><u>28,344,934</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 50,735,003</u></u>	<u><u>\$ 5,178,244</u></u>	<u><u>\$ 284,652</u></u>	<u><u>\$ 7,302,155</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1,728)</u></u>	<u><u>\$ 63,498,326</u></u>

CITY OF TYLER, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GENERAL GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	GENERAL	DEVELOPMENT SERVICES	TOURISM AND CONVENTION	RAINY DAY	FAIR PARKING GARAGE	ELIMINATIONS	TOTAL GENERAL GOVERNMENTAL FUNDS
REVENUES							
Taxes:							
Property	\$ 28,535,332	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,535,332
Franchise	11,519,996	-	-	-	-	-	11,519,996
Sales and use	41,147,608	-	-	-	-	-	41,147,608
Licenses and permits	397,129	2,754,472	-	-	-	-	3,151,601
Fines, forfeitures and penalties	4,495,705	-	-	-	-	-	4,495,705
Revenues from use of money or property	1,655,108	201,434	751,696	362,869	-	-	2,971,107
Charges for current services	3,024,591	82,673	126,866	-	-	-	3,234,130
Revenues from other agencies	1,129,108	-	-	-	-	-	1,129,108
Miscellaneous	527,308	47,039	50,198	29,931	-	-	654,476
Total revenues	92,431,885	3,085,618	928,760	392,800	-	-	96,839,063
EXPENDITURES							
Current:							
General government	9,646,306	39,479	-	975,000	853	-	10,661,638
Public safety	64,500,274	-	-	-	-	-	64,500,274
Public services	1,510,564	2,444,885	-	-	-	-	3,955,449
Highways and streets	6,736,654	-	-	-	-	-	6,736,654
Culture and recreations	7,013,878	-	3,475,747	-	-	-	10,489,625
Capital Outlay	393,794	1,699	319,780	-	-	-	715,273
Total expenditures	89,801,470	2,486,063	3,795,527	975,000	853	-	97,058,913
Excess (deficiency) of revenues over (under) expenditures	2,630,415	599,555	(2,866,767)	(582,200)	(853)	-	(219,850)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	2,500,000	-	-	-	2,500,000
Transfers out	(5,158,197)	-	-	(2,375,000)	-	-	(7,533,197)
Total other financing sources (uses)	(5,158,197)	-	2,500,000	(2,375,000)	-	-	(5,033,197)
Net change in fund balances	(2,527,782)	599,555	(366,767)	(2,957,200)	(853)	-	(5,253,047)
Fund balances - beginning of year	20,577,867	2,416,492	350,995	10,254,355	(1,728)	-	33,597,981
Fund balances - end of year	\$ 18,050,085	\$ 3,016,047	\$ (15,772)	\$ 7,297,155	\$ (2,581)	\$ -	\$ 28,344,934



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

The ***Police Forfeiture Fund*** was established to account for the receipt and disbursement of funds seized by the Police Department and subsequently awarded to the City through court-ordered judgements, primarily cases involving illegal drugs.

The ***Park Improvement Fund*** was established to account for the receipt and disbursement of funds that are allocated and utilized to improve parks around the City.

The ***Court Special Fee Fund*** was established to track the receipt of court fees restricted for court technology purchases by the State of Texas.

The ***Economic Development Fund*** was established to account for the receipt and disbursement of funds to promote, encourage and enhance the creation and retention of jobs which retain and expand the City tax base.

The ***Hotel-Motel Occupancy Tax Fund*** was established to account for the receipt and disbursement of funds generated by the Hotel-Motel Occupancy Tax.

The ***Donations Fund*** was established to account for the receipt and disbursement of funds for specified miscellaneous projects.

The ***Passenger Facility Charge Fund*** was established to account for the receipt and disbursement of fees collected during the purchase of airline travel tickets and/or fees collected from the rental of vehicles at Tyler Pounds Regional Airport.

The ***Public, Educational and Governmental Access Channel (PEG) Fee Fund*** was established to account for the receipt and disbursement of funds to be spent on governmental access channel facilities and related capital items.

The ***CDBG Fund*** was established to account for the receipt and disbursement of CDBG Grant monies allocated to the City.

The ***Home Grant Fund*** was established to account for the receipt and disbursement of Home Grant monies allocated to the City to provide affordable housing for low-income households.

The ***Homeownership and Housing Fund*** was established to account for the receipt and disbursement of Homeownership and Housing funds allocated to the City.

The ***Housing Assistance Payment Fund*** was established to account for the receipt and disbursement of Department of Housing and Urban Development- Housing Assistance Payments Program Fund.

SPECIAL REVENUE FUNDS, CONTINUED

The ***State and Federal Grants Fund*** was created to account for the receipt and disbursement of Federal and State Grants for which no separate fund has been established. These are generally fairly small grants which are expended fairly quickly.

The ***Transit System Fund*** was established to account for the receipt and disbursement of Federal and State Grant Funds received for the operation of the City's Transit System.

The ***TIF/TIRZ #3 and #4 Funds*** were established to encourage economic development in the Downtown area. These Funds account for additional value and associated taxes received from the property tax and sales tax on improvements and new construction within the zones.

CAPITAL PROJECTS FUND

The ***General Capital Projects Fund*** is funded periodically by excesses remaining in the General Fund and is used to pay for one time only capital expenditures.

The ***One-Half Cent Sales Tax Fund*** is funded solely through city sales tax revenues and is used for City infrastructure projects.

The ***Quality Street Improvement Fund*** is funded through \$0.02 of the City's property tax rate and is used to pay for street improvements in the City as needed.

DEBT SERVICE FUND

The ***Rose Complex Debt Service Fund*** was established to account for the debt service requirements related to the revenues bond issued in 2021 to fund the construction of the Rose Complex Convention Center.

PERMANENT FUND

The ***Cemeteries Fund*** was established to provide perpetual care and maintenance to the City's cemeteries.

CITY OF TYLER, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

SPECIAL REVENUE FUND													
	POLICE FORFEITURE	PARK IMPROVEMENT	COURT SPECIAL FEE	ECONOMIC DEVELOPMENT	HOTEL- MOTEL OCCUPANCY	DONATIONS	PASSENGER FACILITY CHARGE	PEG FEE	CDBG	HOME GRANT	HOMEOWNERS AND HOUSING	HOUSING ASSISTANCE PAYMENT	
	\$ 592	\$ 290,000	\$ 540	\$ 438,507	\$ 878,232	\$ -	\$ 638,412	\$ 1,279,090	\$ 113,430	\$ 1,155,631	\$ 464	\$ - 1,979	
ASSETS													
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ 438,507	\$ 878,232	\$ -	\$ 638,412	\$ 44,223	\$ 34,885	\$ 17,183	\$ -	\$ - 1,979	
Accounts and grants receivable													
Inventories													
Prepaid items													
Cash - restricted	\$ 375,565	\$ 422,237	\$ 305,436	\$ -	\$ -	\$ 1,367,264	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,670	
Total assets	<u>\$ 376,157</u>	<u>\$ 712,237</u>	<u>\$ 305,976</u>	<u>\$ 439,355</u>	<u>\$ 1,632,482</u>	<u>\$ 1,367,264</u>	<u>\$ 638,507</u>	<u>\$ 1,323,313</u>	<u>\$ 148,315</u>	<u>\$ 1,177,264</u>	<u>\$ 464</u>	<u>\$ 1,580,151</u>	
LIABILITIES													
Accounts payable	\$ 2,276	\$ 194,633	\$ 9,524	\$ -	\$ 3,354	\$ 52,970	\$ -	\$ 839	\$ 24,502	\$ 15,146	\$ -	\$ 60,289	
Deposits and other refundable balances	\$ 42,352	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,800	
Due to other funds													
Unearned revenue													
Total Liabilities	<u>\$ 44,628</u>	<u>\$ 194,633</u>	<u>\$ 9,524</u>	<u>\$ -</u>	<u>\$ 3,354</u>	<u>\$ 52,970</u>	<u>\$ -</u>	<u>\$ 839</u>	<u>\$ 24,502</u>	<u>\$ 15,146</u>	<u>\$ -</u>	<u>\$ 266,089</u>	
FUND BALANCES													
Nonspendable:													
Inventories													
Prepaid items													
Permanent fund principal													
Restricted for:													
Debt service													
Public safety	\$ 331,529	\$ -	\$ 296,452	\$ 439,355	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Capital improvements		\$ 517,604											
Tourism and convention													
Donor restrictions													
Airport improvements													
Communications													
Housing assistance													
Grant restrictions													
Assign to:													
Capital projects													
Cemetery maintenance													
Unassigned													
Total fund balances	<u>\$ 331,529</u>	<u>\$ 517,604</u>	<u>\$ 296,452</u>	<u>\$ 439,355</u>	<u>\$ 1,629,128</u>	<u>\$ 1,314,294</u>	<u>\$ 638,507</u>	<u>\$ 1,322,474</u>	<u>\$ 123,813</u>	<u>\$ 1,162,118</u>	<u>\$ 464</u>	<u>\$ 1,314,062</u>	
Total liabilities and fund balances	<u>\$ 376,157</u>	<u>\$ 712,237</u>	<u>\$ 305,976</u>	<u>\$ 439,355</u>	<u>\$ 1,632,482</u>	<u>\$ 1,367,264</u>	<u>\$ 638,507</u>	<u>\$ 1,323,313</u>	<u>\$ 148,315</u>	<u>\$ 1,177,264</u>	<u>\$ 464</u>	<u>\$ 1,580,151</u>	

CITY OF TYLER, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2024

	SPECIAL REVENUE FUND					CAPITAL PROJECTS FUND			DEBT SERVICE FUND		PERMANENT FUNDS		TOTAL NON-MAJOR GOVERNMENTAL FUNDS			
	STATE AND FEDERAL GRANTS	TRANSIT SYSTEM	TIF / TIRZ #3 FUND	TIF / TIRZ #4 FUND	TOTAL SPECIAL REVENUE FUNDS	GENERAL CAPITAL PROJECTS	QUALITY STREET IMPROVEMENT FUND	ROSE COMPLEX DEBT SERVICE	CEMETERIES							
ASSETS																
Equity in pooled cash and investments	\$ -	\$ -	\$ 1,141,472	\$ 560,527	\$ 6,205,765	\$ 1,851,311	\$ 1,074,054	\$ 2,363	\$ 201,382	\$ 9,334,875						
Accounts and grants receivable	\$ 102,756	\$ 1,039,385	\$ 1,798	\$ 6,926	\$ 2,295,460	\$ 1,155	\$ 1,825	\$ -	\$ 5,292	\$ 2,303,732						
Inventories	-	-	-	-	4,450	-	-	-	-	4,450						
Prepaid items	-	0	-	-	3,670	-	-	-	-	3,670						
Cash - restricted	-	60,325	-	-	4,105,329	5,656	-	-	3,345,925	7,456,910						
Total assets	\$ 102,756	\$ 1,099,710	\$ 1,143,270	\$ 567,453	\$ 12,614,674	\$ 1,858,122	\$ 1,075,879	\$ 2,363	\$ 3,552,599	\$ 19,103,637						
LIABILITIES																
Accounts payable	\$ 36,394	\$ 276,285	\$ 890	\$ 7,446	\$ 684,548	\$ 24,665	\$ 323,137	\$ -	\$ 61,892	\$ 1,094,242						
Accrued interest payable	-	-	-	-	-	5,202	-	-	-	5,202						
Deposits and other refundable balances	-	-	-	-	248,152	-	-	-	-	248,152						
Due to other funds	65,533	811,677	-	-	877,210	-	-	-	-	877,210						
Unearned revenue	829	-	-	-	829	-	-	-	-	829						
Total Liabilities	102,756	1,087,962	890	7,446	1,810,739	29,867	323,137	-	61,892	2,225,635						
FUND BALANCES																
Nonspendable:																
Inventories	-	-	-	-	4,450	-	-	-	-	4,450						
Prepaid items	-	-	-	-	-	-	-	-	-	-						
Permanent fund principal	-	-	-	-	-	-	-	-	3,323,804	3,323,804						
Restricted for:																
Debt service	-	-	-	-	-	-	-	2,363	-	2,363						
Public safety	-	-	-	-	1,067,336	-	-	-	-	1,067,336						
Capital improvements	-	-	1,142,380	560,007	2,219,991	-	-	-	-	166,903	2,386,894					
Tourism and convention	-	-	-	-	1,629,128	-	-	-	-	1,629,128						
Donor restrictions	-	-	-	-	1,314,294	-	-	-	-	1,314,294						
Airport improvements	-	-	-	-	638,507	-	-	-	-	638,507						
Communications	-	-	-	-	1,322,474	-	-	-	-	1,322,474						
Housing assistance	-	-	-	-	1,314,526	-	-	-	-	1,314,526						
Grant restrictions	-	11,748	-	-	1,293,229	-	-	-	-	1,293,229						
Assign to:																
Capital projects	-	-	-	-	-	1,828,255	752,742	-	-	2,580,997						
Unassigned	-	-	-	-	-	-	-	-	-	-						
Total fund balances	-	11,748	1,142,380	560,007	10,803,935	1,828,255	752,742	2,363	3,490,707	16,878,002						
Total liabilities and fund balances	\$ 102,756	\$ 1,099,710	\$ 1,143,270	\$ 567,453	\$ 12,614,674	\$ 1,858,122	\$ 1,075,879	\$ 2,363	\$ 3,552,599	\$ 19,103,637						

CITY OF TYLER, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

SPECIAL REVENUE FUND												
	POLICE FORFEITURE	PARK IMPROVEMENT	COURT SPECIAL FEE	ECONOMIC DEVELOPMENT	HOTEL- MOTEL OCCUPANCY	DONATIONS	PASSENGER FACILITY CHARGE	PEG FEE	CDBG	HOME GRANT	HOUSING	HOUSING ASSISTANCE PAYMENT
REVENUES												
Taxes:												
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Franchise												
Sales and use					4,521,733				185,114			
Licenses and permits												
Grants		290,000			749,999				448,086	1,761,079		11,773,197
Fines, forfeitures and penalties	67,363		486,572									
Revenues from use of money and property	16,302		10,983	22,032	5,147		24,373	53,971			20	62,649
Donations						567,531						
Charges for services		801,300					207,651					
Miscellaneous					613,756				17,234	803,260		
Total revenues	83,665	1,091,300	497,555	22,032	5,890,635	567,531	232,024	239,085	465,320	2,564,339	20	11,835,846
EXPENDITURES												
Current:												
General government	18,577		-	165,000		31,371		99,004		-	-	13,408
Public safety	-		319,127		-	44,876		-		-	-	-
Culture and recreation	-		-		-	196,087		-		-	-	-
Public services	-		-		1,019,150	31,928		-	178,592	1,763,582		11,691,694
Capital outlay	14,809	836,263	-	-	3,606,477	49,979	-	104,061	269,493	-		29,290
Debt service:												
Principal												
Interest and fiscal charges	6,898		-	-	-	-	-	-	-	-	-	-
Total expenditures	40,284	836,263	319,127	165,000	4,625,627	354,241	-	203,065	448,085	1,763,582	-	11,734,392
Excess (deficiency) of revenues over (under) expenditures	43,381	255,037	178,428	(142,968)	1,265,008	213,290	232,024	36,020	17,235	800,757	20	101,454
OTHER FINANCING SOURCES (USES)												
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	175,000	2,375,000	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,118,600)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	175,000	(743,600)	-	-	-	-	-	-	-
Change in net assets	43,381	255,037	178,428	32,032	521,408	213,290	232,024	36,020	17,235	800,757	20	101,454
Fund balances - beginning of year	288,148	262,567	118,024	407,323	1,107,720	1,101,004	406,483	1,286,454	106,578	361,361	444	1,212,608
Fund balances - end of year	\$ 331,529	\$ 517,604	\$ 296,452	\$ 439,355	\$ 1,629,128	\$ 1,314,294	\$ 638,507	\$ 1,322,474	\$ 123,813	\$ 1,162,118	\$ 464	\$ 1,314,062

CITY OF TYLER, TEXAS
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	SPECIAL REVENUE FUND				TOTAL SPECIAL REVENUE	GENERAL CAPITAL PROJECTS	QUALITY STREET IMPROVEMENT FUND	ROSE COMPLEX DEBT SERVICE	CEMETERIES	DEBT SERVICE	PERMANENT FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
	STATE AND FEDERAL GRANTS	TRANSIT SYSTEM	TIF / TIRZ #3 FUND	TIF / TIRZ #4 FUND						DEBT SERVICE	PERMANENT FUNDS	
REVENUES												
Taxes:												
Property	\$ -	\$ -	\$ 168,355	\$ 356,697	\$ 525,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 525,052
Franchise	-	-	-	-	185,114	-	-	-	-	-	-	185,114
Sales and use	-	-	-	-	4,521,733	-	-	-	-	-	-	4,521,733
Licenses and permits	-	-	-	-	-	-	-	-	-	87,891	-	87,891
Grants	498,877	4,404,552	-	-	19,925,790	-	-	-	-	-	-	19,925,790
Fines, forfeitures and penalties	-	-	-	-	553,935	-	-	-	-	-	-	553,935
Revenues from use of money and property	-	25,835	47,071	19,598	287,981	51,950	77,364	-	-	146,794	-	564,089
Donations	-	162,088	-	-	729,619	-	-	-	-	-	-	729,619
Charges for services	-	148,636	-	-	1,157,587	-	-	-	-	28,863	-	1,186,450
Miscellaneous	-	34,419	-	-	1,468,669	3,266	1,127	-	-	-	-	1,473,062
Total revenues	498,877	4,775,530	215,426	376,295	29,355,480	55,216	78,491	-	-	263,548	-	29,752,735
EXPENDITURES												
Current:												
General government	-	-	6,881	-	334,241	378,016	-	-	-	-	-	712,257
Public safety	-	-	-	-	364,003	-	-	-	-	-	-	364,003
Culture and recreation	-	-	-	-	196,087	-	-	-	-	453,878	-	649,965
Public services	464,797	4,431,489	-	19,411	19,600,643	-	-	-	-	-	-	19,600,643
Capital outlay	34,080	1,277,037	-	-	6,221,489	1,066,448	2,903,850	-	-	22,185	-	10,213,972
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	240,000	-	240,000
Interest and fiscal charges	-	-	-	-	6,898	-	-	-	-	355,000	-	361,898
Total expenditures	498,877	5,708,526	6,881	19,411	26,723,361	1,444,464	2,903,850	595,000	476,063	-	-	32,142,738
Excess (deficiency) of revenues over (under) expenditures	-	(932,996)	208,545	356,884	2,632,119	(1,389,248)	(2,825,359)	(595,000)	(212,515)	-	-	(2,390,003)
OTHER FINANCING SOURCES (USES)												
Capital lease proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	936,204	-	-	3,486,204	1,304,280	2,045,688	593,600	473,245	-	-	7,903,017
Transfers out	-	-	-	-	(3,118,600)	-	-	-	-	(148,245)	-	(3,266,845)
Total other financing sources (uses)	-	936,204	-	-	367,604	1,304,280	2,045,688	593,600	325,000	-	-	4,636,172
Change in net assets	-	3,208	208,545	356,884	2,999,723	(84,968)	(779,671)	(1,400)	112,485	-	-	2,246,169
Fund balances - beginning of year	-	8,540	933,835	203,123	7,804,212	1,913,223	1,532,413	3,763	3,378,222	-	-	14,631,833
Fund balances - end of year	\$ -	\$ 11,748	\$ 1,142,380	\$ 560,007	\$ 10,803,935	\$ 1,828,255	\$ 752,742	\$ 2,363	\$ 3,490,707	\$ -	\$ 16,878,002	

CITY OF TYLER, TEXAS
POLICE FORFEITURE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Fines, forfeitures and penalties	\$ 41,000	\$ 67,363	\$ 26,363
Revenues from use of money and property	- <hr/>	16,302 <hr/>	16,302 <hr/>
Total revenues	<hr/> 41,000	<hr/> 83,665	<hr/> 42,665
EXPENDITURES			
Public safety:			
Supplies and services	17,000	-	17,000
Building maintenance	55,000	18,577	18,577
Capital outlay	50,000	14,809	35,191
Debt service:			
Interest	- <hr/>	6,898 <hr/>	(6,898) <hr/>
Total expenditures	<hr/> 122,000	<hr/> 40,284	<hr/> 45,293
Excess of revenues over (under) expenditures - GAAP basis	<hr/> \$ (81,000)	<hr/> 43,381	<hr/> \$ 87,958
Fund balance - beginning of year		<hr/> 288,148	
Fund balance - end of year		<hr/> \$ 331,529	

CITY OF TYLER, TEXAS
PARK IMPROVEMENT FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Charges for services	\$ 750,808	\$ 801,300	\$ 50,492
Grants	290,000	290,000	-
Total revenues	<u>1,040,808</u>	<u>1,091,300</u>	<u>50,492</u>
EXPENDITURES			
Capital outlay	1,170,660	836,263	334,397
Total expenditures	<u>1,170,660</u>	<u>836,263</u>	<u>334,397</u>
Excess of revenues over (under) expenditures - GAAP basis	<u>(129,852)</u>	<u>255,037</u>	<u>384,889</u>
OTHER FINANCING SOURCES (USES)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (129,852)</u>	<u>255,037</u>	<u>\$ 384,889</u>
Fund balance - beginning of year		<u>262,567</u>	
Fund balance - end of year		<u>\$ 517,604</u>	

CITY OF TYLER, TEXAS
COURT SPECIAL FEE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
				POSITIVE (NEGATIVE)
REVENUES				
Fines, forfeitures and penalties	\$ 526,900	\$ 486,572	\$ (40,328)	
Revenues from use of money and property	1,000	10,983	9,983	
Total revenues	<u>527,900</u>	<u>497,555</u>	<u>(30,345)</u>	
EXPENDITURES				
Public safety:				
Salaries and benefits	241,723	159,925	81,798	
Supplies and services	174,850	155,194	19,656	
Maintenance	6,907	4,008	2,899	
Total expenditures	<u>423,480</u>	<u>319,127</u>	<u>104,353</u>	
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	\$ 104,420	178,428	\$ (134,698)	
Fund balance - beginning of year		<u>118,024</u>		
Fund balance - end of year		<u>\$ 296,452</u>		

CITY OF TYLER, TEXAS
ECONOMIC DEVELOPMENT FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	<u>POSITIVE (NEGATIVE)</u>
REVENUES				
Revenues from use of money and property	\$ 5,500	\$ 22,032	\$ 16,532	
Total revenues	<u>5,500</u>	<u>22,032</u>		<u>16,532</u>
EXPENDITURES				
General government:				
Supplies and services	208,750	165,000	43,750	
Total expenditures	<u>208,750</u>	<u>165,000</u>		<u>43,750</u>
Excess of revenues over (under) expenditures	(203,250)	(142,968)	43,750	
OTHER FINANCING SOURCES (USES)				
Transfers in	275,000	175,000	-	
Total other financing sources (uses)	<u>275,000</u>	<u>175,000</u>		<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	\$ 71,750	32,032	\$ 60,282	
Fund balance - beginning of year		407,323		
Fund balance - end of year	<u>\$ 439,355</u>			

CITY OF TYLER, TEXAS
HOTEL-MOTEL OCCUPANCY TAX FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
	POSITIVE (NEGATIVE)			
REVENUES				
Taxes	\$ 4,640,167	\$ 4,521,733	\$ (118,434)	
Revenues from use of money and property	45,000	5,147	(39,853)	
Grants	-	749,999	749,999	
Bad debt recovery	-	113,756	113,756	
Miscellaneous	500,000	500,000	-	
Total revenues	<u>5,185,167</u>	<u>5,890,635</u>	<u>705,468</u>	
EXPENDITURES				
Hotel-motel administration:				
Texas Rose Festival	15,000	15,000	-	
Discovery Place	32,400	32,400	-	
East Texas Symphony	50,000	50,000	-	
Tyler Museum of Art	35,000	35,000	-	
Historical Museum	13,500	13,500	-	
Historic Aviation Museum	13,500	13,500	-	
Visitors and Convention Bureau	754,500	754,500	-	
McClendon House	4,500	4,500	-	
Sports Tyler Award	25,000	25,000	-	
Supplies and services	85,500	75,750	9,750	
Contingency	45,500	-	45,500	
Capital outlay	3,709,500	3,606,477	103,023	
Total expenditures	<u>4,783,900</u>	<u>4,625,627</u>	<u>158,273</u>	
Excess of revenues over (under) expenditures - GAAP basis	<u>401,267</u>	<u>1,265,008</u>	<u>863,741</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in	2,375,000	2,375,000	-	
Transfers out	(3,518,600)	(3,118,600)	400,000	
Total other financing sources (uses)	<u>(1,143,600)</u>	<u>(743,600)</u>	<u>400,000</u>	
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (742,333)</u>	<u>521,408</u>	<u>\$ 1,263,741</u>	
Fund balance - beginning of year		1,107,720		
Fund balance - end of year	<u>\$ 1,629,128</u>			

CITY OF TYLER, TEXAS
DONATIONS FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Donations	\$ 273,864	\$ 567,531	\$ 293,667
Total revenues	<u>273,864</u>	<u>567,531</u>	<u>293,667</u>
EXPENDITURES			
General Government			
Supplies and services	176,956	31,371	145,585
Public safety			
Supplies and services	276,656	44,876	231,780
Public services			
Supplies and services	169,653	31,928	137,725
Culture and recreation			
Supplies and services	579,763	196,087	383,676
Capital Outlay	<u>215,447</u>	<u>49,979</u>	<u>165,468</u>
Total expenditures	<u>1,418,475</u>	<u>354,241</u>	<u>1,064,234</u>
Excess of revenues over (under) expenditures	<u>(1,144,611)</u>	<u>213,290</u>	<u>1,357,901</u>
OTHER FINANCING SOURCES (USES)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (1,144,611)</u>	<u>213,290</u>	<u>\$ 1,357,901</u>
Fund balance - beginning of year		<u>1,101,004</u>	
Fund balance - end of year		<u>\$ 1,314,294</u>	

CITY OF TYLER, TEXAS
PASSENGER FACILITY CHARGE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ 4,000	\$ 24,373	\$ 20,373
Charges for services	<u>150,000</u>	<u>207,651</u>	<u>57,651</u>
Total revenues	<u>154,000</u>	<u>232,024</u>	<u>78,024</u>
EXPENDITURES			
Public services	-	-	-
Supplies and services	-	-	-
Total expenditures	-	-	-
Excess of revenues over (under) expenditures	<u>154,000</u>	<u>232,024</u>	<u>78,024</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(72,000)</u>	-	72,000
Total other financing sources (uses)	<u>(72,000)</u>	-	72,000
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ 82,000</u>	<u>232,024</u>	<u>\$ 150,024</u>
Fund balance - beginning of year		<u>406,483</u>	
Fund balance - end of year		<u>\$ 638,507</u>	

CITY OF TYLER, TEXAS
PEG FEE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Franchise fees	\$ 206,565	\$ 185,114	\$ (21,451)
Revenues from use of money and property	<u>27,500</u>	<u>53,971</u>	<u>26,471</u>
Total revenues	<u>234,065</u>	<u>239,085</u>	<u>5,020</u>
EXPENDITURES			
General government	148,565	99,004	49,561
Capital outlay	<u>291,761</u>	<u>104,061</u>	<u>187,700</u>
Total expenditures	<u>440,326</u>	<u>203,065</u>	<u>237,261</u>
Excess of revenues over (under) expenditures	<u>(206,261)</u>	<u>36,020</u>	<u>242,281</u>
OTHER FINANCING SOURCES (USES)			
Total other financing sources (uses)	-	-	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (206,261)</u>	<u>36,020</u>	<u>\$ 242,281</u>
Fund balance - beginning of year		<u>1,286,454</u>	
Fund balance - end of year		<u>\$ 1,322,474</u>	

CITY OF TYLER, TEXAS
CDBG FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
	POSITIVE (NEGATIVE)		
REVENUES			
Grants	\$ 1,061,036	\$ 448,086	\$ (612,950)
Miscellaneous	<u>7,000</u>	<u>17,234</u>	<u>10,234</u>
Total revenues	<u>1,068,036</u>	<u>465,320</u>	<u>(602,716)</u>
EXPENDITURES			
Public services:			
Salaries and benefits	99,828	147,745	(47,917)
Supplies and services	49,828	30,749	19,079
Premiums	50	50	-
Utilities	55	48	7
Maintenance	1,000	-	1,000
Capital outlay	<u>910,148</u>	<u>269,493</u>	<u>640,655</u>
Total expenditures	<u>1,060,909</u>	<u>448,085</u>	<u>612,824</u>
Excess of revenues over (under) expenditures - GAAP basis	<u>\$ 7,127</u>	<u>17,235</u>	<u>\$ 10,108</u>
Fund balance - beginning of year		<u>106,578</u>	
Fund balance - end of year		<u>\$ 123,813</u>	

CITY OF TYLER, TEXAS
HOME GRANT FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Grants	\$ 2,767,691	\$ 1,761,079	\$ (1,006,612)
Miscellaneous	672,000	803,260	131,260
 Total revenues	 3,439,691	 2,564,339	 (875,352)
EXPENDITURES			
Public services:			
Homebuyers services	3,318,473	1,702,766	1,615,707
Salaries and benefits	16,198	54,075	(37,877)
Supplies and services	22,748	6,741	
Contingencies	82,272	-	82,272
 Total expenditures	 3,439,691	 1,763,582	 1,676,109
Excess of revenues over (under) expenditures - GAAP basis	\$ -	800,757	\$ 800,757
 Fund balance - beginning of year		 361,361	
 Fund balance - end of year		 \$ 1,162,118	

CITY OF TYLER, TEXAS
HOMEOWNERSHIP AND HOUSING FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	<u>POSITIVE (NEGATIVE)</u>
REVENUES				
Revenue from use of money and property	\$ 12	\$ 20	\$ 8	
Total revenues	<u>12</u>	<u>20</u>		8
EXPENDITURES				
Total expenditures	-	-		-
Excess of revenues over (under) expenditures	<u>12</u>	<u>20</u>		8
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	-	-		-
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ 12</u>	20	\$ 8	
Fund balance - beginning of year			444	
Fund balance - end of year	<u>\$ 464</u>			

CITY OF TYLER, TEXAS
HOUSING ASSISTANCE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Revenues from other agencies	\$ 10,766,421	\$ 11,773,197	\$ 1,006,776
Revenue from use of money and property	<u>30,000</u>	<u>62,649</u>	<u>32,649</u>
Total revenues	<u>10,796,421</u>	<u>11,835,846</u>	<u>1,039,425</u>
EXPENDITURES			
Government services:			
General government	319,144	13,408	305,736
Public services:			
Salaries and benefits	835,033	639,513	195,520
Supplies and services	9,834,217	11,021,437	(1,187,220)
Utilities	18,720	13,440	5,280
Maintenance	27,500	17,304	10,196
Capital outlay	29,290	29,290	-
Total expenditures	<u>11,063,904</u>	<u>11,734,392</u>	<u>(670,488)</u>
Excess of revenues over (under) expenditures - GAAP basis	<u>\$ (267,483)</u>	<u>101,454</u>	<u>\$ 368,937</u>
Fund balance - beginning of year		<u>1,212,608</u>	
Fund balance - end of year		<u>\$ 1,314,062</u>	

CITY OF TYLER, TEXAS
STATE AND FEDERAL GRANTS FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
	<u>POSITIVE (NEGATIVE)</u>		
REVENUES			
Revenues from other agencies	\$ 815,236	\$ 498,877	\$ (316,359)
Total revenues	<u>815,236</u>	<u>498,877</u>	<u>(316,359)</u>
EXPENDITURES			
Public services:			
Salaries and benefits	359,675	191,529	168,146
Supplies and services	455,511	273,264	182,247
Utilities	50	4	46
Capital outlay	-	34,080	(34,080)
Total expenditures	<u>815,236</u>	<u>498,877</u>	<u>316,359</u>
Excess of revenues over (under) expenditures - GAAP basis	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning of year			-
Fund balance - end of year	<u>\$ -</u>		

CITY OF TYLER, TEXAS
TRANSIT SYSTEM FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Grants	\$ 7,766,063	\$ 4,404,552	\$ (3,361,511)
Charges for services	156,000	148,636	(7,364)
Donations	150,000	162,088	12,088
Revenue from use of money and property	6,000	25,835	19,835
Miscellaneous	<u>40,000</u>	<u>34,419</u>	<u>(5,581)</u>
Total revenues	<u>8,118,063</u>	<u>4,775,530</u>	<u>(3,342,533)</u>
EXPENDITURES			
Public services			
Salaries and benefits	2,368,705	2,061,455	307,250
Supplies and services	3,882,879	1,666,129	2,216,750
Utilities	65,138	126,551	(61,413)
Maintenance	557,409	577,354	(19,945)
Capital outlay	<u>1,808,272</u>	<u>1,277,037</u>	<u>531,235</u>
Total expenditures	<u>8,682,403</u>	<u>5,708,526</u>	<u>2,973,877</u>
Excess of revenues over (under) expenditures	<u>(564,340)</u>	<u>(932,996)</u>	<u>(368,656)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>1,110,000</u>	<u>936,204</u>	<u>(173,796)</u>
Total other financing sources (uses)	<u>1,110,000</u>	<u>936,204</u>	<u>(173,796)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ 545,660</u>	<u>3,208</u>	<u>\$ (542,452)</u>
Fund balance - beginning of year		<u>8,540</u>	
Fund balance - end of year	<u>\$ 11,748</u>		

CITY OF TYLER, TEXAS
TIF / TRIZ #3 FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
	POSITIVE (NEGATIVE)			
REVENUES				
Taxes	\$ 143,878	\$ 168,355	\$ 24,477	
Revenue from use of money and property	<u>28,630</u>	<u>47,071</u>	<u>18,441</u>	
Total revenues	<u>172,508</u>	<u>215,426</u>	<u>42,918</u>	
EXPENDITURES				
Special services	<u>10,000</u>	<u>6,881</u>	<u>3,119</u>	
Total expenditures	<u>10,000</u>	<u>6,881</u>	<u>3,119</u>	
Excess of revenues over (under) expenditures	<u>162,508</u>	<u>208,545</u>	<u>46,037</u>	
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ 162,508</u>	<u>208,545</u>	<u>\$ 46,037</u>	
Fund balance - beginning of year		<u>933,835</u>		
Fund balance - end of year	<u>\$ 1,142,380</u>			

CITY OF TYLER, TEXAS
TIF/TIRZ #4 FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
	POSITIVE (NEGATIVE)		
REVENUES			
Taxes	\$ 199,126	\$ 356,697	\$ 157,571
Revenue from use of money and property	<u>3,000</u>	<u>19,598</u>	<u>16,598</u>
Total revenues	<u>202,126</u>	<u>376,295</u>	<u>174,169</u>
EXPENDITURES			
Special services	<u>15,000</u>	<u>19,411</u>	<u>(4,411)</u>
Total expenditures	<u>15,000</u>	<u>19,411</u>	<u>(4,411)</u>
Excess of revenues over (under) expenditures	<u>187,126</u>	<u>356,884</u>	<u>169,758</u>
OTHER FINANCING SOURCES (USES)			
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ 187,126</u>	<u>356,884</u>	<u>\$ 169,758</u>
Fund balance - beginning of year		<u>203,123</u>	
Fund balance - end of year		<u>\$ 560,007</u>	

CITY OF TYLER, TEXAS
GENERAL CAPITAL PROJECTS FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
				POSITIVE (NEGATIVE)
REVENUES				
Revenue from use of money and property	\$ 50,000	\$ 51,950	\$ 1,950	
Miscellaneous	<u>8,000</u>	<u>2,891</u>	<u>(5,109)</u>	
Total revenues	<u>58,000</u>	<u>54,841</u>	<u>(3,159)</u>	
EXPENDITURES				
General government	811,097	376,141	434,956	
Special services	7,389	1,875	5,514	
Capital outlay	<u>1,204,568</u>	<u>1,066,448</u>	<u>138,120</u>	
Total expenditures	<u>2,023,054</u>	<u>1,444,464</u>	<u>578,590</u>	
Excess of revenues over (under) expenditures	<u>(1,965,054)</u>	<u>(1,389,623)</u>	<u>575,431</u>	
OTHER FINANCING SOURCES (USES)				
Interest and fiscal charges	-	375	(375)	
Transfers in	<u>1,250,000</u>	<u>1,304,280</u>	<u>54,280</u>	
Total other financing sources (uses)	<u>1,250,000</u>	<u>1,304,655</u>	<u>53,905</u>	
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (715,054)</u>	<u>(84,968)</u>	<u>\$ 629,336</u>	
Fund balance - beginning of year		<u>1,913,223</u>		
Fund balance - end of year		<u>\$ 1,828,255</u>		

**CITY OF TYLER, TEXAS
STREET PROJECTS FUND**
**DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL**
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
				POSITIVE (NEGATIVE)
REVENUES				
Revenue from use of money and property	\$ 18,000	\$ 77,364	\$ 59,364	
Miscellaneous	- <hr/>	1,127 <hr/>	1,127 <hr/>	
Total revenues	<hr/> 18,000	<hr/> 78,491	<hr/> 60,491	
EXPENDITURES				
Capital outlay	<hr/> 3,312,318	<hr/> 2,903,850	<hr/> 408,468	
Total expenditures	<hr/> 3,312,318	<hr/> 2,903,850	<hr/> 408,468	
Excess of revenues over (under) expenditures	<hr/> (3,294,318)	<hr/> (2,825,359)	<hr/> 468,959	
OTHER FINANCING SOURCES (USES)				
Transfers in	<hr/> 2,045,688	<hr/> 2,045,688	<hr/> -	
Total other financing sources (uses)	<hr/> 2,045,688	<hr/> 2,045,688	<hr/> -	
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<hr/> \$ (1,248,630)	<hr/> (779,671)	<hr/> \$ 468,959	
Fund balance - beginning of year		<hr/> 1,532,413		
Fund balance - end of year	<hr/> \$ 752,742			

CITY OF TYLER, TEXAS
ONE-HALF CENT SALES TAX FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Sales and use taxes	\$ 20,004,863	\$ 19,970,054	\$ (34,809)
Revenue from use of money and property	1,198,478	1,186,459	(12,019)
Revenues from other agencies	-	1,904,689	1,904,689
Total revenues	<u>21,203,341</u>	<u>23,061,202</u>	<u>1,857,861</u>
EXPENDITURES			
General government	20,488,281	343,263	20,145,018
Public services	2,474,549	1,257,952	1,216,597
Capital outlay	24,844,516	19,857,283	4,987,233
Total expenditures	<u>47,807,346</u>	<u>21,458,498</u>	<u>26,348,848</u>
Excess of revenues over (under) expenditures	<u>(26,604,005)</u>	<u>1,602,704</u>	<u>28,206,709</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	-	(203,313)	(203,313)
Total other financing sources (uses)	<u>-</u>	<u>(203,313)</u>	<u>(203,313)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (26,604,005)</u>	<u>1,399,391</u>	<u>\$ 28,003,396</u>
Fund balance - beginning of year		<u>29,798,945</u>	
Fund balance - end of year		<u>\$ 31,198,336</u>	

CITY OF TYLER, TEXAS
ROSE COMPLEX DEBT SERVICE FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>	<u>POSITIVE (NEGATIVE)</u>
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	-
Total revenues	-	-	-	-
EXPENDITURES				
Debt Service:				
Principal	240,000	240,000	-	-
Interest and fiscal charges	353,600	355,000	(1,400)	(1,400)
Total expenditures	593,600	595,000	(1,400)	(1,400)
Excess of revenues over (under) expenditures	(593,600)	(595,000)	(1,400)	(1,400)
OTHER FINANCING SOURCES (USES)				
Transfers in	593,600	593,600	-	-
Total other financing sources (uses)	593,600	593,600	-	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	\$ -	(1,400)	\$ (1,400)	(1,400)
Fund balance - beginning of year			3,763	
Fund balance - end of year	\$ 2,363			

CITY OF TYLER, TEXAS
CEMETERIES FUND
DETAILED SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
			<u>POSITIVE (NEGATIVE)</u>
REVENUES			
Trust fund:			
Revenue from use of money and property	\$ 65,000	\$ 146,794	\$ 81,794
Charges for services	109,600	28,863	(80,737)
Operations:			
Licenses and permits	9,369	7,350	(2,019)
Chareges for services	122,000	80,541	(41,459)
Total revenues	<u>305,969</u>	<u>263,548</u>	<u>(42,421)</u>
EXPENDITURES			
Operations:			
Salaries and benefits	217,858	169,259	48,599
Supplies and services	226,150	173,695	52,455
Utilities	54,500	47,398	7,102
Maintenance	68,152	63,526	4,626
Capital outlay	25,000	22,185	2,815
Total expenditures	<u>591,660</u>	<u>476,063</u>	<u>115,597</u>
Excess of revenues over (under) expenditures	<u>(285,691)</u>	<u>(212,515)</u>	<u>73,176</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	390,000	473,245	83,245
Transfers out	<u>(148,245)</u>	<u>(148,245)</u>	<u>-</u>
Total other financing sources (uses)	<u>241,755</u>	<u>325,000</u>	<u>83,245</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses - GAAP basis	<u>\$ (43,936)</u>	<u>112,485</u>	<u>\$ 156,421</u>
Fund balance - beginning of year		<u>3,378,222</u>	
Fund balance - end of year		<u>\$ 3,490,707</u>	

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis.

The ***Productivity Improvement Fund*** was established to track performance pay of the City employees. This fund accounts for City University, Lean Six Sigma, and the Internal Audit functions.

The ***Fleet Maintenance and Replacement Fund*** performs maintenance and repair work on vehicles of all City departments. The Fund also acquires vehicles and equipment for use by all City departments.

The ***Property and Liability Insurance Fund*** accounts for the City's property, casualty, liability, disability and worker's compensation insurance programs.

The ***Employee Benefits Fund*** accounts for the City's self-insurance program for health and dental insurance as well as life insurance for current employees.

The ***Retiree Benefits Fund*** accounts for the City's self-insurance program for health and dental insurance as well as life insurance for retired employees.

The ***Property and Facility Management Fund*** was established to facilitate maintenance on City's facilities including roof and HVAC repairs and replacement.

The ***Technology Fund*** was established to account for the City's investment and maintenance of technology and office automation.

CITY OF TYLER, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	FLEET PRODUCTIVITY IMPROVEMENT	MAINTENANCE AND REPLACEMENT	PROPERTY AND LIABILITY INSURANCE	EMPLOYEE BENEFITS	RETIREE BENEFITS	PROPERTY AND FACILITY MANAGEMENT	TECHNOLOGY	TOTAL
ASSETS								
Current assets:								
Equity in pooled cash and investments	\$ 2,033,299	\$ 2,768,697	\$ 4,518,301	\$ 4,305,726	\$ -	\$ 1,152,624	\$ 4,014,570	\$ 18,793,217
Prepaid expenses	-	-	-	-	81,049	-	-	81,049
Accounts receivable (net)	3,234	408,981	11,969	5,022	559,364	929	8,690	998,189
Inventories - at average cost	-	284,485	-	-	-	-	-	284,485
Lease receivable	-	-	-	-	-	-	4,691	4,691
Total current assets	<u>2,036,533</u>	<u>3,462,163</u>	<u>4,530,270</u>	<u>4,310,748</u>	<u>640,413</u>	<u>1,153,553</u>	<u>4,027,951</u>	<u>20,161,631</u>
Noncurrent assets:								
Lease receivable	-	-	-	-	-	-	114,621	114,621
Capital assets:								
Land	-	104,249	-	-	-	-	170,723	274,972
Construction in progress	-	964,692	-	-	-	163,190	63,000	1,190,882
Buildings	-	587,725	-	-	-	778,619	686,160	2,052,504
Improvements other than buildings	-	1,072,859	-	-	-	1,493,939	6,488	2,573,286
Machinery and equipment	-	50,176,542	-	-	-	602,088	10,439,625	61,218,255
Infrastructure	-	-	-	-	-	194,329	-	194,329
Subscription asset	-	-	-	-	-	-	1,421,205	1,421,205
Right-to-use lease asset	-	-	-	-	-	-	2,066,136	2,066,136
Less: accumulated depreciation and amortization	-	(27,874,186)	-	-	-	(1,613,285)	(12,053,431)	(41,540,902)
Total capital assets, net of accumulated depreciation	<u>-</u>	<u>25,031,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,618,880</u>	<u>2,799,906</u>	<u>29,450,667</u>
Total assets	<u>2,036,533</u>	<u>28,494,044</u>	<u>4,530,270</u>	<u>4,310,748</u>	<u>640,413</u>	<u>2,772,433</u>	<u>6,942,478</u>	<u>49,726,919</u>
DEFERRED OUTFLOWS OF RESOURCES								
Deferred outflows related to pensions	47,147	559,869	98,497	93,744	20,519	95,066	839,311	1,754,153
Deferred outflows related to OPEB	5,469	65,598	10,655	5,925	2,361	10,062	86,428	186,498
Total deferred outflows of resources	<u>52,616</u>	<u>625,467</u>	<u>109,152</u>	<u>99,669</u>	<u>22,880</u>	<u>105,128</u>	<u>925,739</u>	<u>1,940,651</u>
LIABILITIES								
Current liabilities:								
Accounts and contracts payable	64,646	418,105	70,799	31,122	5,066	92,084	273,418	955,240
Insurance claims payable	-	-	474,797	878,364	(3,314)	-	-	1,349,847
Due to other funds	-	-	-	-	559,742	-	-	559,742
Accrued interest payable	-	4,428	-	-	-	-	28,802	33,230
Current portion of compensated absences payable	266	3,710	1,072	-	-	2,365	5,749	13,162
Current portion of lease liability	-	-	-	-	-	-	388,101	388,101
Current portion of SBITA payable	-	-	-	-	-	-	54,869	54,869
Total current liabilities	<u>64,912</u>	<u>426,243</u>	<u>546,668</u>	<u>909,486</u>	<u>561,494</u>	<u>94,449</u>	<u>750,939</u>	<u>3,354,191</u>
Noncurrent liabilities:								
Compensated absences payable	6,376	89,051	25,725	-	-	56,750	137,968	315,870
Net pension obligation	78,475	931,908	163,925	155,900	34,155	158,209	1,396,723	2,919,295
Net OPEB obligation	4,915	58,597	9,978	7,587	2,043	9,549	83,395	176,064
SBITA payable	-	-	-	-	-	-	49,456	49,456
Lease liability	-	-	-	-	-	-	799,828	799,828
Total noncurrent liabilities	<u>89,766</u>	<u>1,079,556</u>	<u>199,628</u>	<u>163,487</u>	<u>36,198</u>	<u>224,508</u>	<u>2,467,370</u>	<u>4,260,513</u>
Total Liabilities	<u>154,678</u>	<u>1,505,799</u>	<u>746,296</u>	<u>1,072,973</u>	<u>597,692</u>	<u>318,957</u>	<u>3,218,309</u>	<u>7,614,704</u>
DEFERRED INFLOWS OF RESOURCES								
Deferred inflows related to OPEB	10,554	126,534	21,409	12,093	4,193	19,507	167,810	362,100
Deferred inflows related to pensions	24,089	287,319	48,063	38,108	10,816	46,705	407,702	862,802
Deferred Inflows related to leases	-	-	-	-	-	-	117,413	117,413
Total deferred inflows of resources	<u>34,643</u>	<u>413,853</u>	<u>69,472</u>	<u>50,201</u>	<u>15,009</u>	<u>66,212</u>	<u>692,925</u>	<u>1,342,315</u>
NET POSITION								
Net investment in capital assets	-	25,031,881	-	-	-	1,618,880	1,507,652	28,158,413
Unrestricted	1,899,828	2,167,978	3,823,654	3,287,243	50,592	873,512	2,449,331	14,552,138
Total net position	<u>\$ 1,899,828</u>	<u>\$ 27,199,859</u>	<u>\$ 3,823,654</u>	<u>\$ 3,287,243</u>	<u>\$ 50,592</u>	<u>\$ 2,492,392</u>	<u>\$ 3,956,983</u>	<u>\$ 42,710,551</u>

CITY OF TYLER, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	PRODUCTIVITY IMPROVEMENT	FLEET MAINTENANCE AND REPLACEMENT	PROPERTY AND LIABILITY INSURANCE	EMPLOYEE BENEFITS	RETIREE BENEFITS	PROPERTY AND FACILITY MANAGEMENT	TECHNOLOGY	ELIMINATIONS	TOTAL
OPERATING REVENUES									
Charges for services	\$ 550,000	\$ 15,575,907	\$ 4,068,284	\$ 5,949	\$ -	\$ 724,227	\$ 7,167,698	\$ -	\$ 28,092,065
Contributions	-	-	29,895	12,441,070	661,615	-	-	-	13,132,580
Miscellaneous	-	76,298	17,775	4,262,962	1,959,706	-	199,556	-	6,516,297
Total operating revenues	550,000	15,652,205	4,115,954	16,709,981	2,621,321	724,227	7,367,254	-	47,740,942
OPERATING EXPENSES									
Garage operations	-	10,536,778	-	-	-	-	-	-	10,536,778
Depreciation and amortization	-	4,461,554	-	-	-	195,446	1,278,457	-	5,935,457
Insurance claims	-	-	2,276,271	13,210,208	1,413,606	-	-	-	16,900,085
Administrative	333,630	-	204,471	1,356,831	1,181,041	312,716	5,516,461	-	8,905,150
Special services	415,281	-	-	1,324,874	23,605	-	-	-	1,763,760
Maintenance	-	-	-	-	-	564,049	-	-	564,049
Total operating expenses	748,911	14,998,332	2,480,742	15,891,913	2,618,252	1,072,211	6,794,918	-	44,605,279
Operating income (loss)	(198,911)	653,873	1,635,212	818,068	3,069	(347,984)	572,336	-	3,135,663
NON-OPERATING REVENUES (EXPENSES)									
Revenues from use of money and property	101,750	193,897	160,395	130,173	-	72,793	202,100	-	861,108
Gain (loss) on sale of assets	-	692,360	-	-	-	-	-	-	692,360
Interest expense	-	(13,417)	-	-	-	-	(26,904)	-	(40,321)
Total non-operating revenues (expenses)	101,750	872,840	160,395	130,173	-	72,793	175,196	-	1,513,147
Income (loss) before transfers	(97,161)	1,526,713	1,795,607	948,241	3,069	(275,191)	747,532	-	4,648,810
Transfers in	-	500,000	-	-	-	227,611	-	-	727,611
Transfers out	-	(100,000)	-	-	-	-	-	-	(100,000)
Change in net position	(97,161)	1,926,713	1,795,607	948,241	3,069	(47,580)	747,532	-	5,276,421
Net position - beginning of year	1,996,989	25,273,146	2,028,047	2,339,002	47,523	2,539,972	3,209,451	-	37,434,130
Net position - end of year	\$ 1,899,828	\$ 27,199,859	\$ 3,823,654	\$ 3,287,243	\$ 50,592	\$ 2,492,392	\$ 3,956,983	\$ -	\$ 42,710,551

CITY OF TYLER, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	PRODUCTIVITY IMPROVEMENT	FLEET MAINTENANCE AND REPLACEMENT	PROPERTY AND LIABILITY INSURANCE	EMPLOYEE BENEFITS	RETIREE BENEFITS	PROPERTY AND FACILITY MANAGEMENT	TECHNOLOGY	ELIMINATIONS	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash received from customers and users	\$ 557,702	\$ 15,249,831	\$ 4,118,529	\$ 16,711,319	\$ 2,943,016	\$ 727,913	\$ 7,371,802	\$ -	\$ 47,680,112
Cash paid to suppliers for goods and services	(443,652)	(8,065,124)	(821)	(2,570,214)	(1,165,165)	(627,600)	(3,708,692)	-	(16,581,268)
Cash paid to employees for services	(292,832)	(1,409,336)	(215,836)	(128,153)	(48,753)	(229,332)	(1,850,897)	-	(4,175,139)
Insurance claims paid	-	-	(2,548,214)	(12,797,175)	(1,474,751)	-	-	-	(16,820,140)
Net cash provided by (used in) operating activities	(178,782)	5,775,371	1,353,658	1,215,777	254,347	(129,019)	1,812,213	-	10,103,565
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES									
Advances from (to) other funds	-	-	-	-	(254,347)	-	-	-	(254,347)
Transfers in from other funds	-	500,000	-	-	-	227,611	-	-	727,611
Transfers out to other funds	-	(100,000)	-	-	-	-	-	-	(100,000)
Net cash provided by (used in) non-capital financing activities	-	400,000	-	-	(254,347)	227,611	-	-	373,264
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES									
Acquisition, construction, and retirement of capital assets	-	(9,212,155)	-	-	-	(86,544)	(63,000)	-	(9,361,699)
Interest paid	-	(13,417)	-	-	-	-	(27,633)	-	(41,050)
Payment on subscription (SBITA) liabilities	-	-	-	-	-	-	(528,002)	-	(528,002)
Payment of lease liabilities	-	-	-	-	-	-	(425,464)	-	(425,464)
Proceeds from sale of assets	-	1,252,402	-	-	-	-	51,140	-	1,303,542
Net cash provided by (used in) capital and related financing activities	-	(7,973,170)	-	-	-	(86,544)	(992,959)	-	(9,052,673)
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest and dividends	101,750	193,897	160,395	130,173	-	72,793	202,100	-	861,108
Net cash provided by investing activities	101,750	193,897	160,395	130,173	-	72,793	202,100	-	861,108
Net increase (decrease) in cash and cash equivalents	(77,032)	(1,603,902)	1,514,053	1,345,950	-	84,841	1,021,354	-	2,285,264
Cash and cash equivalents - beginning of year	2,110,331	4,372,599	3,004,248	2,959,776	-	1,067,783	2,993,216	-	16,507,953
Cash and cash equivalents - end of year	\$ 2,033,299	\$ 2,768,697	\$ 4,518,301	\$ 4,305,726	\$ -	\$ 1,152,624	\$ 4,014,570	\$ -	\$ 18,793,217

**CITY OF TYLER, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024**

**Reconciliation of Operating Income to Net Cash
Provided by (used in) Operating Activities**

	PRODUCTIVITY IMPROVEMENT	FLEET MAINTENANCE AND REPLACEMENT	PROPERTY AND LIABILITY INSURANCE	EMPLOYEE BENEFITS	RETIREE BENEFITS	PROPERTY AND FACILITY MANAGEMENT	TECHNOLOGY	TOTAL
Operating income (loss)	\$ (198,911)	\$ 653,873	\$ 1,635,212	\$ 818,068	\$ 3,069	\$ (347,984)	\$ 572,336	\$ 3,135,663
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Depreciation expense	-	4,461,554	-	-	-	195,446	1,278,457	5,935,457
(Increase) decrease in accounts receivable	7,702	(402,374)	2,575	1,338	321,695	3,686	4,548	(60,830)
(Increase) decrease in prepaid expenses	-	1,199,603	-	-	(4,019)	-	322	1,195,906
(Increase) decrease in inventories	-	22,725	-	-	-	-	-	22,725
(Increase) decrease in net pension asset	-	-	-	-	-	-	-	-
(Increase) decrease in deferred outflows related to pensions	11,092	133,117	21,525	11,215	4,807	20,298	174,065	376,119
(Increase) decrease in deferred outflows related to OPEB	4,402	51,860	9,688	11,865	1,686	9,492	85,335	174,328
Increase (decrease) in accounts payable	21,726	(87,470)	27,373	1,202	(2,185)	33,906	97,558	92,110
Increase (decrease) in claims payable	-	-	(299,316)	413,033	(61,145)	-	-	52,572
Increase (decrease) in accrued interest payable	-	-	-	-	-	-	-	-
Increase (decrease) in compensated absences payable	(1,538)	19,309	4,398	-	-	2,039	2,411	26,619
Increase (decrease) in post employment benefits liability	(11,419)	(135,751)	(23,682)	(21,849)	(4,654)	(22,805)	(200,807)	(420,967)
Increase (decrease) in deferred inflows related to pensions	(6,828)	80,487	12,241	6,781	3,257	12,273	105,245	213,456
Increase (decrease) in deferred inflows related to OPEB	13,283	(2,048)	(860)	(7,382)	(238)	(1,898)	(20,219)	(19,362)
Increase (decrease) in net pension obligation	(18,291)	(219,514)	(35,496)	(18,494)	(7,926)	(33,472)	(287,038)	(620,231)
Total adjustments	20,129	5,121,498	(281,554)	397,709	251,278	218,965	1,239,877	6,967,902
Net cash provided by (used in) operating activities	<u>\$ (178,782)</u>	<u>\$ 5,775,371</u>	<u>\$ 1,353,658</u>	<u>\$ 1,215,777</u>	<u>\$ 254,347</u>	<u>\$ (129,019)</u>	<u>\$ 1,812,213</u>	<u>\$ 10,103,565</u>

CITY OF TYLER, TEXAS
PRODUCTIVITY IMPROVEMENT FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	
			POSITIVE (NEGATIVE)	
REVENUES				
Revenues from use of money and property	\$ 55,000	\$ 101,750	\$ 46,750	
Charges for services	<u>550,000</u>	<u>550,000</u>	-	
Total revenues	605,000	651,750	46,750	
Transfers in	-	-	-	
Total revenues - budget and GAAP basis	<u>\$ 605,000</u>	<u>\$ 651,750</u>	<u>\$ 46,750</u>	
EXPENSES				
Salaries and benefits	\$ 269,740	\$ 283,533	\$ (13,793)	
Supplies and services	79,440	57,858	21,582	
Special services	<u>1,224,767</u>	<u>415,281</u>	<u>809,486</u>	
Total expenses - budget basis	<u>\$ 1,573,947</u>	<u>\$ 756,672</u>	<u>\$ 817,275</u>	
Financial statement adjustments:				
Adjustment for net pension liability		(492)		
Adjustment for OPEB liability		<u>(7,269)</u>		
Total expenses - GAAP basis		<u>\$ 748,911</u>		

CITY OF TYLER, TEXAS
FLEET MAINTENANCE AND REPLACEMENT FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ 40,000	\$ 193,897	\$ 153,897
Current service charges	17,009,724	15,575,907	(1,433,817)
Miscellaneous	1,000	76,298	75,298
Sale of assets	<u>308,000</u>	<u>739,154</u>	<u>431,154</u>
Total revenues	<u>17,358,724</u>	<u>16,585,256</u>	<u>(773,468)</u>
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Total revenues - budget basis	<u><u>\$ 17,858,724</u></u>	<u><u>17,085,256</u></u>	<u><u>\$ (773,468)</u></u>
Financial statement adjustments:			
Retirement of assets sold		<u>(46,794)</u>	
Total revenues - GAAP basis		<u><u>\$ 17,038,462</u></u>	
EXPENSES			
Garage administration and operations:			
Salaries and benefits	\$ 1,274,125	\$ 1,336,796	\$ (62,671)
Supplies and services	7,709,155	7,112,781	596,374
Utilities	86,382	58,715	27,667
Maintenance	283,321	186,064	97,257
Capital outlay	<u>12,879,881</u>	<u>11,159,843</u>	<u>1,720,038</u>
Total garage administration and operations	<u>22,232,864</u>	<u>19,854,199</u>	<u>2,378,665</u>
Transfers out	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total expenses - budget basis	<u><u>\$ 22,332,864</u></u>	<u><u>19,954,199</u></u>	<u><u>\$ 2,378,665</u></u>
Financial statement adjustments:			
Adjustment for net pension liability		<u>(5,910)</u>	
Adjust OPEB assets and liabilities		<u>(85,939)</u>	
Capital outlay items not expensed		<u>(9,212,155)</u>	
Depreciation expense		<u>4,461,554</u>	
Total expenses - GAAP basis		<u><u>\$ 15,111,749</u></u>	

CITY OF TYLER, TEXAS
PROPERTY AND LIABILITY INSURANCE FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ 20,000	\$ 160,395	\$ 140,395
Collections - subrogation	1,500	17,775	16,275
Charges for services	3,852,836	4,068,284	215,448
Income from other agencies	-	29,895	29,895
 Total revenues - budget and GAAP basis	 <u>\$ 3,874,336</u>	 <u>\$ 4,276,349</u>	 <u>\$ 402,013</u>
EXPENSES			
Claims and premiums	\$ 2,800,703	\$ 2,276,271	\$ 524,432
Administrative	701,866	221,055	480,811
 Transfers out	 -	 -	 -
 Total expenses - budget basis	 <u>\$ 3,502,569</u>	 <u>\$ 2,497,326</u>	 <u>\$ 1,005,243</u>
 Financial statement adjustments:			
Adjustment for net pension liability		(956)	
Adjustment for OPEB liability		<u>(15,628)</u>	
 Total expenses - GAAP basis	 <u>\$ 2,480,742</u>		

CITY OF TYLER, TEXAS
EMPLOYEE BENEFITS FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ 26,339	\$ 130,173	\$ 103,834
Charges for services	26,196	5,949	(20,247)
Contributions from City of Tyler	11,791,476	10,023,870	(1,767,606)
Contributions from employees	2,547,903	2,417,200	(130,703)
Income from other agencies	-	38,383	38,383
Miscellaneous	<u>2,237,446</u>	<u>4,224,579</u>	<u>1,987,133</u>
Total revenues - budget and GAAP basis	<u><u>\$ 16,629,360</u></u>	<u><u>\$ 16,840,154</u></u>	<u><u>\$ 210,794</u></u>
EXPENSES			
Employee insurance fund administration:			
Special services	\$ 1,968,976	\$ 1,324,874	\$ 644,102
Claims	12,966,316	12,836,032	130,284
Contributions	75,000	1,000	
Administrative	1,691,908	1,373,695	318,213
Life insurance	<u>293,875</u>	<u>374,176</u>	<u>(80,301)</u>
Total expenses - budget and GAAP basis	<u><u>\$ 16,996,075</u></u>	<u><u>15,909,777</u></u>	<u><u>\$ 1,012,298</u></u>
Financial statement adjustments:			
Adjustment for net pension liability		(498)	
Adjustment for OPEB liability		<u>(17,366)</u>	
Total expenses - GAAP basis		<u><u>\$ 15,891,913</u></u>	

CITY OF TYLER, TEXAS
RETIREE BENEFITS FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ -	\$ -	\$ -
Contributions from retirees	564,502	661,615	97,113
Contributions - OPEB Trust and RDS Reimbursement	<u>2,572,283</u>	<u>1,959,706</u>	<u>(612,577)</u>
Total revenues - budget and GAAP basis	<u><u>\$ 3,136,785</u></u>	<u><u>\$ 2,621,321</u></u>	<u><u>\$ (515,464)</u></u>
EXPENSES			
Employee insurance fund administration:			
Special services	\$ 31,770	\$ 23,605	\$ 8,165
Claims	1,789,829	1,413,606	376,223
Administrative fees	1,278,615	1,154,484	124,131
Life insurance	<u>36,571</u>	<u>29,625</u>	<u>6,946</u>
Total expenses - budget and GAAP basis	<u><u>\$ 3,136,785</u></u>	<u><u>2,621,320</u></u>	<u><u>\$ 515,465</u></u>
Financial statement adjustments:			
Adjustment for net pension liability		(213)	
Adjustment for OPEB liability		<u>(2,855)</u>	
Total expenses - GAAP basis		<u><u>\$ 2,618,252</u></u>	

CITY OF TYLER, TEXAS
PROPERTY AND FACILITY MANAGEMENT FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	POSITIVE (NEGATIVE)
REVENUES				
Revenues from use of money and property	\$ 30,000	\$ 72,793	\$	42,793
Charges for services	<u>724,227</u>	<u>724,227</u>	-	-
Total revenues	754,227	797,020	42,793	42,793
Transfers in	<u>227,611</u>	<u>227,611</u>	-	-
Total revenues - budget and GAAP basis	<u>\$ 981,838</u>	<u>\$ 1,024,631</u>	<u>\$</u>	<u>42,793</u>
EXPENSES				
Salaries and benefits	\$ 197,950	\$ 215,259	\$	(17,309)
Supplies and services	118,243	104,426	13,817	13,817
Maintenance	625,688	564,049	61,639	61,639
Capital Outlay	<u>281,450</u>	<u>95,686</u>	<u>185,764</u>	<u>185,764</u>
Total property and facility administration	<u>1,223,331</u>	<u>979,420</u>	<u>243,911</u>	<u>243,911</u>
Transfers out	-	-	-	-
Total expenses - budget basis	<u>\$ 1,223,331</u>	<u>979,420</u>	<u>\$</u>	<u>243,911</u>
Financial statement adjustments:				
Adjust OPEB assets and liabilities			(15,211)	
Adjustment for net pension liability			(901)	
Capital outlay items not expensed			(86,543)	
Depreciation expense			<u>195,446</u>	
Total expenses - GAAP basis	<u>\$ 1,072,211</u>			

**CITY OF TYLER, TEXAS
TECHNOLOGY FUND**
**DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)**
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
			POSITIVE (NEGATIVE)
REVENUES			
Revenues from use of money and property	\$ 60,275	\$ 202,100	\$ 141,825
Charges for services	7,242,225	7,167,698	(74,527)
Miscellaneous	187,768	199,556	11,788
Total revenues - budget and GAAP basis	<u><u>\$ 7,490,268</u></u>	<u><u>\$ 7,569,354</u></u>	<u><u>\$ 79,086</u></u>
EXPENSES			
Office technology fund administration:			
Salaries and benefits	\$ 1,650,794	\$ 1,709,063	\$ (58,269)
Supplies and services	921,946	19,119	902,827
Utilities	150	32	118
Maintenance	71,000.00	3,268	67,732
Total office technology fund administration	<u><u>2,643,890</u></u>	<u><u>1,731,482</u></u>	<u><u>912,408</u></u>
Office technology services:			
Supplies and services	2,404,803	1,710,889	693,914
Utilities	226,867	145,683	81,184
Maintenance	3,578,447	3,049,100	529,347
Capital outlay	-	63,000	(63,000)
Total office technology services	<u><u>6,210,117</u></u>	<u><u>4,968,672</u></u>	<u><u>1,241,445</u></u>
Transfers out	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>-</u></u>
Total expenses - budget basis	<u><u>\$ 8,854,007</u></u>	<u><u>6,700,154</u></u>	<u><u>\$ 2,153,853</u></u>
Financial statement adjustments:			
Adjustment for net pension liability	(7,728)		
Adjust OPEB assets and liabilities	(135,691)		
Capital outlay items not expensed	(63,000)		
Principal paid on capital leases	(425,464)		
Amortization of subscription assets	862,718		
Principal paid on subscription liabilities	(551,810)		
Interest expense	26,904		
Depreciation expense	415,739		
Total expenses - GAAP basis	<u><u>\$ 6,821,822</u></u>		

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs.

Employee Benefit Trust Funds

The ***Employee Benefit Trust (section 125 Plan) Fund*** is used to account for the resources accumulated and payments made on behalf of the City employees enrolled in the City's cafeteria plan administered by Health First.

The ***OPEB Trust Fund*** is used to account for the resources accumulated to meet ARC (annual required contributions) and long-term liability requirements associated with administering post-employment health, dental, and life benefits for retired employees in accordance with GASB 43 and 45.

The ***Tyler Fire Department Relief and Retirement Fund*** is used to account for the resources accumulated to be used for the retirement benefit payments to the members of the fund.

Private Purpose Trust Funds

The ***Greenwood Landfill Private-Purpose Trust Fund*** is used to accumulate resources held in trust for Allied Waste Management and is used for closure and post-closure expenses of the Greenwood Landfill. These closures and post-closure expenses will not begin occurring until many years if not decades in the future.

The ***Lindsey Trust Fund*** is used to account for the endowment fund created for the charitable purpose of making awards to police officers and firefighters employed by the City for outstanding service and to aid them and their families injured in the line of duty.

CITY OF TYLER, TEXAS
FIDUCIARY FUNDS
EMPLOYEE BENEFIT TRUST FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	EMPLOYEE BENEFIT PLAN (SECTION 125 PLAN)	OPEB TRUST	TYLER FIRE DEPARTMENT RELIEF AND RETIREMENT FUND	TOTAL
ASSETS				
Equity in pooled cash	\$ 1,517,436	\$ 625,225	\$ 1,024,157	\$ 3,166,818
Investments, at fair value				
Equities	-	-	57,094,366	57,094,366
Mutual funds	-	14,150,480	4,599,230	18,749,710
Fixed income	-	8,268,630	29,246,339	37,514,969
Total investments	<u>-</u>	<u>22,419,110</u>	<u>90,939,935</u>	<u>113,359,045</u>
Receivables				
Contributions receivable	1,547	-	31,403	32,950
Interest receivable	-	743,797	70,887	814,684
Total receivables	<u>1,547</u>	<u>743,797</u>	<u>102,290</u>	<u>847,634</u>
Total assets	<u>1,518,983</u>	<u>23,788,132</u>	<u>92,066,382</u>	<u>117,373,497</u>
LIABILITIES				
Accounts payable	<u>1,208,556</u>	<u>323,302</u>	<u>-</u>	<u>1,531,858</u>
Total liabilities	<u>1,208,556</u>	<u>323,302</u>	<u>-</u>	<u>1,531,858</u>
NET POSITION				
Held in trust for OPEB benefits	-	23,464,830	-	23,464,830
Held in trust for pension benefits	-	-	92,066,382	92,066,382
Held in trust for other purposes	<u>310,427</u>	<u>-</u>	<u>-</u>	<u>310,427</u>
Total net position	<u>\$ 310,427</u>	<u>\$ 23,464,830</u>	<u>\$ 92,066,382</u>	<u>\$ 115,841,639</u>

CITY OF TYLER, TEXAS
FIDUCIARY FUNDS
EMPLOYEE BENEFIT TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	EMPLOYEE BENEFIT PLAN (SECTION 125 PLAN)	OPEB TRUST	TYLER FIRE DEPARTMENT RELIEF AND RETIREMENT FUND	TOTAL
ADDITIONS				
Contributions				
Employees	\$ 220,370	\$ -	\$ 2,237,655	\$ 2,458,025
Employer	-	2,975,182	3,394,553	6,369,735
Total contributions	<u>220,370</u>	<u>2,975,182</u>	<u>5,632,208</u>	<u>8,827,760</u>
Investment income				
Interest and dividend income	-	4,056,461	2,319,354	6,375,815
Net depreciation in fair value of investments	-	329,910	12,315,917	12,645,827
Less investment expense	-	(91,394)	(259,449)	(350,843)
Total investment income	<u>-</u>	<u>4,294,977</u>	<u>14,375,822</u>	<u>18,670,799</u>
Other income	-	-	935,073	935,073
Total additions	<u>220,370</u>	<u>7,270,159</u>	<u>20,943,103</u>	<u>28,433,632</u>
DEDUCTIONS				
Reimbursement for benefit claims	-	1,606,065	-	1,606,065
Benefits	<u>206,500</u>	<u>-</u>	<u>6,111,319</u>	<u>6,317,819</u>
Total deductions	<u>206,500</u>	<u>1,606,065</u>	<u>6,111,319</u>	<u>7,923,884</u>
Change in net position	13,870	5,664,094	14,831,784	20,509,748
Net position- beginning of year	<u>296,557</u>	<u>17,800,736</u>	<u>77,234,598</u>	<u>95,331,891</u>
Net position - end of year	<u>\$ 310,427</u>	<u>\$ 23,464,830</u>	<u>\$ 92,066,382</u>	<u>\$ 115,841,639</u>

CITY OF TYLER, TEXAS
FIDUCIARY FUNDS
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	GREENWOOD LANDFILL PRIVATE-PURPOSE TRUST	LINDSEY TRUST PRIVATE-PURPOSE TRUST	TOTAL
ASSETS			
Equity in pooled cash	\$ 3,420,627	\$ -	\$ 3,420,627
Investments, at fair value			
Equities	- -	97,497	97,497
Total investments	- -	97,497	97,497
Receivables			
Interest receivable	5,356 -	- -	5,356
Total receivables	5,356 -	- -	5,356
Total assets	<u>3,425,983</u>	<u>97,497</u>	<u>3,523,480</u>
NET POSITION			
Held in trust for other purposes	<u>\$ 3,425,983</u>	<u>\$ 97,497</u>	<u>\$ 3,523,480</u>

CITY OF TYLER, TEXAS
FIDUCIARY FUNDS
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	GREENWOOD LANDFILL PRIVATE-PURPOSE TRUST	LINDSEY TRUST PRIVATE-PURPOSE TRUST	TOTAL
ADDITIONS			
Contributions	\$ 175,666	\$ -	\$ 175,666
Investment income			
Interest and dividend income	142,655	2,937	145,592
Net appreciation in fair value of investments	-	13,686	13,686
Less investment expense	-	(3,227)	(3,227)
Total investment income	<u>142,655</u>	<u>13,396</u>	<u>156,051</u>
Total additions	<u>318,321</u>	<u>13,396</u>	<u>331,717</u>
DEDUCTIONS			
Benefits	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	318,321	13,396	331,717
Net position - beginning of year	<u>3,107,662</u>	<u>84,101</u>	<u>3,191,763</u>
Net position - end of year	<u><u>\$ 3,425,983</u></u>	<u><u>\$ 97,497</u></u>	<u><u>\$ 3,523,480</u></u>

DETAILED BUDGETARY COMPARISONS

The following schedules are additional supplementary information for the General Fund and each Enterprise Fund.

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
PROPERTY TAX COLLECTIONS			
Current taxes	\$ 28,204,129	\$ 28,115,105	\$ (89,024)
Delinquent taxes	144,485	167,215	22,730
Penalty and interest	186,154	253,012	66,858
Total property tax collections	<u>28,534,768</u>	<u>28,535,332</u>	<u>564</u>
FRANCHISE FEES			
Franchise - light and power	4,624,264	4,601,509	(22,755)
Franchise - natural gas	1,047,933	1,045,751	(2,182)
Franchise - telephone	530,371	472,637	(57,734)
Franchise - cable television	1,056,760	925,572	(131,188)
Franchise - street use fee	1,161,374	1,186,745	25,371
Franchise - water and sewer	3,041,177	3,287,782	246,605
Total franchise fees	<u>11,461,879</u>	<u>11,519,996</u>	<u>58,117</u>
SALES AND USE TAXES			
General sales tax	41,497,196	40,475,723	(1,021,473)
Mixed drink tax	648,529	646,552	(1,977)
Bingo tax	40,000	25,333	(14,667)
Total sales and use taxes	<u>42,185,725</u>	<u>41,147,608</u>	<u>(1,038,117)</u>
LICENSES AND PERMITS			
Parking meter	145,739	80,970	(64,769)
Taxicab and limousine	4,250	3,880	(370)
Burglar alarm	340,000	312,279	(27,721)
ROW Permits	3,750	-	(3,750)
Building	1,799,822	2,068,539	268,717
Electrical	200,000	244,012	44,012
Plumbing	145,000	131,787	(13,213)
Zoning	80,000	79,698	(302)
Mechanical	90,000	100,151	10,151
Cert. of Occupancy	30,000	24,520	(5,480)
TABC Fee	15,000	6,430	(8,570)
Billboard Registration	17,595	16,320	(1,275)
Sign	50,000	30,765	(19,235)
Contractor license	40,000	52,250	12,250
Total licenses and permits	<u>2,961,156</u>	<u>3,151,601</u>	<u>190,445</u>
FINES, FORFEITURES AND PENALTIES			
Moving violation fines	2,060,000	2,362,155	302,155
Tax service fees on fines	148,000	148,141	141
Arrest fee fines	105,000	107,319	2,319
Municipal court administrative fees	91,000	87,514	(3,486)
Warrant fees	215,000	323,987	108,987
Child safety fees	129,000	145,962	16,962
Miscellaneous municipal court fines	50,000	67,809	17,809
Special court fees	975,000	821,323	(153,677)
Collection firm fee	280,000	342,784	62,784
Parking fees	52,000	33,838	(18,162)
Scofflaw	12,000	4,268	(7,732)
Animal fines	9,000	10,913	1,913
Omnibase program	27,000	39,692	12,692
Total fines, forfeitures and penalties	<u>4,153,000</u>	<u>4,495,705</u>	<u>342,705</u>

(Continued)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES FROM USE OF MONEY OR PROPERTY			
Rent - miscellaneous	\$ 905,325	\$ 799,479	\$ (105,846)
Distributed interest	1,361,160	2,171,628	810,468
 Total revenues from use of money or property	 2,266,485	 2,971,107	 704,622
CHARGES FOR CURRENT SERVICES			
Swimming pool admissions	20,000	23,470	3,470
Fire inspection fees	109,000	157,474	48,474
Lot mowing	61,138	44,443	(16,695)
Glass membership fees	65,000	74,215	9,215
Copying fees	15,000	16,006	1,006
Utility cut fees	132,000	132,000	-
Open records	24,700	33,895	9,195
Participant fees	22,840	12,590	(10,250)
Sports field maintenance	114,150	114,438	288
Recreation classes and events	50,000	58,851	8,851
Reimbursement of overhead from tourism and convention fund	48,993	48,993	-
One-Half cent administration costs	343,263	343,263	-
Reimbursement of overhead from water and sewer operating fund	1,441,250	1,441,250	-
Reimbursement of overhead from sanitation fund	266,857	266,857	-
Platting	80,000	82,550	2,550
Animal adoption fees	30,000	14,480	(15,520)
Animal shelter fees	18,000	6,130	(11,870)
Liberty hall tickets sales	106,400	126,866	20,466
Fire cost recovery	155,000	195,207	40,207
Library	56,822	41,152	(15,670)
 Total charges for current services	 3,160,413	 3,234,130	 73,717
REVENUES FROM OTHER AGENCIES			
State government	21,000	16,454	(4,546)
County hazardous material service	6,000	5,726	(274)
Prior year restitution income	-	417	417
Auto theft task force grant	126,000	135,798	9,798
Safe and Sober grant	47,500	67,993	20,493
School crossing guards	281,334	271,467	(9,867)
BVP Grant	-	5,483	-
COPS grant	18,828	20,440	1,612
SHSG PD Grant	44,685	44,684	-
SAFER grant	483,928	476,102	(7,826)
Fire TCLEOSE allocation	1,000	11	(989)
Federal JAG	37,416	37,416	-
Justice assistance	47,117	47,117	-
 Total revenues from other agencies	 1,114,808	 1,129,108	 8,818

(Continued)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
			<u>POSITIVE (NEGATIVE)</u>
MISCELLANEOUS			
Oil and lease royalties	\$ 576,000	\$ 382,409	\$ (193,591)
Miscellaneous charges	203,276	159,352	(43,924)
Unclaimed property revenue	20,000	10,603	(9,397)
Returned check fees	-	175	175
Funeral escorts	12,500	4,700	(7,800)
Contractor testing fees	250,000	16,039	(233,961)
Merchandise sales	83,000	50,198	(32,802)
Subdivision plan review	60,000	31,000	(29,000)
Sale of equipment	500	-	(500)
 Total miscellaneous	 1,205,276	 654,476	 (550,800)
 Total revenues before other financing sources	 97,043,510	 96,839,063	 (204,447)
OTHER FINANCING SOURCES			
Transfers in from other funds	2,900,000	2,500,000	(400,000)
 Total other financing sources	 2,900,000	 2,500,000	 (400,000)
 Total revenue	 \$ 99,943,510	 \$ 99,339,063	 \$ (604,447)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
GENERAL GOVERNMENT			
GENERAL GOVERNMENT SERVICES			
Salaries and benefits	\$ 2,827,652	\$ 2,905,151	\$ (77,499)
Supplies and services	2,621,062	3,153,893	(532,831)
Utilities	85,350	85,406	(56)
Maintenance	45,408	45,305	103
Total general government services	<u>5,579,472</u>	<u>6,189,755</u>	<u>(610,283)</u>
COMMUNICATIONS			
Salaries and benefits	512,895	490,621	22,274
Supplies and services	135,450	111,049	24,401
Maintenance	300	106	194
Total communications	<u>648,645</u>	<u>601,776</u>	<u>46,869</u>
FINANCE			
Salaries and benefits	1,101,588	1,105,621	(4,033)
Supplies and services	769,852	697,812	72,040
Utilities	200	11	189
Maintenance	5,000	2,968	2,032
Total finance	<u>1,876,640</u>	<u>1,806,412</u>	<u>70,228</u>
HUMAN RESOURCES			
Salaries and benefits	569,787	577,177	(7,390)
Supplies and services	108,646	95,334	13,312
Utilities	126	91	35
Total human resources	<u>678,559</u>	<u>672,602</u>	<u>5,957</u>
LEGAL			
Salaries and benefits	1,137,984	1,181,507	(43,523)
Supplies and services	261,442	220,475	40,967
Utilities	260	13	247
Maintenance	839	122	717
Total legal	<u>1,400,525</u>	<u>1,402,117</u>	<u>(1,592)</u>
INNOVATION PIPELINE			
Supplies and services	4,149	4,149	-
Utilities	1,584	1,786	(202)
Maintenance	4,261	4,261	-
Total innovation pipeline	<u>9,994</u>	<u>10,196</u>	<u>(202)</u>
Total general government	<u>10,193,835</u>	<u>10,682,858</u>	<u>(489,023)</u>

(Continued)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
			<u>POSITIVE (NEGATIVE)</u>
PUBLIC SAFETY			
POLICE			
Salaries and benefits	\$ 30,625,837	\$ 31,041,853	\$ (416,016)
Supplies and services	3,327,473	3,287,067	40,406
Utilities	145,760	120,218	25,542
Maintenance	<u>1,873,694</u>	<u>1,971,175</u>	<u>(97,481)</u>
Total police	<u>35,972,764</u>	<u>36,420,313</u>	<u>(447,549)</u>
FIRE			
Salaries and benefits	21,686,312	22,896,703	(1,210,391)
Supplies and services	1,646,111	1,411,957	234,154
Utilities	173,625	171,931	1,694
Maintenance	<u>1,183,332</u>	<u>1,163,614</u>	<u>19,718</u>
Total fire	<u>24,689,380</u>	<u>25,644,205</u>	<u>(954,825)</u>
MUNICIPAL COURT			
Salaries and benefits	1,367,686	1,076,107	291,579
Supplies and services	986,070	1,071,723	(85,653)
Utilities	9,300	9,207	93
Maintenance	<u>56,206</u>	<u>47,937</u>	<u>8,269</u>
Total municipal court	<u>2,419,262</u>	<u>2,204,974</u>	<u>214,288</u>
COPS			
Salaries and benefits	<u>197,533</u>	<u>240,720</u>	<u>(43,187)</u>
Total cops	<u>197,533</u>	<u>240,720</u>	<u>(43,187)</u>
Total public safety	<u>63,278,939</u>	<u>64,510,212</u>	<u>(1,231,273)</u>
PUBLIC SERVICES			
ANIMAL SERVICES			
Salaries and benefits	1,073,756	1,076,264	(2,508)
Supplies and services	341,953	291,457	50,496
Utilities	27,890	23,557	4,333
Maintenance	<u>128,829</u>	<u>124,078</u>	<u>4,751</u>
Total animal services	<u>1,572,428</u>	<u>1,515,356</u>	<u>57,072</u>
PLANNING AND ZONING SERVICES			
Salaries and benefits	742,946	726,644	16,302
Supplies and services	127,888	125,811	2,077
Utilities	<u>750</u>	<u>20</u>	<u>730</u>
Total planning and zoning services	<u>871,584</u>	<u>852,475</u>	<u>19,109</u>
BUILDING SERVICES			
Salaries and benefits	1,208,168	1,240,136	(31,968)
Supplies and services	391,359	295,342	96,017
Utilities	400	85	315
Maintenance	<u>45,839</u>	<u>56,847</u>	<u>(11,008)</u>
Total building services	<u>1,645,766</u>	<u>1,592,410</u>	<u>53,356</u>
Total public services	<u>4,089,778</u>	<u>3,960,241</u>	<u>129,537</u>

(Continued)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
HIGHWAYS AND STREETS			
ENGINEERING			
Salaries and benefits	\$ 825,032	\$ 736,261	\$ 88,771
Supplies and services	80,713	69,832	10,881
Utilities	50	18	32
Maintenance	8,634	7,637	997
 Total engineering	 914,429	 813,748	 100,681
STREET ADMINISTRATION			
Salaries and benefits	2,127,408	1,755,709	371,699
Supplies and services	371,698	385,437	(13,739)
Utilities	2,750	4,158	(1,408)
Maintenance	1,184,538	1,098,560	85,978
 Total street administration	 3,686,394	 3,243,864	 442,530
TRAFFIC OPERATIONS			
Salaries and benefits	1,019,714	860,761	158,953
Supplies and services	212,019	217,539	(5,520)
Utilities	1,263,952	1,255,708	8,244
Maintenance	515,522	345,034	170,488
 Total traffic operations	 3,011,207	 2,679,042	 332,165
 Total highways and streets	 7,612,030	 6,736,654	 875,376
CULTURE AND RECREATION			
LIBRARY			
Salaries and benefits	1,609,615	1,547,512	62,103
Supplies and services	418,104	413,290	4,814
Utilities	57,201	43,514	13,687
Maintenance	72,121	67,286	4,835
 Total library	 2,157,041	 2,071,602	 85,439
PARKS ADMINISTRATION			
Salaries and benefits	1,308,072	1,220,495	87,577
Supplies and services	889,274	978,343	(89,069)
Utilities	675,968	582,451	93,517
Maintenance	606,604	690,748	(84,144)
 Total parks administration	 3,479,918	 3,472,037	 7,881

(Continued)

CITY OF TYLER, TEXAS
GENERAL FUND
DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CULTURE AND RECREATION (cont'd)			
INDOOR RECREATION			
Salaries and benefits	\$ 609,983	\$ 605,453	\$ 4,530
Supplies and services	120,395	107,359	13,036
Utilities	100	23	77
Maintenance	66,317	60,231	6,086
Total indoor recreation	<u>796,795</u>	<u>773,066</u>	<u>23,729</u>
OUTDOOR RECREATION			
Salaries and benefits	237,175	181,556	55,619
Supplies and services	105,953	103,092	2,861
Maintenance	1,500	-	1,500
Total outdoor recreation	<u>344,628</u>	<u>284,648</u>	<u>59,980</u>
MEDIAN MAINTENANCE AND ARBORIST			
Salaries and benefits	316,503	239,041	77,462
Supplies and services	124,063	119,440	4,623
Maintenance	46,397	54,044	(7,647)
Total median maintenance and arborist	<u>486,963</u>	<u>412,525</u>	<u>74,438</u>
ROSE GARDEN CENTER			
Salaries and benefits	355,928	335,413	20,515
Supplies and services	32,545	34,326	(1,781)
Utilities	50,000	33,920	16,080
Maintenance	48,790	46,894	1,896
Total rose garden center	<u>487,263</u>	<u>450,553</u>	<u>36,710</u>
ROSE GARDEN MAINTENANCE			
Salaries and benefits	481,229	364,695	116,534
Supplies and services	158,560	289,262	(130,702)
Utilities	45,650	19,849	25,801
Maintenance	123,771	132,197	(8,426)
Total rose garden maintenance	<u>809,210</u>	<u>806,003</u>	<u>3,207</u>
VISITOR FACILITIES			
Salaries and benefits	942,218	950,675	(8,457)
Supplies and services	263,576	288,712	(25,136)
Utilities	120,075	156,881	(36,806)
Maintenance	80,299	82,999	(2,700)
Total visitor facilities	<u>1,406,168</u>	<u>1,479,267</u>	<u>(73,099)</u>
MAIN STREET			
Salaries and benefits	285,941	278,857	7,084
Supplies and services	237,958	176,787	61,171
Utilities	3,020	1,551	1,469
Total main street	<u>526,919</u>	<u>457,195</u>	<u>69,724</u>

(Continued)

**CITY OF TYLER, TEXAS
GENERAL FUND**

	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CULTURE AND RECREATION (cont'd)			
LIBERTY HALL			
Salaries and benefits	\$ 133,819	\$ 103,724	\$ 30,095
Supplies and services	208,924	107,940	100,984
Utilities	19,276	12,285	6,991
Maintenance	26,832	22,830	4,002
 Total liberty hall	 388,851	 246,779	 142,072
 Total culture and recreation	 10,883,756	 10,453,675	 430,081
OTHER FINANCING USES			
Transfer to transit system	1,110,000	936,204	173,796
Transfer to capital projects	4,125,000	4,125,000	-
Transfer to property and facility	101,305	101,305	-
Transfer to street projects	2,045,688	2,045,688	-
Transfer to cemeteries	325,000	325,000	-
 Total other financing uses	 7,706,993	 7,533,197	 173,796
 Capital outlay	 962,843	 715,273	 247,570
 Total expenditures	 \$ 104,728,174	 \$ 104,592,110	 \$ 136,064

CITY OF TYLER, TEXAS
UTILITIES FUND
DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET
			<u>POSITIVE (NEGATIVE)</u>
REVENUES			
Revenues from use of money or property	\$ 617,604	3,974,312	\$ 3,356,708
Charges for current services	57,668,403	55,296,792	(2,371,611)
Miscellaneous income	<u>16,406,517</u>	<u>14,046,017</u>	<u>(2,360,500)</u>
Total revenue - budget and GAAP basis	<u>\$ 74,692,524</u>	<u>\$ 73,317,121</u>	<u>\$ (1,375,403)</u>

CITY OF TYLER, TEXAS
UTILITIES FUND
DETAILED SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
WATER ADMINISTRATION AND SUNDAY			
Salaries and benefits	\$ 1,525,933	1,596,892	\$ (70,959)
Supplies and services	4,921,643	3,902,829	1,018,814
Utilities	15,850	12,448	3,402
Maintenance	<u>68,982</u>	<u>41,925</u>	<u>27,057</u>
Total water administration and sundry	<u>6,532,408</u>	<u>5,554,094</u>	<u>978,314</u>
WATER OFFICE			
Salaries and benefits	1,526,992	1,350,135	176,857
Supplies and services	1,441,681	2,070,070	(628,389)
Utilities	250	37	213
Maintenance	<u>76,798</u>	<u>79,655</u>	<u>(2,857)</u>
Total water office	<u>3,045,721</u>	<u>3,499,897</u>	<u>(454,176)</u>
WATER DISTRIBUTION			
Salaries and benefits	2,861,230	2,809,512	51,718
Supplies and services	429,900	681,281	(251,381)
Utilities	63,200	44,273	18,927
Maintenance	<u>1,142,970</u>	<u>1,269,948</u>	<u>(126,978)</u>
Total water distribution	<u>4,497,300</u>	<u>4,805,014</u>	<u>(307,714)</u>
WATER PLANT			
Salaries and benefits	2,368,853	2,237,302	131,551
Supplies and services	4,837,350	3,983,301	854,049
Utilities	1,655,061	1,613,748	41,313
Maintenance	<u>681,476</u>	<u>557,174</u>	<u>124,302</u>
Total water plant	<u>9,542,740</u>	<u>8,391,525</u>	<u>1,151,215</u>
WASTE COLLECTION			
Salaries and benefits	2,248,796	2,062,961	185,835
Supplies and services	351,192	550,959	(199,767)
Utilities	-	-	-
Maintenance	<u>1,241,998</u>	<u>1,425,450</u>	<u>(183,452)</u>
Total waste collection	<u>3,841,986</u>	<u>4,039,370</u>	<u>(197,384)</u>
CD/CMOM (REGULATORY)			
Salaries and benefits	69,791	19,372	50,419
Supplies and services	<u>4,800,472</u>	<u>4,948,589</u>	<u>(148,117)</u>
Total cd/cmom (regulatory)	<u>4,870,263</u>	<u>4,967,961</u>	<u>(97,698)</u>
WASTE TREATMENT PLANT			
Salaries and benefits	2,393,470	2,358,684	34,786
Supplies and services	1,844,866	1,943,761	(98,895)
Utilities	747,940	762,686	(14,746)
Maintenance	<u>1,012,232</u>	<u>995,210</u>	<u>17,022</u>
Total waste treatment plant	<u>5,998,508</u>	<u>6,060,341</u>	<u>(61,833)</u>

(Continued)

CITY OF TYLER, TEXAS
UTILITIES FUND
DETAILED SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
LAKE TYLER			
Salaries and benefits	\$ 480,656	528,761	\$ (48,105)
Supplies and services	369,459	216,448	153,011
Utilities	10,700	10,361	339
Maintenance	<u>522,890</u>	<u>498,342</u>	<u>24,548</u>
Total Lake Tyler	<u>1,383,705</u>	<u>1,253,912</u>	<u>129,793</u>
STORM WATER MANAGEMENT			
Salaries and benefits	1,132,497	1,088,414	44,083
Supplies and services	273,250	269,541	3,709
Utilities	6,050	16,370	(10,320)
Maintenance	<u>829,548</u>	<u>804,945</u>	<u>24,603</u>
Total storm water management	<u>2,241,345</u>	<u>2,179,270</u>	<u>62,075</u>
GEOGRAPHICAL INFORMATION SYSTEMS			
Salaries and benefits	840,815	826,985	13,830
Supplies and services	<u>536,129</u>	<u>550,462</u>	<u>(14,333)</u>
Total geographical information systems	<u>1,376,944</u>	<u>1,377,447</u>	<u>(503)</u>
SLUDGE HAULING			
Salaries and benefits	343,672	341,819	1,853
Supplies and services	841,327	807,268	34,059
Utilities	18,000	7,449	10,551
Maintenance	<u>285,314</u>	<u>314,605</u>	<u>(29,291)</u>
Total sludge hauling	<u>1,488,313</u>	<u>1,471,141</u>	<u>17,172</u>
PURCHASING			
Salaries and benefits	285,249	292,147	(6,898)
Supplies and services	1,181,658	1,288,404	(106,746)
Utilities	150	11	139
Maintenance	<u>10,886</u>	<u>13,256</u>	<u>(2,370)</u>
Total purchasing	<u>1,477,943</u>	<u>1,593,818</u>	<u>(115,875)</u>
Capital outlay	<u>67,805,865</u>	<u>44,167,674</u>	<u>23,638,191</u>
Principal payments on bonds	<u>6,930,000</u>	<u>8,040,000</u>	<u>(1,110,000)</u>
Interest expense	<u>5,527,512</u>	<u>6,428,044</u>	<u>(900,532)</u>
Transfers (in)/out	<u>225,653</u>	<u>225,653</u>	<u>-</u>
Total expenditures - budget basis	<u>\$ 126,786,206</u>	<u>104,055,161</u>	<u>\$ 22,731,045</u>
Financial statement adjustments:			
Adjustment for net pension liability		(63,061)	
Adjustment OPEB assets and liabilities		(1,051,781)	
Capital outlay items not expensed		(43,703,088)	
Principal payments of bonds		(8,040,000)	
Amortization expense		(581,390)	
Depreciation expense		<u>10,627,926</u>	
Total expenditures - GAAP basis	<u>\$ 61,243,767</u>		

CITY OF TYLER, TEXAS
SANITATION FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Franchise fees	\$ 885,900	\$ 1,045,507	\$ 159,607
Revenue from use of money or property	22,859	31,570	8,711
Current service charges	17,630,174	16,871,078	(759,096)
Miscellaneous	<u>106,489</u>	<u>100,379</u>	<u>(6,110)</u>
Total revenues - budget basis	<u>\$ 18,645,422</u>	18,048,534	<u>\$ (596,888)</u>
Financial statement adjustments:			
Retirement of assets sold		<u>(21,221)</u>	
Total revenues - GAAP basis		<u>\$ 18,027,313</u>	
EXPENSES			
Solid waste administration			
Salaries and benefits	\$ 1,027,312	\$ 990,797	\$ 36,515
Supplies and services	1,446,595	1,640,536	(193,941)
Utilities	<u>3,938</u>	<u>4,096</u>	<u>(158)</u>
Total solid waste administration	<u>2,477,845</u>	<u>2,635,429</u>	<u>(157,584)</u>
Residential collections			
Salaries and benefits	2,501,349	2,308,663	192,686
Supplies and services	2,966,878	3,093,896	(127,018)
Utilities	2,020	3,303	(1,283)
Maintenance	<u>3,100,000</u>	<u>3,213,403</u>	<u>(113,403)</u>
Total residential collections	<u>8,570,247</u>	<u>8,619,265</u>	<u>(49,018)</u>
Commercial collections			
Salaries and benefits	1,611,224	1,572,952	38,272
Supplies and services	2,595,165	2,717,888	(122,723)
Utilities	7,178	10,820	(3,642)
Maintenance	<u>878,000</u>	<u>1,288,717</u>	<u>(410,717)</u>
Total commercial collections	<u>5,091,567</u>	<u>5,590,377</u>	<u>(498,810)</u>
Litter control			
Salaries and benefits	79,815	64,147	15,668
Supplies and services	117,070	104,269	12,801
Utilities	<u>800</u>	<u>1,779</u>	<u>(979)</u>
Total litter control	<u>197,685</u>	<u>170,195</u>	<u>27,490</u>

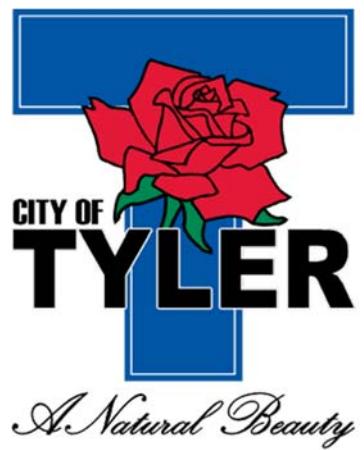
(Continued)

CITY OF TYLER, TEXAS
SANITATION FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
EXPENSES (cont'd)			
Code enforcement			
Salaries and benefits	\$ 1,049,537	\$ 1,071,315	\$ (21,778)
Supplies and services	133,976	125,711	8,265
Utilities	100	66	34
Maintenance	<u>97,608</u>	<u>113,604</u>	<u>(15,996)</u>
Total code enforcement	1,281,221	1,310,696	(29,475)
Capital outlay	1,010,000	1,333,634	(323,634)
Transfers out	<u>150,653</u>	<u>104,933</u>	<u>45,720</u>
Total expenses - budget basis	<u>\$ 18,779,218</u>	<u>19,764,529</u>	<u>\$ (985,311)</u>
Financial statement adjustments:			
Adjustment for net pension liability			(24,086)
Adjust OPEB assets and liabilities			(431,940)
Capital outlay items not expensed			(1,333,634)
Depreciation expense			<u>587,822</u>
Total expenses - GAAP basis	<u>\$ 18,562,691</u>		

CITY OF TYLER, TEXAS
AIRPORT FUND
DETAILED SCHEDULE OF REVENUES AND EXPENSES -
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUES			
Airport services	\$ 270,360	\$ 292,369	\$ 22,009
Revenues from use of money and property	1,043,295	1,271,659	228,364
Income from other agencies	5,512,820	3,565,759	(1,947,061)
Miscellaneous revenues	<u>14,000</u>	<u>33,790</u>	<u>19,790</u>
Total revenues	6,840,475	5,163,577	(1,676,898)
Transfers in	<u>72,000</u>	<u>203,313</u>	<u>131,313</u>
Total revenues - budget and GAAP basis	<u><u>\$ 6,912,475</u></u>	<u><u>\$ 5,366,890</u></u>	<u><u>\$ (1,545,585)</u></u>
EXPENSES			
Municipal airport operations			
Salaries and benefits	852,936	804,988	47,948
Supplies and services	946,239	438,460	507,779
Utilities	180,180	162,211	17,969
Maintenance	<u>272,659</u>	<u>201,095</u>	<u>71,564</u>
Total municipal airport operations	2,252,014	1,606,754	645,260
Interest expense	20,680	17,484	3,196
Principal payments on bonds	85,000	85,000	-
Capital outlay	<u>4,564,483</u>	<u>3,254,863</u>	<u>1,309,620</u>
Total expenses- budget basis	<u><u>\$ 6,922,177</u></u>	<u><u>4,964,101</u></u>	<u><u>\$ 1,958,076</u></u>
Financial statement adjustments:			
Adjustment for net pension liability	(3,468)		
Adjust OPEB assets and liabilities	(62,050)		
Principal payments on bonds	(85,000)		
Capital outlay items not expensed	(3,254,863)		
Depreciation expense	<u>3,501,267</u>		
Total expenses - GAAP basis	<u><u>\$ 5,059,987</u></u>		



STATISTICAL SECTION (UNAUDITED)

CITY OF TYLER, TEXAS STATISTICAL SECTION

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

Contents	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	152-157
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	158-162
Debt Capacity	
These Schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	163-168
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	169-170
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	171-173

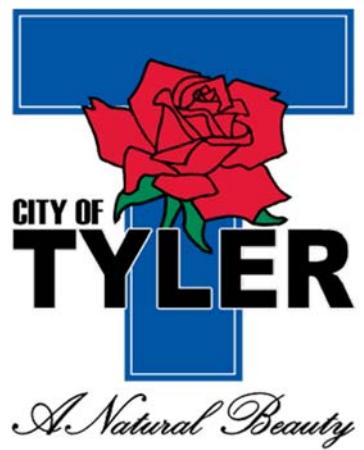


TABLE 1

CITY OF TYLER, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Invested in capital assets	\$ 248,481,237	\$ 255,335,707	\$ 254,071,947	\$ 250,403,768	\$ 257,564,279	\$ 265,255,743	\$ 262,616,982	\$ 286,947,161	\$ 302,253,762	\$ 321,905,410
Restricted	21,857,483	19,998,703	24,687,498	34,538,182	36,220,286	34,968,630	47,018,449	57,958,272	58,646,738	57,837,543
Unrestricted	(23,090,282)	(29,206,408)	(29,239,172)	(44,703,390)	(42,727,945)	(40,259,967)	(29,568,057)	(31,639,493)	(24,526,398)	(20,010,326)
Total governmental activities net position	<u>\$ 247,248,438</u>	<u>\$ 246,128,002</u>	<u>\$ 249,520,273</u>	<u>\$ 240,238,560</u>	<u>\$ 251,056,620</u>	<u>\$ 259,964,406</u>	<u>\$ 280,067,374</u>	<u>\$ 313,265,940</u>	<u>\$ 336,374,102</u>	<u>\$ 359,732,627</u>
Business-type activities										
Invested in capital assets	\$ 171,337,799	\$ 185,888,696	\$ 199,364,645	\$ 207,347,257	\$ 220,412,254	\$ 219,486,636	\$ 209,627,651	\$ 203,399,552	\$ 243,814,226	\$ 220,346,446
Restricted	14,620,332	13,984,060	11,622,220	17,540,832	16,738,113	28,681,236	41,650,116	51,496,593	16,720,857	56,739,327
Unrestricted	676,523	803,659	1,418,179	(989,693)	(207,880)	324,881	3,599,915	1,839,804	5,091,529	1,454,220
Total business-type activities net position	<u>\$ 186,634,654</u>	<u>\$ 200,676,415</u>	<u>\$ 212,405,044</u>	<u>\$ 223,898,396</u>	<u>\$ 236,942,487</u>	<u>\$ 248,492,753</u>	<u>\$ 254,877,682</u>	<u>\$ 256,735,949</u>	<u>\$ 265,626,612</u>	<u>\$ 278,539,993</u>
Primary government										
Invested in capital assets	\$ 419,819,036	\$ 441,224,403	\$ 453,436,592	\$ 457,751,025	\$ 477,976,533	\$ 484,742,379	\$ 472,244,633	\$ 490,346,713	\$ 546,067,988	\$ 542,251,856
Restricted	36,477,815	33,982,763	36,309,718	52,079,014	52,958,399	63,649,866	88,668,565	109,454,865	75,367,595	114,576,870
Unrestricted	(22,413,759)	(28,402,749)	(27,820,993)	(45,693,083)	(42,935,825)	(39,935,086)	(25,968,142)	(29,799,689)	(19,434,869)	(18,556,106)
Total primary government net position	<u>\$ 433,883,092</u>	<u>\$ 446,804,417</u>	<u>\$ 461,925,317</u>	<u>\$ 464,136,956</u>	<u>\$ 487,999,107</u>	<u>\$ 508,457,159</u>	<u>\$ 534,945,056</u>	<u>\$ 570,001,889</u>	<u>\$ 602,000,714</u>	<u>\$ 638,272,620</u>

Source: Government-wide Statement of Net Position

TABLE 2
Page 1 of 2

CITY OF TYLER, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
General government	\$ 7,411,863	\$ 10,454,415	\$ 8,541,513	\$ 7,135,438	\$ 6,929,613	\$ 8,546,671	\$ 12,525,483	\$ 27,066,638	\$ 13,865,317	\$ 11,368,621
Public safety	42,751,866	50,776,656	50,698,376	49,127,207	54,290,654	52,163,878	47,833,820	47,800,696	59,232,613	65,286,494
Highways and streets	12,190,307	12,564,341	12,901,307	12,904,261	12,863,503	14,331,423	14,403,381	12,417,649	15,093,538	16,319,951
Public services	15,086,795	15,609,073	15,935,764	16,243,252	16,293,667	18,825,525	16,021,187	18,045,764	20,597,159	25,085,635
Cultures and recreation	9,344,668	7,933,036	7,629,494	8,284,920	8,573,123	11,208,328	8,130,411	9,554,147	11,081,250	12,131,549
Interest on long term debt	69,680	60,341	29,600	31,629	68,488	43,768	500,109	3,850,936	275,485	335,862
Total governmental activities expenses	<u>86,855,179</u>	<u>97,397,862</u>	<u>95,736,054</u>	<u>93,726,707</u>	<u>99,019,048</u>	<u>105,119,593</u>	<u>99,414,391</u>	<u>118,735,830</u>	<u>120,145,362</u>	<u>130,528,112</u>
Business-type activities:										
Water and sewer	31,574,214	32,754,688	34,766,700	37,299,452	38,465,495	39,991,263	40,830,853	50,266,374	54,848,189	61,018,114
Sanitation	11,586,745	11,997,643	12,102,806	13,182,876	13,836,676	14,135,998	13,347,311	15,083,456	17,899,836	18,457,758
Airport	3,074,982	3,421,977	3,235,501	3,057,006	3,390,497	3,735,130	4,184,540	5,192,442	4,980,865	5,059,987
Total business-type activities expenses	<u>46,235,941</u>	<u>48,174,308</u>	<u>50,105,007</u>	<u>53,539,334</u>	<u>55,692,668</u>	<u>57,862,391</u>	<u>58,362,704</u>	<u>70,542,272</u>	<u>77,728,890</u>	<u>84,535,859</u>
Total primary government expenses	<u>\$ 133,091,120</u>	<u>\$ 145,572,170</u>	<u>\$ 145,841,061</u>	<u>\$ 147,266,041</u>	<u>\$ 154,711,716</u>	<u>\$ 162,981,984</u>	<u>\$ 157,777,095</u>	<u>\$ 189,278,102</u>	<u>\$ 197,874,252</u>	<u>\$ 215,063,971</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 2,413,406	\$ 3,144,517	\$ 3,666,701	\$ 3,674,604	\$ 2,919,670	\$ 2,602,642	\$ 5,228,000	\$ 4,719,311	\$ 5,625,573	\$ 5,705,315
Public safety	7,709,536	7,278,868	5,820,726	8,113,402	7,411,401	3,401,998	4,907,296	7,250,359	5,628,794	8,088,555
Highways and streets	175,622	142,380	38,880	-	-	-	-	-	-	-
Public services	2,125,553	2,317,480	2,070,577	2,015,878	2,328,149	2,832,501	2,725,747	3,484,014	3,088,347	3,374,704
Cultures and recreation	1,201,230	1,141,469	1,300,735	1,566,802	1,578,234	123,850	5,204	179,286	2,224,549	2,713,912
Operating grants and contributions	11,016,862	11,447,285	13,517,732	12,456,026	11,744,468	19,981,326	12,606,998	34,247,902	17,161,327	21,348,056
Capital grants and contributions	319,933	1,010,989	476,557	454,666	411,605	308,143	463,061	354,955	582,190	1,611,531
Total governmental activities program revenues	<u>24,962,142</u>	<u>26,482,988</u>	<u>26,891,908</u>	<u>28,281,378</u>	<u>26,393,527</u>	<u>29,250,460</u>	<u>25,936,306</u>	<u>50,235,827</u>	<u>34,310,780</u>	<u>42,842,073</u>
Business-type activities:										
Charges for services:										
Water and sewer	34,651,646	36,512,873	38,567,044	44,496,473	43,571,235	47,113,899	48,402,804	51,996,254	60,605,479	70,010,494
Sanitation	11,485,864	11,378,673	11,842,892	14,037,513	14,793,110	14,164,974	14,409,981	15,629,328	18,188,567	18,018,440
Airport	1,625,731	1,345,440	1,185,962	1,299,196	1,274,805	217,900	228,115	217,867	295,132	725,500
Capital grants and contributions	6,479,939	11,482,387	9,500,432	10,402,222	8,459,328	5,804,364	1,797,054	2,839,431	5,132,433	3,565,759
Total business-type activities program revenues	<u>54,243,180</u>	<u>60,719,373</u>	<u>61,096,330</u>	<u>70,235,404</u>	<u>68,098,478</u>	<u>67,301,137</u>	<u>64,837,954</u>	<u>70,682,880</u>	<u>84,221,611</u>	<u>92,320,193</u>
Total primary government program revenues	<u>\$ 79,205,322</u>	<u>\$ 87,202,361</u>	<u>\$ 87,988,238</u>	<u>\$ 98,516,782</u>	<u>\$ 94,492,005</u>	<u>\$ 96,551,597</u>	<u>\$ 90,774,260</u>	<u>\$ 120,918,707</u>	<u>\$ 118,532,391</u>	<u>\$ 135,162,266</u>
Net (expense)/revenue										
Governmental activities	\$ (61,893,037)	\$ (70,914,874)	\$ (68,844,146)	\$ (65,445,329)	\$ (72,625,521)	\$ (75,869,133)	\$ (73,478,085)	\$ (68,500,003)	\$ (85,834,582)	\$ (87,686,039)
Business-type activities	8,007,239	12,545,065	10,991,323	16,696,070	12,405,810	9,438,746	6,475,250	140,608	6,492,721	7,784,334
Total primary government net expense	<u>\$ (53,885,798)</u>	<u>\$ (58,369,809)</u>	<u>\$ (57,852,823)</u>	<u>\$ (48,749,259)</u>	<u>\$ (60,219,711)</u>	<u>\$ (66,430,387)</u>	<u>\$ (67,002,835)</u>	<u>\$ (68,359,395)</u>	<u>\$ (79,341,861)</u>	<u>\$ (79,901,705)</u>

TABLE 2
Page 2 of 2

CITY OF TYLER, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes	\$ 15,859,234	\$ 16,464,898	\$ 17,722,103	\$ 19,125,723	\$ 20,736,120	\$ 22,858,131	\$ 23,485,458	\$ 25,387,943	\$ 27,403,562	\$ 29,073,015
Franchise taxes	10,476,018	10,592,842	10,847,085	11,187,605	11,019,217	11,124,504	10,896,182	11,243,225	11,462,535	11,705,110
Sales and use taxes	45,043,290	43,321,470	44,434,519	47,178,374	50,168,540	49,273,911	57,065,720	62,847,166	66,519,588	65,639,395
Unrestricted investment earnings and use of money and property	255,243	181,013	349,543	434,301	1,264,860	1,531,778	855,460	829,440	3,372,781	3,807,411
Gain (loss) on sale of assets	(443,252)	294,107	(825,967)	191,946	170,908	(336,086)	(886,629)	646,760	189,360	692,360
Miscellaneous	334,677	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-
Equity in earnings of joint venture	-	-	-	-	-	-	-	-	-	-
Transfers	(250,581)	(1,059,892)	(290,866)	(1,168,328)	83,936	324,681	2,164,862	744,035	(5,082)	127,273
Total governmental activities	71,274,629	69,794,438	72,236,417	76,949,621	83,443,581	84,776,919	93,581,053	101,698,569	108,942,744	111,044,564
Business-type activities:										
Unrestricted investment earnings and use of money and property	177,701	251,601	342,277	469,638	661,536	2,406,201	1,919,575	2,461,694	2,392,860	5,277,541
Gain (loss) on sale of assets	92,824	185,203	104,163	342,894	60,681	30,000	154,966	-	-	(21,221)
Transfers	250,581	1,059,892	290,866	1,168,328	(83,936)	(324,681)	(2,164,862)	(744,035)	5,082	(127,273)
Total business-type activities	521,106	1,496,696	737,306	1,980,860	638,281	2,111,520	(90,321)	1,717,659	2,397,942	5,129,047
Total primary government	\$ 71,795,735	\$ 71,291,134	\$ 72,973,723	\$ 78,930,481	\$ 84,081,862	\$ 86,888,439	\$ 93,490,732	\$ 103,416,228	\$ 111,340,686	\$ 116,173,611
Change in Net Position										
Governmental activities	\$ 9,381,592	\$ (1,120,436)	\$ 3,392,271	\$ 11,504,292	\$ 10,818,060	\$ 8,907,786	\$ 20,102,968	\$ 33,198,566	\$ 23,108,162	\$ 23,358,525
Business-type activities	8,528,345	14,041,761	11,728,629	18,676,930	13,044,091	11,550,266	6,384,929	1,858,267	8,890,663	12,913,381
Total primary government	\$ 17,909,937	\$ 12,921,325	\$ 15,120,900	\$ 30,181,222	\$ 23,862,151	\$ 20,458,052	\$ 26,487,897	\$ 35,056,833	\$ 31,998,825	\$ 36,271,906

Source: Government-wide Statement of Net Position

TABLE 3

CITY OF TYLER, TEXAS
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Tax	Sales and Use Tax ¹	Total
2015	15,859,234	10,476,018	45,043,290	71,378,542
2016	16,464,898	10,592,842	43,321,470	70,379,210
2017	17,722,103	10,847,085	44,434,519	73,003,707
2018	19,125,723	11,187,605	47,178,374	77,491,702
2019	20,736,120	11,019,217	50,168,540	81,923,877
2020	22,858,131	11,124,504	49,273,911	83,256,546
2021	23,485,458	10,896,182	57,065,720	91,447,360
2022	25,387,943	11,243,225	62,847,166	99,478,334
2023	27,403,562	11,462,535	66,519,588	105,385,685
2024	29,073,015	11,705,110	65,639,395	106,417,520

Source: Government-wide Statement of Activities

¹ Texas law prohibits the disclosure of Sales and Use Tax revenues by source.

TABLE 4

CITY OF TYLER, TEXAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Reserved For:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	41,624	98,179	95,719	136,805	128,379	168,872	172,995	171,677	190,862	167,975
Restricted	-	-	-	-	-	-	10,105,793	18,117,432	17,720,914	12,346,652
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	1,549,828	2,092,909	1,742,596	2,093,261	1,389,151	921,304	1,099,496	2,262,547	2,766,019	2,999,740
Unassigned	12,766,508	12,717,634	14,324,791	16,246,434	18,559,488	25,785,219	17,889,357	10,641,688	12,920,186	12,830,567
Total General Fund	\$ 14,357,960	\$ 14,908,722	\$ 16,163,106	\$ 18,476,500	# \$ 20,077,018	\$ 26,875,395	\$ 29,267,641	\$ 31,193,344	\$ 33,597,981	\$ 28,344,934
One-Half Cent Sales Tax fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	13,391,689	10,491,754	14,750,799	22,942,254	23,136,162	21,942,766	24,298,737	24,771,087	29,798,945	31,198,336
Total One-Half Cent Sales Tax fund	\$ 13,391,689	\$ 10,491,754	\$ 14,750,799	\$ 22,942,254	\$ 23,136,162	\$ 21,942,766	\$ 24,298,737	\$ 24,771,087	\$ 29,798,945	\$ 31,198,336
All Other Governmental Funds										
Reserved For:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	2,841,929	2,930,388	2,965,480	3,024,870	3,213,067	3,099,119	3,176,356	3,246,668	3,328,704	3,328,254
Restricted	5,645,636	7,576,542	6,976,269	8,577,798	9,875,815	9,931,297	19,547,806	11,651,408	7,803,075	10,968,751
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	784,195	586,738	313,516	497,286	490,429	671,931	1,670,510	4,134,745	3,445,636	2,580,997
Unassigned	-	-	-	-	-	142,420	15,843	(4,863)	54,418	-
Total All Other Governmental Funds	\$ 9,271,760	\$ 11,093,668	\$ 10,255,265	\$ 12,099,954	# \$ 13,579,311	\$ 13,844,767	\$ 24,410,515	\$ 19,027,958	\$ 14,631,833	\$ 16,878,002

Note: Beginning in 2011, Fund Balance information is presented in accordance with GASB 54

TABLE 5

CITY OF TYLER, TEXAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 71,348,666	\$ 70,367,919	\$ 72,992,685	\$ 77,480,218	\$ 81,904,923	\$ 83,224,890	\$ 91,452,903	\$ 99,430,169	\$ 105,314,839	\$ 106,404,889
Licenses and permits	1,526,595	1,818,538	1,687,299	2,446,051	1,769,360	1,734,830	2,197,199	3,218,225	2,938,950	3,239,492
Revenues from other agencies	11,276,795	12,458,274	13,994,289	12,910,692	12,156,073	20,289,469	13,070,059	16,846,154	17,743,517	22,959,587
Fines, forfeitures, and penalties	7,510,714	6,771,908	5,325,902	5,125,706	4,997,271	4,009,595	4,353,777	4,690,005	4,493,442	5,049,640
Revenues from use of money or property	841,955	750,320	845,170	915,646	1,696,680	1,160,080	667,202	841,284	4,082,668	4,721,655
Donations	339,795	374,071	586,470	365,044	682,566	168,415	406,590	388,457	755,453	729,619
Charges for current services	2,792,386	2,807,579	2,780,962	2,985,838	3,123,455	2,954,723	2,819,181	3,656,191	3,876,992	4,420,580
Miscellaneous	2,239,017	1,338,192	1,915,362	1,219,342	733,920	1,038,050	2,291,918	3,921,011	1,689,426	2,127,538
Total revenues	97,875,923	96,686,801	100,128,139	103,448,537	107,064,248	114,580,052	117,258,829	132,991,496	140,895,287	149,653,000
Expenditures										
General government	7,758,004	7,185,846	7,585,488	7,751,217	7,726,127	7,343,378	8,392,015	8,536,953	12,823,471	11,738,378
Public safety	44,644,245	45,249,043	45,075,237	45,801,648	48,017,964	49,788,910	51,164,922	53,656,640	58,950,821	64,874,215
Public services	14,324,967	15,072,374	15,234,239	15,548,886	15,729,247	15,767,993	16,240,888	18,127,995	20,176,824	24,818,836
Highways and streets	5,228,922	5,596,575	5,375,760	4,805,677	3,893,759	4,839,899	5,612,393	6,209,923	6,371,171	6,736,654
Culture and recreation	7,707,090	7,461,931	7,005,094	7,652,792	7,912,551	8,416,058	8,239,821	9,013,992	9,984,448	11,103,640
Capital outlay	16,213,454	16,659,253	12,717,841	8,292,421	18,494,375	20,806,944	22,407,603	35,606,264	28,770,982	30,786,528
Debt service										
Principal	376,998	54,094	188,157	167,214	270,211	136,114	871,732	3,500,261	230,000	240,000
Interest	7,133	5,867	9,894	5,777	23,003	17,715	14,538	469,886	364,055	361,898
Total expenditures	96,260,813	97,284,983	93,191,710	90,025,632	102,067,237	107,117,011	112,943,912	135,121,914	137,671,772	150,660,149
Excess of revenues over (under) expenditures	1,615,110	(598,182)	6,936,429	13,422,905	4,997,011	7,463,041	4,314,917	(2,130,418)	3,223,515	(1,007,149)
Other financing sources (uses)										
Proceeds of long-term capital-related debt	126,480	405,126	-	817,083	-	-	10,752,436	236,499	45,548	-
Transfers in	3,364,434	50,000	638,000	3,388,915	4,231,066	4,214,521	8,127,557	13,493,751	9,993,360	5,846,125
Transfers out	(4,033,232)	(1,369,619)	(1,913,993)	(5,231,692)	(5,954,294)	(5,807,127)	(8,042,299)	(14,584,327)	(10,226,053)	(6,446,463)
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	(542,318)	(914,493)	(1,275,993)	(1,025,694)	(1,723,228)	(1,592,606)	10,837,694	(854,077)	(187,145)	(600,338)
Net Change in fund balances	\$ 1,072,792	\$ (1,512,675)	\$ 5,660,436	\$ 12,397,211	\$ 3,273,783	\$ 5,870,435	\$ 15,152,611	\$ (2,984,495)	\$ 3,036,370	\$ (1,607,487)
Debt service as a percentage of noncapital expenditures	0.4799%	0.0744%	0.2461%	0.2117%	0.3508%	0.1782%	0.9789%	3.9895%	0.5455%	0.5021%

Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

Note: To properly calculate the debt service as a percentage of noncapital expenditures, only those expenditures for Capital Assets are deducted from total expenditures. This amount may or may not be equal to total Capital Outlay as stated in the Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds.

TABLE 6

CITY OF TYLER, TEXAS
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Franchise Tax	Sales and Use Tax ¹	Total
2015	15,829,358	10,476,018	45,043,290	71,348,666
2016	16,453,607	10,592,842	43,321,470	70,367,919
2017	17,711,081	10,847,085	44,434,519	72,992,685
2018	19,114,239	11,187,605	47,178,374	77,480,218
2019	20,717,166	11,019,217	50,168,540	81,904,923
2020	22,826,475	11,124,504	49,273,911	83,224,890
2021	23,491,001	10,896,182	57,065,720	91,452,903
2022	25,339,778	11,243,225	62,847,166	99,430,169
2023	27,332,716	11,462,535	66,519,588	105,314,839
2024	29,060,384	11,705,110	65,639,395	106,404,889

Source: Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances

¹ Texas law prohibits the disclosure of Sales and Use Tax revenues by source.

Note: Current year revenues comes from Exh 5

TABLE 7

CITY OF TYLER, TEXAS
RETAIL SALES AND SALES TAX REVENUE ALLOCATION
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30	Retail Sales Tax Revenue (Fiscal Year) ¹			Total Revenue ²
	General Fund Revenue - 1.0%	Capital Projects Special Revenue - 0.5%		
2015	26,917,614	13,458,807		40,376,421
2016	26,338,713	13,169,356		39,508,069
2017	26,775,850	13,387,905		40,163,755
2018	28,494,304	14,247,152		42,741,456
2019	30,257,590	15,128,795		45,386,385
2020	30,442,521	15,221,261		45,663,782
2021	34,258,124	17,129,062		51,387,186
2022	37,874,791	18,937,935		56,812,726
2023	40,995,889	20,497,945		61,493,834
2024	40,009,730	20,004,865		60,014,595

¹ Source: Texas Comptroller of Public Accounts

² Does not include Hotel / Motel Taxes, Mixed Beverage Taxes or Bingo Taxes.

Note: In accordance with Title 3, Subtitle C, Chapter 321 of the Texas Tax Code, the City impose a sales and Use Tax of 1.5 %.

Note: The Retail Sales Tax Rate in the City is 8.25 %. Of this 6.25% is State Tax, 0.5 % is Smith County Tax, 1.0% is City Tax available for General Government Services and 0.5 % is City Tax available only for Capital Projects.

TABLE 8

CITY OF TYLER, TEXAS
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30	Real Property			Mineral Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Personal Property				
2015	6,186,217,088	N/A	1,004,310,191	N/A	N/A	7,190,527,279	0.220000
2016	6,529,329,564	N/A	990,187,897	N/A	N/A	7,519,517,461	0.220000
2017	6,803,228,476	N/A	1,003,167,122	N/A	N/A	7,806,395,598	0.230000
2018	7,076,840,787	N/A	1,041,040,039	N/A	N/A	8,117,880,826	0.240000
2019	7,351,032,270	N/A	1,170,198,591	N/A	N/A	8,521,230,861	0.244452
2020	7,842,251,272	N/A	1,221,764,551	N/A	N/A	9,064,015,823	0.259900
2021	8,190,719,246	N/A	1,208,670,533	N/A	N/A	9,399,389,779	0.259000
2022	8,573,322,571	N/A	1,197,485,343	N/A	N/A	9,770,807,914	0.269900
2023	9,671,805,519	N/A	1,277,023,312	N/A	N/A	10,948,828,831	0.261850
2024	10,812,910,314	N/A	1,378,761,452	N/A	N/A	12,191,671,766	0.247920

Source: Smith County Appraisal District

Note: Property is assessed at 100% of actual value for all types of real and personal property. Tax rates are per \$100 of assessed value. At this time no distinction is made between residential and commercial property.

N/A - Not available

TABLE 9

CITY OF TYLER, TEXAS
PROPERTY TAX RATES*
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

Fiscal Year Ended	City of Tyler			Overlapping Rates					Total Direct and Overlapping Rates	
	Operating	Debt	Service	Smith County Total	Tyler ISD Total	Tyler Junior College Total	Chapel Hill ISD Total	Whitehouse ISD Total		
		Service								
2015	0.220000	-		0.220000	0.323560	1.37500	0.199926	1.245000	1.193000	4.55649
2016	0.220000	-		0.220000	0.330000	1.37500	0.199926	1.240000	1.193000	4.55793
2017	0.230000	-		0.230000	0.330000	1.37500	0.199926	1.240000	1.193000	4.56793
2018	0.240000	-		0.240000	0.330000	1.40500	0.199926	1.230000	1.413000	4.81793
2019	0.244452	-		0.244452	0.337311	1.40500	0.199926	1.230000	1.413000	4.82969
2020	0.259900	-		0.259900	0.345000	1.33500	0.199926	1.145900	1.325000	4.61073
2021	0.259000	-		0.259000	0.345000	1.30410	0.199926	1.099000	1.274600	4.48163
2022	0.269900	-		0.269900	0.335000	1.28910	0.199926	1.099000	1.222600	4.41553
2023	0.261850	-		0.261850	0.330000	1.17930	0.188001	1.020500	1.132600	4.13225
2024	0.247920	-		0.247920	0.347264	0.96000	0.187993	1.105100	0.927200	3.77548

Sources: Smith County Appraisal District

Note:

* Rates are per \$100 valuation.

** The City Charter limits the City's property tax rate to \$1.75 per \$100 of assessed valuation.

TABLE 10

CITY OF TYLER, TEXAS
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

<u>Taxpayer</u>	2024			2015		
	Taxable Assessed	Percentage of Total City Taxable		Taxable Assessed	Percentage of Total City Taxable	
	Value	Rank	Assessed Value *	Value	Rank	Assessed Value ^b
Delek Refining LTD	\$ 231,310,310	1	1.90%	223,410,115	1	2.97%
Tyler Regional Hospital LLC	192,878,281	2	1.58%	-		
Brookshire Grocery	143,673,495	3	1.18%	114,503,223	2	1.52%
Trane Co / American Standard Inc	119,225,766	4	0.98%	91,804,621	3	1.22%
Oncore Electric Delivery	99,068,666	5	0.81%	62,712,878	5	0.83%
Wal-Mart Stores / Wal-Mart Rel Estate	86,250,008	6	0.71%	59,336,177	6	0.79%
Tyler Broadway / Centennial LP	71,023,160	7	0.58%	47,124,015	8	0.63%
Genecov Investments LTD	67,388,351	8	0.55%	84,219,158	4	1.12%
Simon Property Group	43,500,000	9	0.36%	43,575,000	9	0.58%
CWS SAF XII Cascades I Ownder LLC	38,520,000	10	0.32%	48,418,994	7	0.64%
Texas SJH Holdings LTD	-		0.00%	36,127,184	10	0.48%
 Total	 <u>\$ 1,092,838,037</u>		 8.96%	 <u>\$ 811,231,365</u>		 10.79%

Source: Smith County Appraisal District

Note:

* Total taxable value including real and personal property for tax year 2022 (fiscal year 2024) is--

^b Total taxable value including real and personal property for tax year 2013 (fiscal year 2015) is --

\$ 12,191,671,766

7,519,517,461

TABLE 11

CITY OF TYLER, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	15,668,435	15,498,266	98.9%	152,252	15,650,519	99.9%
2016	16,342,661	16,109,924	98.6%	212,811	16,322,735	99.9%
2017	17,589,933	17,391,772	98.9%	173,023	17,564,795	99.8%
2018	18,942,816	18,728,538	98.9%	182,423	18,910,961	99.8%
2019	20,582,774	20,493,070	99.6%	50,500	20,543,571	99.8%
2020	22,545,337	22,384,533	99.3%	106,812	22,491,344	99.7%
2021	23,372,081	23,110,215	98.9%	202,962	23,313,177	99.6%
2022	25,279,302	25,057,149	99.1%	141,433	25,198,582	99.5%
2023	27,164,224	26,880,577	99.0%	141,502	27,022,079	99.0%
2023	28,771,805	28,388,133	98.7%	-	28,388,133	98.7%

Source: Smith County Tax Assessor/Collector

TABLE 12

CITY OF TYLER, TEXAS
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Other Obligations***	Water and Sewer Revenue Bonds**	Other Obligations***			
2015	-	4,240,385	66,705,618	-	70,946,003	2.37%	700
2016	-	1,621,501	63,482,669	249,044	65,353,214	2.12%	630
2017	-	2,614,333	60,172,765	201,083	62,988,181	1.99%	546
2018	-	2,525,885	65,450,122	152,215	68,128,222	2.09%	649
2019	-	1,753,490	61,706,243	102,423	63,562,156	1.89%	601
2020	-	1,621,501	78,375,653	51,691	80,048,845	2.38%	745
2021	-	10,053,218	102,268,236	-	112,321,454	3.69%	1,072
2022		9,993,230	141,360,681	-	151,353,911	4.97%	1,432
2023	-	11,706,819	134,955,575	-	145,997,519	4.62%	1,381
2024	-	11,430,163	191,577,630	-	203,007,793	6.42%	1,840

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

* See Table 17 for personal income and population data

** Revenue bonds issued for the construction of a new water treatment plant resulted in a 75% increase in production capacity in 2003 (see table 20). This also includes Customer Facility Charge Revenue Bonds

*** In 2013, we started including lease obligations in Other Obligations and in 2023 we started including subscription liabilities

TABLE 13

CITY OF TYLER, TEXAS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property ^a	Per Capita ^b
	General Obligation Bonds	Debt Service Fund Balance	Total		
2015	-	-	-	n/a	-
2016	-	-	-	n/a	-
2017	-	-	-	n/a	-
2018	-	-	-	n/a	-
2019	-	-	-	n/a	-
2020	-	-	-	n/a	-
2021	-	-	-	n/a	-
2022	-	-	-	n/a	-
2023	-	-	-	n/a	-
2024	-	-	-	n/a	-

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

^aSee Table 8 for property value data.

^bSee Table 17 for population data.

CITY OF TYLER, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2024

TABLE 14

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Smith County	\$ 215,660,000	50.08%	\$ 108,002,528
Tyler Independent School District	421,705,000	71.04%	299,579,232
Tyler Junior College	96,590,738	65.00%	62,783,980
Chapel Hill Independent School District	105,895,001	19.15%	20,278,893
Whitehouse Independent School District	98,970,000	27.37%	<u>27,088,089</u>
Subtotal, overlapping debt			<u>517,732,721</u>
City (direct debt)**	11,430,163	100%	11,430,163
Total direct and overlapping debt			<u><u>\$ 529,162,884</u></u>

Source: Debt outstanding data provided by each governmental unit.

Note:

* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the City's taxable assessed value that is within the government's boundaries and dividing it by the City's total taxable assessed value.

** The City does not have any general obligation debt. Direct debt includes leases and revenue bonds for governmental activities.

See Note 4.G

TABLE 15

CITY OF TYLER, TEXAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 719,052,728	\$ 751,851,746	\$ 780,639,560	\$ 811,788,083	\$ 852,123,086	\$ 906,410,582	\$ 939,938,978	\$ 977,080,791	\$ 10,948,828,831	\$ 12,191,634,699
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 719,052,728</u>	<u>\$ 751,851,746</u>	<u>\$ 780,639,560</u>	<u>\$ 811,788,083</u>	<u>\$ 852,123,086</u>	<u>\$ 906,410,582</u>	<u>\$ 939,938,978</u>	<u>\$ 977,080,791</u>	<u>\$ 10,948,828,831</u>	<u>\$ 12,191,634,699</u>
Total net debt applicable to limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation for Fiscal Year 2023										
Assessed value										\$ 12,191,643,699
Add back: exempt real property										-
Total assessed value										<u>12,191,643,699</u>
Debt limit (10% of total assessed value)										<u>1,219,164,370</u>
Debt applicable to limit:										-
General obligation bonds										-
Less: Amount set aside for repayment of general obligation bond										-
Total net debt applicable to limit										-
Legal debt margin										<u>\$ 1,219,164,370</u>

Note: The City Charter limits the bonded debt to ten percent of assessed value. By law the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

TABLE 16

CITY OF TYLER, TEXAS
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Water and Sewer Revenue Bonds				
	Total Revenues ^a	Less: Operating Expenses ^b	Net Available Revenue	Annual Debt Service Requirement	Times Coverage
2015	36,163,014	24,803,360	11,359,654	5,416,505	2.097
2016	38,535,182	26,166,490	12,368,692	5,542,223	2.232
2017	40,076,947	28,637,471	11,439,476	6,137,685	1.864
2018	44,516,891	30,341,446	14,175,445	5,336,960	2.656
2019	43,746,419	31,211,611	12,534,808	5,795,915	2.163
2020	47,331,799	37,185,066	10,146,733	6,674,173	1.520
2021	48,630,919	29,595,705	19,035,214	5,727,149	3.324
2022	52,214,121	33,561,700	18,652,421	8,786,087	2.123
2023	60,900,611	42,311,336	18,589,275	8,275,012	2.246
2024	69,758,968	46,062,430	23,696,538	10,770,070	2.200

Note: ^aIncludes operating and non-operating revenues.

In 2010 new bond covenants were amended to include only operating revenues in determining Net Available Revenue.

^bIncludes operating expenses (excluding capital activity) minus depreciation plus net transfers out.

Source: Annual Comprehensive Financial Report

TABLE 17

CITY OF TYLER, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Estimated Population ¹	Estimated Personal Income (thousands of dollars)	Per Capita Personal Income ²	Median Age ²	Education Level in Years of Formal Schooling ²	School Enrollment ³	Unemployment Rate ²
2015	101,421	2,774,980	27,361	33.5	13.6	18,198	5.8%
2016	103,700	2,796,996	26,972	33.9	13.6	18,172	4.2%
2017	115,453	2,979,034	25,803	32.9	13.6	18,139	4.3%
2018	104,991	2,790,355	26,577	33.4	13.6	18,130	3.3%
2019	105,729	2,894,268	27,374	33.1	13.6	18,260	3.2%
2020	107,479	3,030,439	28,196	33.7	13.6	17,721	5.9%
2021	104,798	3,043,492	29,042	35.2	13.6	18,147	3.3%
2022	105,719	3,162,346	29,913	34.3	13.6	17,705	4.2%
2023	105,995	3,265,720	30,810	33.4	13.6	18,328	3.3%
2024	110,327	3,501,165	31,734	34.9	13.6	18,719	3.9%

Data sources:

¹City Planning Department

²Tyler Economic Development Council

³Tyler Independent School District

Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year.

Personal income information is from the 2000 year census using a 3.0% growth rate and adjusting for the 2004 population study results.

Unemployment rate information is an adjusted yearly average.

School enrollment is based on the census at the start of the school year.

TABLE 18

CITY OF TYLER, TEXAS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment (1)	Employees	Rank	Percentage of Total City Employment (2)
CHRISTUS Trinity Mother Frances *	5,000	1	4.7%	4,300	1	9.0%
UT Health East Texas *	4,500	2	4.2%	3,194	2	6.7%
Tyler Independent School District*	2,550	3	2.4%	2,115	4	4.4%
Trane Technologies*	2,500	4	2.4%	1,538	7	3.2%
Sanderson Farms	1,750	5	1.6%	**		
Walmart	1,500	6	1.4%	1,660	6	3.5%
Brookshire Grocery Company*	1,450	7	1.4%	2,565	3	5.3%
UT Health Science Center at Tyler	1,450	8	1.4%	1,130	9	2.4%
The University of Texas at Tyler	1,200	9	1.1%	1,765	5	3.7%
Optimum Communications	1,150	10	1.1%	1,500	8	3.1%
John Soules Foods*	1,000	11	0.9%	605	13	1.3%
Tyler Junior College*	1,000	12	0.9%	841	11	1.8%
Target Distribution Center	1,000	13	0.9%	580	14	1.2%
City of Tyler*	850	14	0.8%	853	10	0.0%
Smith County*	850	15	0.8%	807	12	1.7%
Total	27,750		26.0%	23,453		47.3%

Source: Tyler Economic Development Council

* Headquarters located in Tyler

(1) total employment in the Tyler MSA

106,142

(2) total employment in the Tyler MSA

47,975

** Not part of top 10 in 2015

TABLE 19

CITY OF TYLER, TEXAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	64	84	77	98	96	97	99	102	101	101
Public safety	440	428	422	425	439	432	429	426	430	400
Highways and streets	51	53	47	53	51	55	58	58	58	58
Public Services	47	28	36	16	16	16	17	15	18	18
Culture and Recreation	68	76	64	68	75	73	75	67	76	80
Water & sewer	111	120	123	114	122	123	129	127	122	127
Sanitation	44	44	48	45	49	45	46	49	48	43
Airport	11	10	10	9	10	9	10	10	9	11
All Others	48	43	39	37	40	47	57	66	70	70
Total	884	886	866	865	898	897	920	920	932	908

Source: City Finance Department

TABLE 20

CITY OF TYLER, TEXAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Accounting										
Dollar value of accounts payable	\$ 92,771,122	\$ 93,396,592	\$ 88,948,885	\$ 90,615,261	\$ 95,296,379	\$ 107,598,733	\$ 103,307,589	\$ 141,819,950	\$ 145,191,927	\$ 156,838,821
Legal										
Number of ordinances prepared and adopted	93	113	107	88	110	129	106	109	121	109
Number of resolutions prepared and adopted	26	45	51	41	69	105	60	42	50	48
Public Safety										
Police										
Number of sworn officers authorized	194	194	188	191	198	200	200	202	202	202
Fire										
Number of structure fires	84	98	103	124	107	121	136	124	104	120
Highways and Streets										
Streets										
Streets PCI (Pavement Condition Index)	**	**	77.0%	**	**	**	74.0%	**	**	**
Traffic										
Number of traffic signals maintained	156	148	158	158	150	149	151	151	151	0
Public Services										
Planning										
Number of historic building designations awarded	113	117	124	130	132	134	134	134	134	134
Culture and Recreation										
Parks										
Amount of park acreage	1216	1216	1216	1207	1207	1207	1207	1207	1207	1210.7
Number of rose bushes planted	2785	1337	205	300	362	308	700	400	1100	1600
Library *										
Total number of volumes owned	180,136	179,668	208,838	215,431	228,019	216,411	235,184	382,665	212,894	213,081
Water & sewer										
Average volume of wastewater treated daily (gallons)	17.26 million	17.89 million	15.36 million	15.37 million	18.87 million	17.1 million	19.56 million	14.5 million	15 million	16 million
Average monthly volume of water production (gallons)	748.92 million	733.87 million	691.83 million	807.63 million	716.36 million	717.77 million	662.38 million	803.26 million	695 million	749 million
Water production capability (gallons per day)	74.7 million	58 million	72 million							
Average monthly revenue billed	\$ 2,883,216	\$ 3,098,527	\$ 2,924,870	\$ 3,414,080	\$ 3,299,543	\$ 3,613,527	\$ 3,663,945	\$ 2,105,955	\$ 2,300,970.45	\$ 2,300,471.33
Sanitation										
Number of residential customers	28,745	35,681	35,916	36,209	36,479	36,952	37,504	31,333	31,478	32,115
Number of curbside garbage carts in use	34,959	29,261	29,488	29,928	30,123	30,463	30,793	31,117	31,277	31,901
Airport										
Annual gallons of fuel flowage	1,327,585	1,249,362	1,108,054	1,244,805	1,396,406	995,136	1,237,943	1,425,881	1,440,487	1,486,891
Number of annual enplanements	66,951	55,693	49,226	48,505	60,038	26,430	40,179	40,707	43,170	55,653

Source: City Departments

n/a - Data not available.

* E-books are included.

**Streets are rated by PCI every 4 years- as of 2007

TABLE 21

CITY OF TYLER, TEXAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police Stations	2	3	3	3	2	2	2	2	2	2
Police Patrol Units	68	70	68	78	81	92	92	82	81	81
Police Motorcycle Units	16	15	10	9	7	6	5	5	5	5
Fire Stations	10	10	10	10	10	10	10	10	10	10
Highways and Streets										
City Maintained Paved Streets- (miles)***	1120	1120	1169	1169	1169	1169	1169	1213	1273	1239
Annual Street Overlays- (miles)***	32	32	39	11	35	44	56	67.5	84	41
Public Services										
Transit Buses	15	16	17	16	16	16	16	18	18	23
Culture and Recreation										
Parks (acres)	1,216.40	1,216.40	1,216.80	1,207.40	1,207.40	1,207.40	1,207.40	1,207.40	1207.4	1207.4
Playgrounds	22	22	22	22	19	19	21	19	22	24
Splash Pads	*	*	*	*	*	*	4	4	5	5
Swimming Pools	2	2	1	1	1	1	1	1	1	1
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1	1	1	1	1
Public Library	1	1	1	1	1	1	1	1	1	1
Water & Sewer										
Water mains (miles)	734	745	734	734	734.24	734.24	734.24	734.5	745	763
Fire Hydrants	4279	4310	4351	4379	4428	4434	4467	4493	4530	4771
Water Plants	2	2	2	2	2	2	2	2	2	2
Sanitary Sewers (miles)	688	718	694	699	709.44	711.21	716.1	692	710	731
Sanitation										
Garbage Trucks	34	47	45	45	45	45	45	45	48	45
Airport										
Airport Terminal	1**	1**	1**	1**	1**	1**	1**	1**	1**	1
Airport Runways	3	3	3	3	3	3	3	3	3	3

Source: City Departments

n/a - Data not available.

* Started tracking Splash Pads FY 21

** As of FY 2012, the old airport terminal is now used by the Historic Aviation Memorial Museum and Skyline Café.

*** As of FY 2013 Streets converted over to PCI, streets maintained and overlays are now calculated by lane miles.

GOVERNMENTAL COMPLIANCE SECTION

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

The Honorable City Council and Audit Committee
City of Tyler, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of City of Tyler, Texas as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise City of Tyler's basic financial statements, and have issued our report thereon dated March 6, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Tyler (2024)'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Tyler (2024)'s internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Tyler's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Tyler (2024)'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gollob Morgan Pddy PC

Certified Public Accountants

Tyler, Texas
March 6, 2025

Gollob Morgan Pddy PC
1001 ESE Loop 323, Suite 300, Tyler, TX 75701
Tel 903-534-0088 Fax 903-581-3915 www.gmpcpa.com
Members American Institute of Certified Public Accountants and Private Companies Practice Section

member of
CPAmerica International
Member  Crowe Global™

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE**

To Honorable City Council and Audit Committee
City of Tyler, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Tyler's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Tyler's major federal programs for the year ended September 30, 2024. The City of Tyler's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Tyler, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Tyler, Texas and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Tyler's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Tyler's federal programs.

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Tyler's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Tyler's compliance with the requirements of each major federal program as a whole.

Auditors' Responsibility for the Audit of Compliance – (continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Tyler's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Tyler's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Tyler's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Gollob Morgan Pddy PC

Certified Public Accountants

Tyler, Texas
March 6, 2025

Gollob Morgan Pddy PC
1001 ESE Loop 323, Suite 300, Tyler, TX 75701
Tel 903-534-0088 Fax 903-581-3915 www.gmpcpa.com
Members American Institute of Certified Public Accountants and Private Companies Practice Section

member of
CPAmerica International
Member  Crowe Global™

CITY OF TYLER, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

FEDERAL GRANTOR/PASS-THROUGH

GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTORS NUMBER	PASSED THROUGH TO SUBRECIPIENTS	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<u>CDBG - Entitlement Grants Cluster</u>				
Community Development Block Grant Entitlement Grants	14.218	B04MC480028		\$ 448,086
HOME Investment Partnership Grant	14.239	-		1,763,582
<u>Housing Voucher Cluster</u>				
Section 8 Housing Choice Voucher Program	14.871	TX456VO		11,627,425 +
Family Self Sufficiency Coordinator Grant	14.871	FSS8-TX456-5106		63,904 +
Total Housing Voucher Program				<u>11,691,329</u>
Total U.S. Department of Housing and Urban Development				<u>13,902,997</u>
U.S. DEPARTMENT OF THE INTERIOR				
Passed Through Texas Parks and Wildlife				
Outdoor Recreation Acquisition, Development and Planning	15.916	WN75RAJDXT23		749,999
Total U.S. Department of the Interior				<u>749,999</u>
U.S. DEPARTMENT OF JUSTICE				
Passed through Smith County:				
<u>JAG Program Cluster</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	2022-15PBJA-22-GG-02538-JAGX		37,416
Passed through East Texas Council of Governments:				
<u>JAG Program Cluster</u>				
Edward Byrne Memorial Justice Assistance Grant	16.738	DJ 4201001		47,117
COPS Hiring Program	16.710	2020UMWX0213		20,440
Total U.S. Department of Justice				<u>104,973</u>
U.S. DEPARTMENT OF TREASURY				
Passed Through Texas Division of Emergency Management				
Coronavirus State and Local Fiscal Recovery Fund Grant	21.027	1505-0271		<u>5,374,262</u> +
Total U.S. Department of Treasury				<u>5,374,262</u>
U.S. DEPARTMENT OF TRANSPORTATION				
Passed through Federal Aviation Administration:				
Airport Improvement Program	20.106	3-48-0215-045-2020		358,991
Airport Improvement Program	20.106	3-48-0215-049-2021		654,840
Airport Improvement Program	20.106	3-48-0215-052-2022		2,227,665
Airport Improvement Program	20.106	3-48-0215-054-2023		78,912
Airport Improvement Program	20.106	3-48-0215-055-2022		121,813
Airport Improvement Program	20.106	3-48-0215-056-2024		33,538
Total Airport Improvement Program				<u>3,475,759</u>
Passed through Texas Department of Transportation:				
Section 104F Grant MPO	20.505	50-XXXF0016		451,535 +
Comprehensive Traffic Enforcement Grant programs	20.600	0910-16-124		67,993
Comprehensive Traffic Enforcement Grant programs	20.205	2833-01-015		290,000
Comprehensive Traffic Enforcement Grant programs	20.205	0910-16-162		1,878,322
Total Texas Department of Transportation				<u>2,687,850</u>

+ Denotes Major Program

CITY OF TYLER, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL PERIOD ENDED SEPTEMBER 30, 2024

FEDERAL GRANTOR/PASS-THROUGH

GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTORS NUMBER	PASSED THROUGH TO SUBRECIPIENTS	FEDERAL EXPENDITURES
<u>U.S. DEPARTMENT OF TRANSPORTATION (cont'd)</u>				
Passed through Federal Transit Administration: <u>Federal Transit Cluster</u>				
Federal Transit Capital and Operating Assistance Formula	20.507	TX-2020-039-00		3,994,364
Total Federal Transit Formula Grants				<u>3,994,364</u>
Total U.S. Department of Transportation				<u>10,157,973</u>
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Passed through Texas Division of Emergency Management Law Enforcement Officer Reimbursement Agreement	97.090	HSTS02-13-H-SLR721		13,262
Passed through Texas Office of the Governor: Homeland Security Grant Program	97.067	EMW-2023-SS-00025		44,684
Passed through Texas Office of the Governor: Homeland Security Grant Program	97.067	EMW-2023-SS-00025		34,080
Passed through Texas Office of the Governor: Homeland Security Grant Program/FEMA	97.083	EMW-2021-FF-01332		<u>476,102</u>
Total U.S. Department of Homeland Security				<u>568,128</u>
Total Federal Assistance			<u>\$ -</u>	<u>\$ 30,858,332</u>

+ Denotes Major Program

CITY OF TYLER, TEXAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

NOTE A – BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of the City of Tyler, Texas under programs of the federal government for the year ended September 30, 2024 and is presented on the modified accrual basis of accounting. This information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operation the City of Tyler, Texas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Tyler, Texas

NOTE B – NON-CASH ASSISTANCE, INSURANCE, AND LOANS

The City of Tyler did not receive any non-cash assistance through federal awards during the year ended September 30, 2024. There were no federal loans or loan guarantees outstanding at year end.

Certain federal awards require the City of Tyler to maintain adequate insurance coverage. Following is a summary of the City of Tyler's insurance policies and the liability limits:

Type of Coverage	Liability Limit
Property	\$ 200,000,000
Contractors' Equipment	11,362,947
General Liability	3,000,000
Employee Benefits Liability	3,000,000
Abuse and Molestation Liability	2,000,000
Law Enforcement Liability	3,000,000
Management Liability (Claims Made)	3,000,000
Employment Practices Liability (Claims Made)	4,000,000
Automobile Liability	1,000,000
Garagekeepers Legal Liability	1,000,000
Crime	500,000
Airport Liability	5,000,000
Unmanned Aircraft (Drones)	1,000,000
Pollution Liability	2,000,000
Animal Mortality	Self-insured
Marine Hull	98,677
Cyber Liability	2,000,000
Umbrella Liability	3,000,000
Tenant Users General Liability	1,000,000

NOTE C- INDIRECT COST RATES

The City of Tyler, Texas has elected not to use the 10% de minimis cost rate as permitted in the UG, section 200.414.

CITY OF TYLER, TEXAS
SCHEUDLE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? None reported

Noncompliance material to financial statement noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiency(s) identified that are not considered to be material weaknesses? No

Type of auditors’ report issued on compliance for major programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)? No

Identification of major programs:

FEDERAL

CFDA Numbers

Name of Federal Program or Cluster

14.871	Section 8 Housing Choice Vouchers
21.027	Coronavirus State and Local Fiscal Recovery Fund
20.505	Metropolitan Transportation Planning

Dollar threshold used to distinguish between Type A and Type B programs: \$ 925,750

City of Tyler was classified as a low-risk auditee
Auditee qualified as a low-risk auditee Yes

CITY OF TYLER, TEXAS
SCHEUDLE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

CITY OF TYLER, TEXAS
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2024

None.