

**TOWN OF BARTONVILLE, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED SEPTEMBER 30, 2024**



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ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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*Financial Section*



## Independent Auditor's Report on Financial Statements

Honorable Mayor and Town Council  
Town of Bartonville, Texas  
1941 E. Jeter Road  
Bartonville, Texas 76226

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Bartonville, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Town of Bartonville, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Bartonville, Texas, as of September 30, 2024, and the respective changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Bartonville, 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**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Bartonville, 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of

internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedule – General Fund, Texas Municipal Retirement System Schedule of Changes in Net Pension Liability and Related Ratios, Texas Municipal Retirement System Schedule of Contributions, and Texas Municipal Retirement System Schedule of Changes in Total OPEB Liability and Related Ratios on pages 5 through 10 and 35 through 39, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If,

based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the Town of Bartonville, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the Town of Bartonville, Texas' 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 Town of Bartonville, Texas' internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink that reads "MWH Group, P.C." in a cursive, slightly slanted font.

MWH GROUP, P.C.

Wichita Falls, Texas  
March 27, 2026

TOWN OF BARTONVILLE, TEXAS

TOWN OFFICIALS

September 30, 2024

MAYOR	Jaclyn Carrington
MAYOR PRO TEM	Matt Chapman, Place 2
COUNCIL MEMBERS	Jim Roberts, Place 1
	Clay Sams, Place 3
	Keith Crandall, Place 4
	Margie Arens, Place 5
TOWN ADMINISTRATOR	Thad Chambers
TOWN SECRETARY	Shannon Montgomery
POLICE CHIEF	Kirk Riggs
MUNICIPAL COURT JUDGE	Robin Ramsay
ATTORNEY	Ed Voss



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Town of Bartonville, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2024. The information provided here should be used in conjunction with the basic financial statements.

Management's discussion and analysis ("MD&A") has been designed to (1) assist readers and interested parties in focusing on significant financial issues, (2) provide an overview of the Town's financial activity, (3) identify changes in the Town's financial position, including its ability to address the next and subsequent years' challenges, (4) identify material deviations from the approved budgets adopted by the Town Council (those charged with governance), and (5) identify individual fund issues or concerns.

Because MD&A focuses on the current year's activity, resulting changes and currently known facts, you are encouraged to read it in conjunction with the basic financial statements including notes thereto, required supplemental information, and other supplementary data provided below.

### **FINANCIAL HIGHLIGHTS**

- The Town's government-wide assets and deferred outflows exceeded its government-wide liabilities and deferred inflows at September 30, 2024, by \$8,946,216, an increase of \$740,885 from the prior year.
- At September 30, 2024, the Town's governmental funds reported combined fund balances of \$5,193,764, a decrease of \$77,457 from the prior year.
- At September 30, 2024, the Town's capital assets net of accumulated depreciation totaled \$4,201,188, an increase of \$743,454; while the Town's outstanding debt totaled \$333,798, an increase of \$22,798.

### **USING THIS ANNUAL REPORT**

We intend this discussion and analysis to serve as an introduction to the Town's basic financial statements. The Town'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.

## **Reporting the Town as a Whole - Government-wide Financial Statements**

### **The Statement of Net Position and the Statement of Activities**

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

The Statement of Net Position (page 11) presents information on the Town'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 financial position of the Town is improving or deteriorating.

The Statement of Activities (page 12) presents information showing how the Town'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 the 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). Capital grant funds are reported as revenues in the Statement of Activities.

The Town currently only provides governmental activities. Governmental activities include basic services such as police, municipal court, inspection, streets, and general administration. Permit revenues, sales taxes, and franchise fees finance most of these activities. The Town does not provide any business-type activities such as water and sewer service or related fees.

## **Reporting the Town's Most Significant Funds**

### **Fund Financial Statements**

All Town activities are accounted for in governmental funds. Governmental funds focus on how money flows into and out of the funds and the balances left at the end of the year that are available to spend. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

### **Notes to 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 begin on page 17.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town's net position is as follows:

NET POSITION GOVERNMENTAL ACTIVITIES		
	2024	2023
Current and Other Assets	\$ 5,596,314	\$ 5,755,323
Capital Assets	4,201,188	3,457,734
Total Assets	9,797,502	9,213,057
Deferred Outflows of Resources	128,707	185,233
Current Liabilities	499,073	808,421
Net Pension & OPEB Liability	190,427	362,385
Long-Term Liabilities	243,400	-
Total Liabilities	932,900	1,170,806
Deferred Inflows of Resources	47,093	22,153
Net Position:		
Invested in Capital Assets, net of debt	3,867,524	3,146,860
Restricted	999,267	1,572,747
Unrestricted	4,079,425	3,485,724
Total Net Position	\$ 8,946,216	\$ 8,205,331

The Town's net position increased by \$740,885 during the fiscal year ended September 30, 2024, to \$8,946,216. A large portion of the Town's net position is its investment in capital assets (land, building, equipment, and infrastructure). The Town uses these capital assets to provide services to the Town's citizens; consequently these assets are not available for future spending.

### Analysis of Town's Operations

For the fiscal year ended September 30, 2024, the Town's revenues totaled \$3,804,052, an increase of \$251,835 (7%) from 2023. Property tax revenues increased \$87,586 (8%) due to increased property appraisals. Sales and beverage tax revenue increased \$146,738 (9%) due to strong commerce and capital activity in 2024. Permits & fees increased by \$59,070 (24%) mainly from an increase in residential building permits of \$46,694 compared to 2023.

Total government-wide expenses totaled \$3,063,167, an increase of \$189,544 (7%) in 2024 compared to 2023. General government expenses increased \$149,287 (10%) in 2024 compared to 2023. The increase was primarily driven by the increase in payroll and benefits of \$34,648, building inspection fees of \$17,770, special events of \$15,558, and professional and legal services of \$24,475 compared to the prior year.

Public safety expenditures increased \$114,344 (14%) in 2024. The increase was mainly due to higher payroll and benefits of \$92,528. Overtime expenses made up approximately half of the increase due to the police department being short staffed.

Street maintenance expenditures decreased \$84,834 (14%) compared to 2023. In the prior year, multiple

street maintenance and repairs were undertaken and completed in the prior year. The Town had fewer repairs in the current year, as reflected in the street maintenance expense, which decreased \$83,539.

A summary of the Town's operations for the years ended September 30, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
Program Revenues:		
Permits & fees	\$ 303,340	\$ 244,270
Municipal Court	112,478	120,025
Grants & contributions	1,975	7,197
General Revenues:		
Property Taxes	1,068,068	980,482
Sales & Beverage Taxes	1,761,839	1,615,101
Franchise fees	262,892	239,305
Interest income	293,460	345,837
Total Revenues	<u>3,804,052</u>	<u>3,552,217</u>
Program Expenses:		
General Government	1,605,661	1,456,374
Public Safety	925,564	811,220
Street Maintenance	513,292	598,126
Interest on Long-Term Debt	18,650	7,903
Total Expenses	<u>3,063,167</u>	<u>2,873,623</u>
Increase in Net Position	<u>\$ 740,885</u>	<u>\$ 678,594</u>

### GOVERNMENTAL FUND ANALYSIS

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

A comparison of fiscal years 2024 and 2023 fund basis revenues is as follows:

	<u>2024</u>	<u>2023</u>
Revenues		
Property taxes	\$ 1,066,800	\$ 986,184
Sales & beverage taxes	1,761,839	1,615,101
Franchise fees	262,892	239,305
Permits & fees	262,412	233,073
Municipal court	112,478	120,025
Intergovernmental	1,975	46,160
Grants & contributions	-	1,250
Interest income	293,460	345,837
Other income	40,928	11,198
Total revenues	<u>\$ 3,802,784</u>	<u>\$ 3,598,133</u>

The Town's property and sales tax revenues increased \$227,354 (9%) from 2023 to 2024. The increase was primarily due to higher commercial businesses sales in 2024 compared to 2023. The Town's property tax rate was \$0.173646 in 2024, which was unchanged from 2023. Effective June 1, 2024, the Town approved a resolution to change the allocation of sales tax that is distributed to its streets and Community Development Corporation. While the overall tax allocation amount was unchanged, the CDC allocation was reduced from 0.25% to 0.125% and street allocation was increased from 0.5% to 0.625% to provide greater revenue for maintenance and repair of municipal streets. Fiscal year 2024 was the first year in which the full effect of the change in allocation was realized.

A comparison of fiscal years 2024 and 2023 fund basis expenditures is as follows:

	2024	2023
Expenditures		
General Government	\$ 1,608,395	\$ 1,443,834
Public Safety	893,270	803,711
Street Maintenance	232,740	326,699
Capital Outlay		
Capital Improvement Fund	627,639	-
Community Development Corp	-	19,346
Crime Control & Prevention Dist	374,190	-
General Fund	149,391	567,828
Debt service - principal	337,769	303,000
Debt service - interest	17,414	14,318
Total expenditures	<u>\$ 4,240,808</u>	<u>\$ 3,478,736</u>

Total governmental fund basis expenditures increased \$762,072 (22%). Total capital outlay represented the single largest increase of \$564,046 (111%) compared to prior year. The major capital outlay expenses during fiscal year 2024 included: improvements on Stonewood and E. Jeter Road of \$634,888, which were completed and capitalized, lease of Flock safety cameras of \$204,067, and 3 fully outfitted model 2024 Chevy Tahoes for \$233,285.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The original 2024 budget was amended three times by the Town Council. The amendments were made to more accurately reflect changes in revenues and expenses incurred by the Town.

The Town's actual General Fund revenues were \$706,902 more than budgeted revenues. Sales and beverage taxes were \$329,482 over the budgeted amount due to this revenue stream being less predictable and is therefore budgeted conservatively. Permits and development fees were favorable to the budget by \$112,412 due to increased Town development. Interest income was also \$115,935 favorable to the budget due to high interest rates and being budgeted conservatively resulting from economic fluctuations and the nature of interest-bearing accounts.

General Fund expenditures totaled \$2,703,184 which were \$867,519 under final budgeted General Fund expenditures. The street maintenance category was the highest contributor to the favorably budget variance by \$694,082 (83%).

The Town budgeted for the General Fund to have a deficit of \$789,703, while the actual General Fund deficit was \$167,591. This deficit was a consequence of a transfer of \$1,000,000 from the General Fund to the Street Improvement Fund that was budgeted in the prior year but posted in the current year.

## CAPITAL ASSETS

The Town's investment in capital assets as of September 30, 2024, amounts to \$4,201,188 (net of depreciation). The investment in capital assets includes land, buildings, equipment, and infrastructure. The Town's capital assets, net of accumulated depreciation, are as follows:

	2024	2023
Land	\$ 119,275	\$ 119,275
Construction in progress	-	378,522
Buildings	228,171	228,486
Equipment	375,400	184,190
Infrastructure	3,315,089	2,547,261
Right-to-use SBITA asset	163,253	-
Total	\$ 4,201,188	\$ 3,457,734

Additional information on the Town's capital assets can be found in Note 4.

## DEBT ADMINISTRATION

There were two new debt issuances in fiscal year 2024: a finance contract for \$156,500 to purchase police vehicles and a right-to-use subscription-based IT agreement (SBITA) for \$177,298 the use of Flock cameras. Outstanding long-term debts are as follows:

	2024	2023
Tax Notes	\$ -	\$ 311,000
Financed contract	156,500	-
SBITA agreement	177,298	-
Total	\$ 333,798	\$ 311,000

Additional information on the Town's long-term debts can be found in Note 5.

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Budgeted General Fund revenues for fiscal year 2025 are \$2,782,000 and exceed expenditures by \$198,269. Budgeted revenues for 2025 property tax revenues represent \$1,200,000, based upon a tax rate of 0.173646 per \$100 of valuation. The property tax rate remains unchanged since 2022. The 2025 budget anticipates the Town will collect \$890,000 of sales and beverage tax revenues, \$260,000 of franchise fees and \$179,000 of permits and fee revenues.

Budgeted General Fund expenditures total \$2,583,731, which includes \$378,950 for contracted services, \$568,183 for administrative staff personnel costs and \$999,580 for police department personnel costs.

## REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Town of Bartonville. If you have questions about this report or need any additional information, contact the Town Secretary at 1941 E. Jeter Road, Bartonville, TX 76226 or at (817) 693-5280.

*Basic Financial Statements*

**TOWN OF BARTONVILLE, TEXAS**  
**GOVERNMENT-WIDE**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2024**

	<b>Governmental Activities</b>
<b>Assets</b>	
Cash	\$ 2,017,017
Receivables	423,408
Prepaid expenses	7,522
Restricted cash & cash equivalents	3,148,367
Capital assets	
Land	119,275
Construction in progress	-
Buildings & improvements	555,931
Equipment	808,545
Infrastructure	8,787,288
Right-to-use subscription assets (SBITAs)	204,067
Less: accumulated depreciation	<u>(6,273,918)</u>
Capital assets, net	<u>4,201,188</u>
Total assets	<u><u>\$ 9,797,502</u></u>
<b>Deferred outflows of resources</b>	
Deferred outflows of resources related to pension	\$ 127,384
Deferred outflows of resources related to OPEB	1,323
Total deferred outflows of resources	<u><u>\$ 128,707</u></u>
<b>Liabilities</b>	
Accounts payable	\$ 387,645
Accrued liabilities	1,020
Unearned revenue	543
Accrued compensated absences	17,310
Accrued interest payable	2,157
Notes and SBITA liability due within one year	90,398
Notes and SBITA liability due in more than one year	243,400
Net pension liability	160,591
Total OPEB liability	<u>29,836</u>
Total liabilities	<u><u>\$ 932,900</u></u>
<b>Deferred inflows of resources</b>	
Deferred inflows of resources related to pension	\$ 43,471
Deferred inflows of resources related to OPEB	3,622
Total deferred inflows of resources	<u><u>\$ 47,093</u></u>
<b>Net position</b>	
Invested in capital assets, net of related debt	\$ 3,867,524
Restricted for:	
Community development	622,870
Crime control & prevention	352,142
Other purposes	24,255
Unrestricted	<u>4,079,425</u>
Total net position	<u><u>\$ 8,946,216</u></u>

**TOWN OF BARTONVILLE, TEXAS**  
 GOVERNMENT-WIDE  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenues & Changes in Net Position	
		Charges for Services	Operating Grants & Contributions		Capital Grants & Contributions
Governmental activities:					
General Government	\$ (1,605,661)	\$ 303,340	\$ -	\$ -	\$ (1,302,321)
Public Safety	(925,564)	112,478	1,975	-	(811,111)
Street Maintenance	(513,292)	-	-	-	(513,292)
Interest on Long-Term Debt	(18,650)	-	-	-	(18,650)
<b>Total Governmental activities</b>	<u>\$ (3,063,167)</u>	<u>\$ 415,818</u>	<u>\$ 1,975</u>	<u>\$ -</u>	<u>(2,645,374)</u>
		<b>General Revenues:</b>			
					1,068,068
					1,761,839
					262,892
					293,460
					<u>3,386,259</u>
					<b>Change in net position</b>
					740,885
					<b>Net position, beginning</b>
					<u>8,205,331</u>
					<b>Net position, ending</b>
					<u>\$ 8,946,216</u>

**TOWN OF BARTONVILLE, TEXAS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2024**

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Community Development Fund</u>	<u>Crime Control &amp; Prevention District</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Cash	\$ 3,955,420	\$ 234,662	\$ 644,823	\$ 330,479	\$ 5,165,384
Receivables:					
Sales & beverage taxes, franchise fees & other	366,199	-	22,332	21,535	410,066
Developer	-	-	-	-	-
Property taxes	13,342	-	-	-	13,342
Grants	-	-	-	-	-
Due from other funds	10,000	-	-	-	10,000
Prepaid expenses	7,394	-	-	128	7,522
<b>Total assets</b>	<u>4,352,355</u>	<u>234,662</u>	<u>667,155</u>	<u>352,142</u>	<u>5,606,314</u>
<b>Liabilities:</b>					
Accounts payable	353,360	-	34,285	-	387,645
Accrued liabilities	1,020	-	-	-	1,020
Unearned revenue	543	-	-	-	543
Interfund	-	-	10,000	-	10,000
<b>Total liabilities</b>	<u>354,923</u>	<u>-</u>	<u>44,285</u>	<u>-</u>	<u>399,208</u>
<b>Deferred inflows:</b>					
Unavailable revenue-property taxes	13,342	-	-	-	13,342
	<u>13,342</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,342</u>
<b>Fund balance:</b>					
Non-spendable - prepaid expenses	7,394	-	-	-	7,394
Restricted for:					
Community development	-	-	622,870	-	622,870
Crime control & prevention	-	-	-	352,142	352,142
Covid-19	-	-	-	-	-
Court related	24,121	-	-	-	24,121
Street Improvements	134	-	-	-	134
Committed to:					
Capital improvements	-	234,662	-	-	234,662
Debt service	367,290	-	-	-	367,290
Vehicle & equipment replacement	-	-	-	-	-
Streets	1,633,441	-	-	-	1,633,441
Unassigned	1,951,710	-	-	-	1,951,710
<b>Total fund balance</b>	<u>3,984,090</u>	<u>234,662</u>	<u>622,870</u>	<u>352,142</u>	<u>5,193,764</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 4,352,355</u>	<u>\$ 234,662</u>	<u>\$ 667,155</u>	<u>\$ 352,142</u>	<u>\$ 5,606,314</u>

**TOWN OF BARTONVILLE, TEXAS**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2024**

Fund Balance - governmental funds balance sheet	\$ 5,193,764
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the Fund Balance Sheet.	4,201,188
Property taxes receivable are not available to pay for current period expenditures and, therefore, are deferred in the Fund Balance Sheet.	13,342
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the Fund Balance Sheet:	
Notes and leases payable	(333,798)
Accrued compensated absences	(17,310)
Accrued interest	(2,157)
Net OPEB Liability and related deferred inflows and deferred outflows of resources	(32,135)
Net Pension Liability and related deferred inflows and deferred outflows of resources	(76,678)
<b>Net position of governmental activities - statement of net position</b>	<b>\$ <u>8,946,216</u></b>

**TOWN OF BARTONVILLE, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<b>General Fund</b>	<b>Capital Improvement Fund</b>	<b>Community Development Fund</b>	<b>Crime Control &amp; Prevention District</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>					
Property taxes	\$ 1,066,800	\$ -	\$ -	\$ -	\$ 1,066,800
Sales & beverage taxes	1,514,482	-	116,399	130,958	1,761,839
Franchise fees	262,892	-	-	-	262,892
Permits & fees	262,412	-	-	-	262,412
Municipal court	112,478	-	-	-	112,478
Intergovernmental revenues	1,975	-	-	-	1,975
Grants & contributions	-	-	-	-	-
Miscellaneous revenues	40,928	-	-	-	40,928
Interest income	235,935	608	39,195	17,722	293,460
<b>Total revenues</b>	<b>3,497,902</b>	<b>608</b>	<b>155,594</b>	<b>148,680</b>	<b>3,802,784</b>
<b>Expenditures</b>					
General government	1,261,872	22,905	323,618	-	1,608,395
Public safety	869,101	-	-	24,169	893,270
Street maintenance	104,609	128,131	-	-	232,740
Debt service - principal	311,000	-	-	26,769	337,769
Debt service - interest	7,211	-	-	10,203	17,414
Capital outlay	149,391	627,639	-	374,190	1,151,220
<b>Total expenditures</b>	<b>2,703,184</b>	<b>778,675</b>	<b>323,618</b>	<b>435,331</b>	<b>4,240,808</b>
<b>Excess of revenues over (under) expenditures before other sources</b>	<b>794,718</b>	<b>(778,067)</b>	<b>(168,024)</b>	<b>(286,651)</b>	<b>(438,024)</b>
<b>Other financing sources (uses)</b>					
Proceeds from issuance of debt	-	-	-	360,567	360,567
Transfer from Community Development	37,691	-	(37,691)	-	-
Transfer to Capital Improvement	(1,000,000)	1,000,000	-	-	-
<b>Total other financing sources (uses)</b>	<b>(962,309)</b>	<b>1,000,000</b>	<b>(37,691)</b>	<b>360,567</b>	<b>360,567</b>
<b>Excess of revenues and other sources over (under) expenditures</b>	<b>(167,591)</b>	<b>221,933</b>	<b>(205,715)</b>	<b>73,916</b>	<b>(77,457)</b>
<b>Fund balance - beginning</b>	<b>4,151,681</b>	<b>12,729</b>	<b>828,585</b>	<b>278,226</b>	<b>5,271,221</b>
<b>Fund balance - ending</b>	<b>\$ 3,984,090</b>	<b>\$ 234,662</b>	<b>\$ 622,870</b>	<b>\$ 352,142</b>	<b>\$ 5,193,764</b>

**TOWN OF BARTONVILLE**
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Net Change in Fund Balance - Governmental Funds \$ (77,457)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives as depreciation expense:

Capital assets recorded in the current period 1,151,220

Depreciation expense on capital assets (407,766)

Borrowings on long-term debt are revenues in the governmental funds, but the borrowing increases long-term liabilities in the statement of net position: (360,567)

Repayment on debt principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position: 337,769

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:

Deferred revenues - property taxes 1,268

Some expenses in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Compensated absences 7,162

Accrued Interest on long-term debts (1,236)

Governmental funds report pension and OPEB expenses as they are paid into the retirement plan during the fiscal year. However, in the statement of activities, pension and OPEB expenses reflects the change in net pension and OPEB liabilities during the plan fiscal year (calendar year 2024): 90,492

**Change in net position of governmental activities - statement of activities \$ 740,885**

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Bartonville operates under a Council-Mayor form of government, following the laws of a General Law town as defined by the State of Texas. The Town provides the following services: inspection, municipal court, police, street maintenance, and general administrative services.

The Town's financial statements are prepared in accordance with generally accepted accounting principles accepted in the United States of America (GAAP) applicable to local governments. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant accounting policies of the Town are discussed below:

A. Reporting entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Town of Bartonville (the primary government) and its component units. The following component units are included in the Town's reporting entity because of their operational and financial relationship with the Town.

Blended component units:

The Bartonville Community Development Corporation (the B.C.D.C.) is governed by a board of seven directors, who are appointed by the Town Council of the Town of Bartonville; any of whom can be removed from office by the Town's Council at its will. The B.C.D.C. was incorporated in the state of Texas as a non-profit industrial development corporation under the Development Corporation Act of 1979. The purpose of the B.C.D.C. is to promote economic development within the Town of Bartonville.

At its May 2010 election the citizens of the Town of Bartonville approved the creation of the Town of Bartonville Crime Control and Prevention District (the C.C.P.D.) and adopted a local sales and use tax of one-quarter of one percent (.25%) to fund the C.C.P.D. The District is governed by a board of seven directors, who are appointed by the Town Council of the Town of Bartonville. The purpose of the C.C.P.D. is to provide training for the Town's police officers, purchase necessary equipment and technology needed to provide a higher level of crime prevention and crime control in the District and to provide avenues to inform and educate the citizens of the District in multiple crime control topics and applications. The C.C.P.D. began collecting sales tax revenues in October 2010.

Individual audited financial statements of the component units are not issued. Financial statements for these component units may be obtained from the Town's administrative offices.

B. Basic Financial Statements - Government-wide Statements

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's inspection, police, municipal court, street maintenance, and general administrative services are classified as governmental activities. The Town does not provide any business-type activities.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

In the government-wide Statement of Net Position governmental activities are presented on a consolidated basis and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Town's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The Town first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net costs of each of the Town's functions (general government, public safety, and street maintenance). The functions are also supported by general government revenues (property, sales, and franchise taxes). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, inspection). Operating grants include operating-specific and discretionary grants while capital grants reflect capital specific grants. Developer contributions for street maintenance infrastructure are included in capital grants.

The net costs (by function) are normally covered by general revenue (property, sales, and franchise taxes).

The Town does not allocate indirect costs.

This government-wide focus is more on the sustainability of the Town as an entity and the change in the Town's net position resulting from the current year's activities.

**C. Basic Financial Statements - Fund Financial Statements**

The financial transactions of the Town are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenses. The various funds are reported by generic classification within the financial statements.

The Town only provides Governmental Fund type activities. The Town has presented the following major funds:

**General Fund** - The General Fund is the general operating fund of the Town. It is used to account for all financial resources not accounted for in other funds.

**Capital Improvement Fund** - The Capital Improvement Fund is used to account for funds restricted or designated for future capital improvements.

**Community Development Corporation Fund** - The Community Development Corporation Fund is used to account for the financial resources of the Bartonville Community Development Corporation, a blended component unit of the Town. The fund balance of the Community Development Corporation is reserved to signify amounts that are restricted for economic development within the scope of the Bartonville Community Development Corporation's by-laws.

**Crime Control and Prevention District Fund** - The Crime Control and Prevention District Fund is used to account for the financial resources of the Bartonville Crime Control and Prevention District, a blended component unit of the Town. The fund balance of the Crime Control and Prevention District is reserved to signify amounts that are restricted to

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

crime control and prevention within the scope of the Bartonville Crime Control and Prevention District's governing code.

The Town does not provide any business-type activities or have any fiduciary funds.

**D. Measurement Focus / Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when revenues or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting is related to the timing of the measurements made, regardless of the measurement focus applied.

1. Government-wide financial statements: These financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in total assets. Under the accrual basis of accounting revenues are recognized when earned and expenses are recognized at the time the liability is incurred.
2. Governmental fund financial statements: These financial statements are presented using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (typically within 60 days after year end). Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized only when payment is due.
3. Revenue Recognition: The Town considers property, sales, and franchise taxes as available if collected within 60 days after year end. All other governmental revenues are recognized when received.
4. Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles to local governments in the United States of America requires management and those charged with governance to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**E. Financial Statement Amounts**

**1. Cash and Cash Equivalents**

The Town has defined cash and cash equivalents to include cash on hand, demand deposits and time deposits with an original maturity of 90 days or less.

**2. Capital Assets**

Capital assets which include land, buildings, office equipment, police equipment and

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

infrastructure (roads, bridges, and drainage systems) purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions or improvements and other capital outlays that significantly extend the useful lives of assets are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided using the straight-line basis over the following estimated useful lives:

Buildings	5 - 40 years
Equipment	3 - 10 years
Infrastructure	5 - 30 years

3. Restricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted resources are available the Town first applies restricted resources.

4. Compensated Absences

The Town accrues accumulated unpaid compensated and vacation time when earned by the employee. Unused compensatory time is paid upon termination. All comp and vacation time is accrued in the government-wide statements. A liability for these amounts is not recorded in the governmental fund statements and represents a reconciling item between the fund and government-wide presentations.

5. Deferred Outflows of Resources

The Town reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide statement of net position. Deferred outflows of resources reported in this year's financial statement include (1) deferred outflow of resources for contributions made to the Town's retirement plan between the measurement date of the net pension liability from the plan and the end of the Town's fiscal year end (2) deferred outflow of resources for contributions made to the Town's OPEB plan between the measurement date of the OPEB liability from the plan and the end of the Town's fiscal year end (3) deferred outflows of resources related to differences between expected and actual pension experience.

The deferred outflows for pension contributions will be recognized in the subsequent fiscal year. The deferred outflows related to the difference between expected and actual pension experience will be amortized to pension expense over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan. The deferred outflows related to differences between actuarial assumptions for demographic factors will be amortized over a closed period equal to the average of the expected remaining service lives of all employees participating in the plan.

No deferred outflows of resources affect the governmental funds financial statements in the current year.

6. Deferred Inflows of Resources

The Town reports increases in net assets that relate to future periods as deferred inflows of revenues. This separate financial statement element reflects an increase in

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

net assets that applies to a future period(s). Deferred inflows of resources reported in this year's financial statements include (1) a deferred inflow of resources for revenues that are not considered available and (2) differences between expected and actual economic experience for pension and OPEB

For revenues that are considered unavailable, the Town will not recognize the related revenues until they are available (collected no later than 60 days after the end of the Town's fiscal year) under the modified accrual basis of accounting. Accordingly, unavailable revenues from property taxes are reported in the governmental funds balance sheet as deferred inflows of resources. The deferred inflows related to differences between expected and actual pension experience will be amortized over the expected remaining service lives of all employees participating in the plan. Deferred inflows related to differences between the plan's projected and actual earnings on pension assets will be amortized over a total of five years, including the current fiscal year. The deferred inflows related to differences between expected and actual OPEB experience will be amortized over the expected remaining service lives of all employees participating in the plan.

7. Pensions

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

8. Equity Classifications

*Government-wide Statements*

Equity is classified as net position and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets net of accumulated depreciation and reduced by outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Any outstanding debt is reduced by any unspent debt proceeds at the end of the fiscal year before the reduction.
- b. Restricted net position - Consists of net assets with constraints placed on the use by either (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net assets that do not meet the criteria of "restricted" or "invested in capital assets, net of related debt."

**TOWN OF BARTONVILLE  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024**

*Fund Statements*

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable (prepaid expenses), restricted (by parties outside of the government or by enabling legislation), committed (by Town Council ordinance or resolution) and unassigned.

**F. Budgets and Budgetary Accounting**

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

1. Prior to September 1st, the Town Administrator submits to the Town Council a proposed operating budget for the fiscal year commencing the following October 1st. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1st, the budget is legally enacted through the passage of an ordinance.
4. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
5. Unused appropriations for all of the above annually budgeted funds lapse at the end of the fiscal year.

For the fiscal year ending September 30, 2024, expenditures exceeded appropriations in the Debt Service Fund.

**NOTE 2: DEPOSITS**

At September 30, 2024, the Town's cash and cash equivalents were made up of the following:

Petty cash accounts	\$ 200
Held at a local bank	5,165,050
Held at LOGIC	134
Total Cash & Cash Equivalents	<u>\$ 5,165,384</u>

Cash and cash equivalents include the Town's investments in LOGIC, a Texas local government investment pool. These investment pool funds are readily available and are recorded at cost. All investment risks have been evaluated in accordance with GASB 40.

Deposit and Investment risk Disclosures:

- (1) Custodial credit risk:

Custodial credit risk for deposits is the risk that, in the event of the failure of depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of outside parties.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

At September 30, 2024, the Town's bank balances (per bank) totaled \$5,218,588. Of the bank balances, \$250,000 was covered by federal depository insurance and \$4,968,588 was secured by collateral held by the pledging Bank's agent in the name of the Town. The Town was not exposed to custodial credit risk at September 30, 2024.

Securities pledged by the Town's depository institution at September 30, 2024, were as follows:

	PAR	FMV
US Treasury Notes	\$ 400,000	\$ 396,625
US Treasury Bond	250,000	237,656
US Treasury Notes	200,000	186,188
FFCB Call	250,000	213,583
FHLMC Gold #G18469	1,000,000	83,903
FHLMC #SB8155	50,000	36,246
Panther Creek TX Cons ISD BQ GO	435,000	435,087
Ysleta TX ISD GO Call	4,500,000	4,413,780
	<u>\$ 7,085,000</u>	<u>\$ 6,003,068</u>

(2) Credit Risk:

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. As of September 30, 2024, all of the Town's investments were with LOGIC, which were rated AAA by Standard & Poor's.

(3) Concentration of credit risk:

This is the risk of loss attributable to the magnitude of the Town's investment in a single issuer. As of September 30, 2024, the Town had 100% of its investments with LOGIC, as allowed by its investment policy.

(4) Interest rate risk:

This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town did not invest in any securities which are highly sensitive to interest rate fluctuations.

**NOTE 3: COMMITTED CASH**

By Town Council resolution, funds held in the "Capital Improvement" account at a local bank are committed for Town capital improvements. At September 30, 2024, the Town had committed capital improvement funds totaling \$234,662.

By Town Council resolution, funds held in the "Vehicle & Equipment" account at a local bank are committed for future vehicle and equipment purchases. At September 30, 2024, the Town had a deficit balance of committed vehicle and equipment funds totaling \$50,092. As the fund is at a deficit, no amount is reported as committed on the Governmental Funds Balance Sheet.

By Town Council resolution, funds held in the "Street Maintenance" accounts at a local bank are committed for Town road improvements. At September 30, 2024, the Town had committed road improvement funds totaling \$1,633,441.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

By Town Council resolution, funds held in the “Debt Service” accounts at a local bank are committed for Town future debt service needs. At September 30, 2024, the Town had committed debt service funds totaling \$367,290.

**NOTE 4: CAPITAL ASSETS**

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

Governmental activities:	Beginning	Increases	Decreases	Ending
Capital assets not being depreciated				
Land	\$ 119,275	\$ -	\$ -	\$ 119,275
Construction in progress	378,522	634,888	(1,013,410)	-
Total non-depreciable assets	497,797	634,888	(1,013,410)	119,275
Capital assets being depreciated:				
Building & Improvements	551,111	4,820	-	555,931
Equipment	104,526	14,921	-	119,447
Police Equipment	477,331	257,553	(45,786)	689,098
Infrastructure	7,738,907	1,048,381	-	8,787,288
Right-to-use subscription asset (SBITA)	-	204,067	-	204,067
Total assets being depreciated	8,871,875	1,529,742	(45,786)	10,355,831
Total assets as historical cost	9,369,672	2,164,630	(1,059,196)	10,475,106
Less: accumulated depreciation				
Building & Improvements	322,625	23,324	18,189	364,138
Equipment	46,569	15,443	(18,189)	43,823
Police Equipment	351,098	47,632	(45,786)	352,944
Infrastructure	5,191,646	280,553	-	5,472,199
Right-to-use subscription asset (SBITA)	-	40,814	-	40,814
Total accumulated depreciation	5,911,938	407,766	(45,786)	6,273,918
Total capital assets, net	\$ 3,457,734	\$ 1,756,864	\$ (1,013,410)	\$ 4,201,188

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 38,767
Police	88,446
Street Maintenance	280,553
Total depreciation expense	\$ 407,766

**TOWN OF BARTONVILLE  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024**

**NOTE 5: LONG-TERM LIABILITIES**

General long-term liability activity for the fiscal year is as follows:

	Beginning	Additions	Payments	Ending	Current Portion
2019 Tax Notes	\$ 311,000	\$ -	\$ (311,000)	\$ -	\$ -
Finance contract	-	156,500	-	156,500	49,263
SBITA agreement	-	204,067	(26,769)	177,298	41,135
Total long-term debt	<u>311,000</u>	<u>360,567</u>	<u>(337,769)</u>	<u>333,798</u>	<u>90,398</u>
Compensated absences	24,472	-	(7,162)	17,310	-
Total long-term liabilities	<u>\$ 335,472</u>	<u>\$ 360,567</u>	<u>\$ (344,931)</u>	<u>\$ 351,108</u>	<u>\$ 90,398</u>

A description of the Town's long-term debt is as follows:

A. 2019 Tax Notes

In June 2019, the Town issued \$1,477,000 of tax notes for the purpose of constructing and improving streets within the Town. The notes bear interest at 2.37%, require annual principal and interest payments and have a final maturity date of August 2024. The notes are secured by an annual ad valorem tax to be assessed by the Town for payment of the notes. The note was paid off as of September 30, 2024.

B. Finance Contract

In July 2024, the Town entered into a financed purchase agreement totaling \$156,500 for the acquisition of two 2024 Chevrolet Tahoe Police Pursuit Vehicles, including police equipment and upfitting. The agreement bears interest at 5.783% and requires three annual payments of \$58,313, with a final maturity date of July 5, 2027. The obligation is secured by a pledge of ad valorem taxes and other lawfully available funds, and the vehicles serve as collateral under the agreement.

Annual payments for the Town's finance contracts are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 49,263	\$ 9,050	\$ 58,313
2026	52,112	6,201	58,313
2027	<u>55,125</u>	<u>3,188</u>	<u>58,313</u>
Total	<u>\$ 156,500</u>	<u>\$ 18,439</u>	<u>\$ 174,939</u>

Subscription-Based Information Technology Arrangement (SBITA)

In December 2023, the Town entered into a Subscription-Based Information Technology Arrangement (SBITA) with Flock Group, Inc. to obtain the right to access and use Flock Safety's software platform, related technology services, ongoing maintenance and 20 Falcon automated license plate recognition (ALPR) camera units installed and maintained by Flock. The Town does not obtain ownership of the related hardware; all equipment remains the property of Flock Group, Inc.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

a. Nature of the SBITA

Under the terms of GASB 96, the Town has the right to use the vendor-hosted software over the subscription term and therefore recognizes a subscription asset and subscription liability at the commencement of the subscription term. The initial term is 60 months with an automatic renewal option for 24-month terms unless terminated by either party. Annual installments are \$50,000 with a total contract value of \$250,000. The Town received a reimbursement in the amount of \$13,027 to partially defray some of the initial costs of the equipment and paid the balance of \$36,973 in the first year.

b. Accounting Treatment Under GASB 96

At the commencement of the subscription term, the Town recognizes:

- A subscription asset measured at the present value of subscription payments required over the subscription term
- A corresponding subscription liability, also measured at present value

The subscription asset is amortized over the 60-month term on a straight-line basis. Interest expense is recognized on the subscription liability using the effective interest method.

c. Subscription Liability and Amortization

At fiscal year-end, the Town's subscription asset and related subscription liability reflect:

- Initial measurement: Present value of \$204,067 in future subscription payments
- Amortization: Systematic amortization of the subscription asset over four years
- Interest on liability: Recognized annually based on the Town's incremental borrowing rate, which was estimated as 5%.

Annual payments for the Town's SBITA agreements are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	\$ 41,135	\$ 8,865	\$ 50,000
2026	43,192	6,808	50,000
2027	45,351	4,649	50,000
2028	47,620	2,380	50,000
Total	<u>\$ 177,298</u>	<u>\$ 22,702</u>	<u>\$ 200,000</u>

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**NOTE 6: RETIREMENT PLAN**

A. Plan Description

The Town participates as one of 936 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan 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 employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at [tmrs.com](http://tmrs.com).

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

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefits are adopted by the governing body of the Town, 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 Town-financed monetary credits with interest were used to purchase an annuity. Members choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a partial lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

The Town has adopted the following plan provisions:

	Plan Year 2023	Plan Year 2024
	<hr/>	<hr/>
Employee deposit rate	7.00%	7.00%
Matching ratio (Town to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5 or 0/20	60/5 or 0/20

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

Inactive employees or beneficiaries currently receiving benefits	9
Inactive employees entitled to but not yet receiving benefits	17
Active employees	9
	<hr/> <u>35</u>

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

C. Contributions

The contribution rates for employees in TMRS are either 5%, 6% or 7% of employee gross earnings, and the Town matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each Town 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 of the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the Town were 16.02% and 13.89% for the calendar years 2023 and 2024, respectively. The Town's contributions to TMRS for the fiscal year ended September 30, 2024, were \$131,616 and were equal to the required contributions.

D. Net Pension Liability or Asset

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

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

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

**TOWN OF BARTONVILLE  
 NOTES TO THE FINANCIAL STATEMENTS  
 SEPTEMBER 30, 2024**

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage.

The target allocation and best estimates of arithmetic 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 (Arithmetic)
Global Equity	35%	6.7%
Core Fixed Income	6%	4.7%
Non-Core Fixed Income	20%	8.0%
Other Public & Private Markets	12%	8.0%
Real Estate	12%	7.6%
Hedge Funds	5%	6.4%
Private Equity	10%	11.6%
Total	100%	

***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.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

***Changes in Net Pension Liability:***

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2022	\$ 1,588,141	\$ 1,253,506	\$ 334,635
Service cost	115,203	-	115,203
Interest	107,479	-	107,479
Change in benefit terms	-	-	-
Differences between expected and actual results	(57,869)	-	(57,869)
Changes in assumptions	(7,783)	-	(7,783)
Contributions - employer	-	128,969	(128,969)
Contributions - employee	-	57,356	(57,356)
Net investment income	-	145,680	(145,680)
Benefit payments, including refunds of employee contributions	(106,933)	(106,933)	-
Administrative expense	-	(923)	923
Other	-	(8)	8
Net changes	<u>50,097</u>	<u>224,141</u>	<u>(174,044)</u>
Balance at December 31, 2023	<u>\$ 1,638,238</u>	<u>\$ 1,477,647</u>	<u>\$ 160,591</u>

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

The following presents the net pension liability of the Town, calculated using the discount rate of 6.75%, as well as what the Town'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%)
Town's Net Pension Liability	<u>\$ 382,262</u>	<u>\$ 160,591</u>	<u>\$ (20,155)</u>

***Pension Plan Fiduciary Net Position:***

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

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

For the year ended September 30, 2024, the Town recognized pension expense of \$38,942.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual economic experience	\$ -	\$ (38,318)	\$ (38,318)
Differences in assumptions	-	(5,153)	(5,153)
Differences between projected and actual investment earnings	29,929	-	29,929
To be recognized in the future	<u>29,929</u>	<u>(43,471)</u>	<u>\$ (13,542)</u>
Contributions subsequent to the measurement date	<u>97,455</u>	<u>-</u>	
Total	<u>\$ 127,384</u>	<u>\$ (43,471)</u>	

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$97,455 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 Ending December 31,	
2024	\$ (13,845)
2025	(11,283)
2026	23,799
2027	(12,213)
2028	-
Thereafter	-
	<u>\$ (13,542)</u>

**NOTE 7: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

A. Benefit Plan Description

The Town participates in the Texas Municipal Retirement System (TMRS) administered defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). 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 death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employer'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. 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).

The member Town contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee’s entire careers.

There are no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB No. 75.

At the December 31, 2023, valuation and measurement date, the following number of employees were covered by the SBDF benefit plan:

Inactive employees or beneficiaries currently receiving benefits	6
Inactive employees entitled to but not yet receiving benefits	3
Active employees	9
	<u>18</u>

**B. Total OPEB Liability**

The Town’s Total OPEB Liability was measured as of December 31, 2023, and the Total OPEB Liability was determined by 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%
Salary increases	3.60% to 11.85% including inflation
Discount rate	3.77%
Retirees' share of benefit costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and are 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 setforward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

The discount rate was based on the Fidelity Index’s “20-year Municipal GO AA index” rate as of December 31, 2023.

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2018, to December 31, 2022.

***Changes in Total OPEB Liability:***

Balance at December 31, 2022	\$	27,750
Changes for the year		
Service Cost		1,065
Interest on Total OPEB Liability		1,126
Changes in benefit terms		-
Differences between expected and actual experience		(994)
Changes in assumptions or other inputs		1,872
Benefit Payments *		(983)
Net Changes		<u>2,086</u>
Balance at December 31, 2023	\$	<u><u>29,836</u></u>

\* Due to SDBF being considered an unfunded OPEB plan under GASB No. 75, benefit payments are treated as being equal to employer's yearly contribution for retirees.

***Sensitivity of the OPEB liability to changes in the discount rate:***

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

	1% Decrease (2.77%)	Current (3.77%)	1% Increase (4.77%)
Total OPEB Liability	<u>\$ 36,487</u>	<u>\$ 29,836</u>	<u>\$ 24,756</u>

**C. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended September 30, 2024, the Town recognized OPEB expense of \$626.

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

**TOWN OF BARTONVILLE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net
Differences between expected and actual experience	\$ 895	\$ -	\$ 895
Differences in assumptions	-	(3,622)	(3,622)
To be recognized in the future	895	(3,622)	<u>\$ (2,727)</u>
Contributions subsequent to the measurement date	428	-	
Total	<u>\$ 1,323</u>	<u>\$ (3,622)</u>	

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$428 will be recognized as a reduction of the OPEB liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	
2024	\$ (1,564)
2025	(1,543)
2026	166
2027	166
2028	48
Thereafter	-
	<u>\$ (2,727)</u>

**NOTE 8: PROPERTY TAX**

Property tax is levied each October 1 on the assessed (appraised) value as of the prior January 1 for all real and personal property located in the Town. Taxes are due October 1, the levy date, and are delinquent after the following January 31. Property taxes at the fund level are recorded as receivables and deferred revenues at the time taxes are assessed. Revenues are recognized as the related taxes are collected.

**NOTE 9: RISK MANAGEMENT**

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a member of the Texas Municipal League Intergovernmental Risk Pool ("TMLIRP") which is a public entity insurance risk pool. Annual contributions to TML are reported in the general fund. Management believes coverage presently purchased from TMLIRP is sufficient to preclude significant uninsured losses to the Town.

**NOTE 10: SUBSEQUENT EVENTS**

The Town has evaluated all events and transactions that occurred after September 30, 2024, through the date the financial statement was available to be issued. During this period there were no subsequent events requiring disclosure.

*Required Supplementary Information*

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

**TOWN OF BARTONVILLE, TEXAS**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

**EXHIBIT B-1**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<b>Variance with Budget Positive (Negative)</b>
<b>Resources (inflows):</b>				
Property taxes	\$ 1,050,000	\$ 1,050,000	\$ 1,066,800	\$ 16,800
Sales & beverage taxes	1,185,000	1,185,000	1,514,482	329,482
Franchise fees	200,000	200,000	262,892	62,892
Permits & development fees	150,000	150,000	262,412	112,412
Municipal court	85,000	85,000	112,478	27,478
Intergovernmental revenues	1,000	1,000	1,975	975
Other revenues	-	-	40,928	40,928
Interest income	120,000	120,000	235,935	115,935
<b>Total resources</b>	<u>2,791,000</u>	<u>2,791,000</u>	<u>3,497,902</u>	<u>706,902</u>
<b>Charges to appropriations:</b>				
Administration	1,500,160	1,500,160	1,280,224	219,936
Public safety	912,991	912,991	958,831	(45,840)
Street maintenance	840,000	840,000	145,918	694,082
Debt service - principal and interest	317,552	317,552	318,211	(659)
<b>Total expenditures</b>	<u>3,570,703</u>	<u>3,570,703</u>	<u>2,703,184</u>	<u>867,519</u>
<b>Transfers &amp; other sources</b>				
Transfers	<u>(990,000)</u>	<u>(10,000)</u>	<u>(962,309)</u>	<u>27,691</u>
Total transfers & other sources	<u>(990,000)</u>	<u>(10,000)</u>	<u>(962,309)</u>	<u>27,691</u>
<b>Excess of revenues over (under) expenditures</b>	<u><u>\$ (1,769,703)</u></u>	<u><u>\$ (789,703)</u></u>	(167,591)	<u><u>\$ (132,926)</u></u>
<b>Fund balance - beginning of year</b>			4,151,681	
<b>Fund balance - end of year</b>			<u><u>\$ 3,984,090</u></u>	

**TOWN OF BARTONVILLE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2024**

**Budget and Budgetary Accounting**

The Town Council adopts an annual budget for the General Fund. The General Fund budget is legally adopted on a modified accrual basis.

The following procedures are followed in establishing the budgetary data reflected in the Basic Financial Statements:

Prior to the beginning of the fiscal year, the Town prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them. A meeting of the Town Council is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must have been given. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the Town Council.

Once a budget is approved, it can only be amended by approval of a majority of the members of Town Council. As required by law, such amendments are made before the fact, are reflected in the official minutes of Town Council and are not made after fiscal year end. All budget appropriations lapse at year end.

**Budget Amendments**

The budget was amended three times during the year ended September 30, 2024.

**TOWN OF BARTONVILLE, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2023**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Total pension liability</b>									
Service cost	\$ 55,319	\$ 64,881	\$ 59,627	\$ 59,355	\$ 60,133	\$ 67,596	\$ 65,561	\$ 88,472	\$ 115,203
Interest (on the total pension liability)	60,634	66,333	71,891	77,079	82,839	89,720	95,065	101,349	107,479
Changes in benefit terms	-	-	-	-	-	-	-	-	-
Difference between expected and actual experience	15,412	5,787	(1,885)	8,185	15,336	(13,394)	(13,067)	(24,436)	(57,869)
Change of assumptions	32,978	-	-	-	5,524	-	-	-	(7,783)
Benefit payments, including refunds of employee contributions	(53,782)	(51,439)	(52,636)	(52,636)	(66,706)	(64,544)	(62,905)	(68,937)	(106,933)
<b>Net change in pension liability</b>	<b>110,561</b>	<b>85,562</b>	<b>76,997</b>	<b>91,983</b>	<b>97,126</b>	<b>79,378</b>	<b>84,654</b>	<b>96,448</b>	<b>50,097</b>
<b>Total pension liability - beginning</b>	<b>865,432</b>	<b>975,993</b>	<b>1,061,555</b>	<b>1,138,552</b>	<b>1,230,535</b>	<b>1,327,661</b>	<b>1,407,039</b>	<b>1,491,693</b>	<b>1,588,141</b>
<b>Total pension liability - ending</b>	<b>975,993</b>	<b>1,061,555</b>	<b>1,138,552</b>	<b>1,230,535</b>	<b>1,327,661</b>	<b>1,407,039</b>	<b>1,491,693</b>	<b>1,588,141</b>	<b>1,638,238</b>
<b>Plan fiduciary net position</b>									
Contributions - employer	\$ 40,164	\$ 46,233	\$ 54,423	\$ 62,240	\$ 64,889	\$ 74,337	\$ 75,670	\$ 92,408	\$ 128,969
Contributions - employee	27,483	30,177	28,394	28,974	29,727	33,463	33,064	43,736	57,356
Net investment income	889	41,694	94,693	(24,205)	127,143	74,162	142,687	(93,688)	145,680
Benefit payments, including refunds of employee contributions	(53,782)	(51,439)	(52,636)	(52,636)	(66,706)	(64,544)	(62,905)	(68,937)	(106,933)
Administrative expense	(541)	(470)	(490)	(467)	(717)	(479)	(659)	(808)	(923)
Other	(27)	(25)	(24)	(24)	(22)	(19)	5	964	(8)
<b>Net change in plan fiduciary net position</b>	<b>14,186</b>	<b>66,170</b>	<b>124,360</b>	<b>13,882</b>	<b>154,314</b>	<b>116,920</b>	<b>187,862</b>	<b>(26,325)</b>	<b>224,141</b>
<b>Net fiduciary position - beginning</b>	<b>602,137</b>	<b>616,323</b>	<b>682,493</b>	<b>806,853</b>	<b>820,735</b>	<b>975,049</b>	<b>1,091,969</b>	<b>1,279,831</b>	<b>1,253,506</b>
<b>Net fiduciary position - ending</b>	<b>\$ 616,323</b>	<b>\$ 682,493</b>	<b>\$ 806,853</b>	<b>\$ 820,735</b>	<b>\$ 975,049</b>	<b>\$ 1,091,969</b>	<b>\$ 1,279,831</b>	<b>\$ 1,253,506</b>	<b>\$ 1,477,647</b>
<b>Net pension liability (a) - (b)</b>	<b>\$ 359,670</b>	<b>\$ 379,062</b>	<b>\$ 331,699</b>	<b>\$ 409,800</b>	<b>\$ 352,612</b>	<b>\$ 315,070</b>	<b>\$ 211,862</b>	<b>\$ 334,635</b>	<b>\$ 160,591</b>
Plan fiduciary net position as a percentage of total pension liability	63.15%	64.29%	70.87%	66.70%	73.44%	77.61%	85.80%	78.93%	90.20%
Covered employee payroll	\$ 392,611	\$ 431,101	\$ 405,629	\$ 413,912	\$ 424,666	\$ 478,049	\$ 472,345	\$ 624,800	\$ 819,370
Net pension liability as a percentage of covered payroll	91.61%	87.93%	81.77%	99.01%	83.03%	65.91%	44.85%	53.56%	19.60%

**TOWN OF BARTONVILLE, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**SEPTEMBER 30, 2024**

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Actuarially determined contribution	\$ 45,993	\$ 54,687	\$ 57,849	\$ 66,194	\$ 71,613	\$ 81,958	\$ 81,880	\$ 125,948	\$ 131,616
Contributions in relation to the actuarially determined contribution	45,993	54,687	57,849	66,194	71,613	81,958	81,880	125,948	131,616
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 430,043	\$ 428,159	\$ 386,369	\$ 431,475	\$ 459,929	\$ 510,933	\$ 547,707	\$ 624,800	\$ 819,370
Contributions as a percentage of covered employee payroll	10.69%	12.77%	14.97%	15.34%	15.57%	16.04%	14.95%	20.16%	16.06%

**Valuation Date:**

Notes 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	20 Years (longest amortization ladder)
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 tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

**Other Information:**

Notes There were no benefit changes during the year.

**TOWN OF BARTONVILLE, TEXAS**  
**TEXAS MUNICIPAL RETIREMENT SYSTEM**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**DECEMBER 31, 2023**

<b>Plan Year</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>TOTAL OPEB LIABILITY</b>							
Total OPEB liability beginning of year	\$ 18,434	\$ 22,062	\$ 21,721	\$ 28,553	\$ 35,142	\$ 40,917	\$ 27,750
Changes for the year							
Service cost	852	952	849	1,482	1,275	1,687	1,065
Interest on total OPEB liability	712	745	820	804	712	764	1,126
Changes in benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(61)	(195)	(948)	2,631	1,998	(994)
Change of assumptions or other inputs	2,105	(1,894)	5,443	5,347	1,535	(17,179)	1,872
Benefit payments	(41)	(83)	(85)	(96)	(378)	(437)	(983)
<b>NET CHANGE IN OPEB LIABILITY</b>	<u>3,628</u>	<u>(341)</u>	<u>6,832</u>	<u>6,589</u>	<u>5,775</u>	<u>(13,167)</u>	<u>2,086</u>
<b>TOTAL OPEB LIABILITY - END OF YEAR</b>	<u>\$ 22,062</u>	<u>\$ 21,721</u>	<u>\$ 28,553</u>	<u>\$ 35,142</u>	<u>\$ 40,917</u>	<u>\$ 27,750</u>	<u>\$ 29,836</u>
Covered employee payroll	\$ 405,629	\$ 413,912	\$ 424,666	\$ 478,049	\$ 472,345	\$ 624,800	\$ 819,370
OPEB Liability as a percentage of covered payroll	5.44%	5.25%	6.72%	7.35%	8.66%	4.44%	3.64%

**NOTES TO SCHEDULE**

Changes of assumptions:

Changes of assumptions and other inputs reflect the change in the municipal bond rate index, which is used as a basis for the discount rate. The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

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

### *Other Supplementary Information*

*This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.*

**TOWN OF BARTONVILLE, TEXAS**  
**CAPITAL IMPROVEMENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Interest income	\$ 300	\$ 300	\$ 608	\$ 308
<b>Total revenues</b>	<u>300</u>	<u>300</u>	<u>608</u>	<u>308</u>
<b>Expenditures:</b>				
Capital outlay				
Equipment purchases	15,000	15,000	24,035	(9,035)
Street Projects	-	-	754,640	(754,640)
<b>Total expenditures</b>	<u>15,000</u>	<u>15,000</u>	<u>778,675</u>	<u>(763,675)</u>
<b>Transfers &amp; other uses</b>				
Transfer from General Fund	<u>10,000</u>	<u>10,000</u>	1,000,000	<u>990,000</u>
<b>Excess of revenues over (under) expenditures</b>	<u>\$ (4,700)</u>	<u>\$ (4,700)</u>	221,933	<u>\$ 226,633</u>
<b>Fund balance - beginning of year</b>			12,729	
<b>Fund balance - end of year</b>			<u>\$ 234,662</u>	

**TOWN OF BARTONVILLE, TEXAS**  
**COMMUNITY DEVELOPMENT CORPORATION**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Sales taxes	\$ 120,000	\$ 120,000	\$ 116,399	\$ (3,601)
Interest income	25,000	25,000	39,195	14,195
<b>Total revenues</b>	<u>145,000</u>	<u>145,000</u>	<u>155,594</u>	<u>10,594</u>
<b>Expenditures:</b>				
Administration				
Accounting & auditing services	-	-	-	-
Consulting fees	50,000	25,000	3,000	22,000
Development grants	100,000	243,500	243,500	-
IT services & software	4,500	1,000	-	1,000
Legal services	6,000	6,000	752	5,248
Marketing	22,950	14,500	8,700	5,800
Old Town maintenance & repair	90,000	90,000	50,118	39,882
Postage	625	625	-	625
Professional development	500	500	-	500
Salary to Town	10,000	10,000	10,000	-
Traffic study	6,100	6,100	7,548	(1,448)
<b>Total expenditures</b>	<u>290,675</u>	<u>397,225</u>	<u>323,618</u>	<u>73,607</u>
<b>Transfers &amp; other uses</b>				
Transfer to General Fund	-	-	(37,691)	(37,691)
<b>Excess of revenues over (under) expenditures</b>	<u>\$ (145,675)</u>	<u>\$ (252,225)</u>	(205,715)	<u>\$ 46,510</u>
<b>Fund balance - beginning of year</b>			828,585	
<b>Fund balance - end of year</b>			<u>\$ 622,870</u>	

**TOWN OF BARTONVILLE, TEXAS**  
**CRIME CONTROL & PREVENTION DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	<u>Original</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>				
Sales taxes	\$ 100,000	\$ 100,000	\$ 130,958	\$ 30,958
Grants & donations	1,500	1,500	-	(1,500)
Interest income	7,000	7,000	17,722	10,722
<b>Total revenues</b>	<u>108,500</u>	<u>108,500</u>	<u>148,680</u>	<u>40,180</u>
<b>Expenditures:</b>				
Public safety				
Contracted services	250	250	-	250
Other	200	200	640	(440)
Police/other	37,500	37,500	2,778	34,722
Police/supplies	73,200	104,200	72,323	31,877
Capital Outlay	-	156,000	359,590	(203,590)
<b>Total expenditures</b>	<u>111,150</u>	<u>298,150</u>	<u>435,331</u>	<u>(137,181)</u>
<b>Transfers &amp; other uses</b>				
Proceeds from issuance of debt	-	-	360,567	360,567
<b>Excess of revenues over (under) expenditures</b>	<u>\$ (2,650)</u>	<u>\$ (189,650)</u>	73,916	<u>\$ 263,566</u>
<b>Fund balance - beginning of year</b>			278,226	
<b>Fund balance - end of year</b>			<u>\$ 352,142</u>	

*Internal Control and Compliance*



## Independent Auditors' Report

### 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

Town Council  
Town of Bartonville, Texas

We have audited, in accordance with the 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 the governmental activities, each major fund, and the aggregate remaining fund information of Town of Bartonville, Texas, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Town of Bartonville, Texas' basic financial statements, and have issued our report thereon dated March 27, 2026.

#### Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Bartonville, Texas' internal control over financial reporting (internal control) as a basis for designing 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 Town of Bartonville, Texas' internal control. Accordingly, we do not express an opinion on the effectiveness of Town of Bartonville, Texas' 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

#### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Bartonville, Texas' 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 financial statements. 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

*MWH Group, P.C.*

MWH GROUP, P.C.

March 27, 2026

**TOWN OF BARTONVILLE, TEXAS  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

A. Summary of Auditor's Results - Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	_____ Yes <u>  X  </u> No
Significant deficiency identified that is not considered to be material weaknesses?	_____ Yes <u>  X  </u> No
Noncompliance material to financial statements noted?	_____ Yes <u>  X  </u> No

B. Financial Statement Finding

There were no findings to report for the year ended September 30, 2024.