



## COUNCIL COMMITTEE MEETING

City Hall Council Chambers, 298 W Washington  
Tuesday, July 19, 2022 at 5:30 PM

### AGENDA

#### CALL TO ORDER

#### FINANCE COMMITTEE

Justin Haschke, chair; Ricky Thurman, David Baskett, Mark McClinton

1. Review and discuss Annual Comprehensive Finance Report for the period Ending September 30, 2021.

#### DEVELOPMENT SERVICES COMMITTEE

Gerald Cook, chair; Justin Haschke, David Baskett, Mark McClinton

2. Consideration of adding the "sale of alcohol as licensed by the Texas Alcoholic Beverage Commission" within the Industrial District and subsequent assignment to the Planning and Zoning Commission.
3. Discussion of the Thoroughfare plan and future updates

#### PARKS AND LEISURE SERVICES COMMITTEE

Daron Trussell, chair; Justin Haschke, Bob Newby, Gerald Cook

4. Discuss Location of the Senior Citizens Center
5. Discuss Beginning Phase 1 of the Inclusive Playground Project
6. Discuss Quotes Received for the City Park Project New Field Construction and Field Lighting/Renovation
7. Discuss the Creation of a Steering Committee to Support the Parks, Recreation & Open Space Master Plan

#### PUBLIC WORKS COMMITTEE

Mark McClinton, chair; LeAnn Durfey, Ricky Thurman, David Baskett

8. Discuss Professional Services Agreement with Jacob & Martin, LLC. for the Design of Brick Pavement Improvements on College and Belknap

#### NOMINATIONS COMMITTEE

David Baskett, chair; LeAnn Durfey, Daron Trussell, Bob Newby

9. Consider appointments to the Board of Adjustment and the Planning & Zoning Commission

*Note: The Stephenville City Council may convene into Executive Session on any matter related to any of the above agenda items for a purpose, such closed session allowed under Chapter 551, Texas Government Code.*

***In accordance with the Americans with Disabilities Act, persons who need accommodation to attend or participate in this meeting should contact City Hall at 254-918-1287 within 48 hours prior to the meeting to request such assistance.***

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2021





*ANNUAL COMPREHENSIVE  
FINANCIAL REPORT*

of the

**City of Stephenville, Texas**

**For the Year Ended  
September 30, 2021**

Prepared by:  
Finance Department

Monica Harris  
Director of Finance



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# City of Stephenville, Texas

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September 30, 2021

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298 W Washington St, Stephenville, TX 76401 (254) 918-1220 Fax (254) 918 -1207

July 15, 2022

TO: The Honorable Mayor, Members of the City Council, and the Citizens of Stephenville (the "City")

The Finance Department and City Manager's Office are pleased to submit the Annual Comprehensive Financial Report for the City of Stephenville, Texas for the fiscal year ended September 30, 2021.

This report provides the city council, city staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the city government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

Brooks Watson & Company has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2021. The independent auditors' report is located at the front of the financial section of this report.

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

### CITY PROFILE



#### Location

The City is a political subdivision and municipal corporation of the State of Texas, duly organized and existing under the laws of the state and the City's home rule charter. The City was incorporated in 1889 and chartered a home-rule city under Texas law in 1961. The city is located on the intersection of U.S. Highways 67, 281, and 377. The city occupies approximately 11.79 square miles and serves a population of about 23,110. The City is empowered by state statute to levy a tax on both real and business personal property located within its boundaries.

The city operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight (8) council members. The city council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the city manager. The city manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the City, and appointing heads of various departments. The mayor and city council members each serve two-year terms, limited to two terms, and are elected at large. The basic financial statements of the City include all governmental activities, organizations, and functions for which the City is financially accountable as defined by the Government Accounting Standards Board (GASB). The City of Stephenville is financially accountable for a legally separate economic development corporation, which is reported separately within the City of Stephenville's financial statements. Additional information on the legally separate entity can be found in the notes to the financial statements (see note I. B).

### Services Provided

The city provides a full range of services, including public safety (police, fire, emergency medical, and municipal court), maintenance of streets and infrastructure, sanitation services, maintenance of the treated water distribution system and both sanitary and storm sewer collection and transmission systems, recreational activities and cultural events, landfill operations, airport facility maintenance, as well as, general administrative services.

### Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable, and expenditures being recorded when the services or goods are received, and the liabilities incurred. Accounting records for the City's utilities are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The annual budget serves as the foundation of the City's financial planning and control. The city council formally adopts the budget and legally appropriates available monies for activities of the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Fund.

No later than August 16<sup>th</sup> of each year, the city manager submits to the city council a proposed budget, which provides a complete plan for the fiscal year commencing October 1. The budget includes proposed expenditures and means of financing them. The proposed budget is made available for public inspection, and a public hearing is held to allow for citizen comment. After the public hearing, council may make changes to any item in the budget, except those fixed by law. No later than September 23, the budget is legally enacted by ordinance, which sets the limit on expenditures during the fiscal year. Additional expenditures may be authorized in the case of public necessity to meet unusual and unforeseen conditions, which could not have reasonably been foreseen at the time the budget was adopted.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the departmental level; however, expenditures are monitored monthly at the department level to ensure financial accountability by department directors. Management control of budgets is further maintained at the line-item level within the department. The city also maintains an encumbrance accounting system to further accomplish budgetary control. Appropriations not spent or legally encumbered lapse at year-end. Encumbrances are generally re-appropriated as a part of the following year's budget. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

## ECONOMIC CONDITION

### Local Economy

The City serves as the center of commerce and recreation to over 46,000 Erath County residents and has a commercial trade area of over 85,000. The city is the county seat and the principal commercial, medical, retail, educational and industrial center of Erath County. The city currently enjoys a fairly stable and diversified economic environment, bolstered by the strength of both the Cross Timbers area and the State of Texas. Our economy is based on agriculture, manufacturing, and Tarleton State University. Agriculture has long been Erath County's leading industry with livestock, especially beef, dairy, and other livestock production. Erath County accounts for over 8% of the state's total milk production. The city is fortunate to have several manufacturing industries in town. Local manufacturing includes coated abrasives, oilfield related products, cream cheese, fiber gratings and fasteners, metal processing of electrical products, trailer customization, and forged pipe unions. Tarleton State University, a member of the Texas A & M System, provides further economic stability as the largest employer. The Stephenville student body includes representatives from 226 Texas counties, 41 states, and 25 foreign countries. Tarleton's Stephenville Campus 2021 fall enrollment was more than 9,500 students with total enrollment across all Tarleton Campuses, including online, almost reaching 14,000 students.

Stephenville ranks high in the state for a quality of work environment. As of September 2021, with unemployment at 6.4% statewide, Stephenville's unemployment was 4.1%. The city has adequate—yet below-average—wealth and income. According to the U. S. Census Bureau's 2020 American Community Survey published in 2021, Stephenville's median household income is \$48,602 compared to \$54,747 for Dallas and \$63,826 for Texas. In addition, according to the survey, the workforce is educated with 33.4% of the population having a bachelor's degree or higher, compared to 34.7% for Dallas and 30.7% for Texas.

The stable property values, sales tax receipts and building activity reflect the area's positive economic climate. The City continues to have new residential, commercial, and educational building construction, adding over thirteen million dollars in new taxable value for the 2021 property tax rolls. A major multi-family housing project was completed, and an adjoining single-family subdivision was developed in the last year. Several apartment complexes and student housing projects have been completed, and additional multi-family dwellings are in varying stages from planning to construction. Several single-family subdivisions are currently in planning and construction as well. Tarleton State University, an NCAA Division 1 school, continues to experience steady growth in student enrollment. Tarleton is currently building a multi-level parking garage and an Olympic size track and field facility. In addition, Tarleton is in the planning stage of a hotel and convocation center. The city completed one and a half million dollars of street improvements in fiscal year 2020-2021 and has appropriated over one million in routine street improvement for fiscal year 2021-2022. Another eight and a half million has been appropriated for the complete reconstruction of a major thoroughfare designated as a minor arterial with completion in twenty-four months. A major fast food restaurant franchise opened their largest and newest model in the state, and a complex of up to five fast casual restaurants are slated to open by the end of 2022. A retail sales complex completed construction in early 2022 with projected retail sales of \$40 to \$50 million per year. The Stephenville Economic Development Authority (SEDA) continues to work on several major projects and continues to receive many new economic development inquiries from companies interested in locating their business in Stephenville.

### Long-Term Financial Planning

The City's ability to respond to on-going economic challenges will require careful long-range planning. The City has responded to the economy by fiscal conservatism and implementing operating budget efficiencies that have resulted in maintaining healthy fund balances in its general fund and water/wastewater funds.



Users of this document are encouraged to read the City's Fiscal Year 2021-2022 Budget. The document details the City's long-term goals and financial policies, describes program accomplishments and initiatives, and outlines the City's capital improvement program. Also available for reference is the City of Stephenville's Comprehensive Plan, which maps out the City's future strategies.

In addition, the City continues to recognize the long-term financial implications of its pension and retiree health benefits. Regarding pensions, the City's TMRS net pension asset far exceeds the other post-employment benefits liability created by the supplemental death benefit offered to retirees. In addition, the city offers a one percent match to the deferred compensation plan offered to employees. The city does not provide for retiree health care, as the city provides a sustainable benefit to our employees without shifting costs to future taxpayers.

#### Relevant Financial Policies

The City Council has adopted a series of financial standards and policies for operating and debt management. Management of the City has made every effort to comply with these standards and policies and believe we are currently in compliance.

The City Council Finance Committee meets on an as-needed basis to discuss financial and budgetary information, financial policies, fund balance reserve requirements and tax rate setting information. None of the City's financial policies had a significant impact on the current period's financial statements, as the City was able to maintain reserve levels within the stated policies for the governmental funds. Constant review of revenue and expenditure trends and reserve levels is maintained with specific responsibility assigned to the Finance Director and City Manager. The City's Finance Department publishes a monthly financial report which provides internal and external users with the general awareness of the City's financial positions and economic activity.

#### Major Initiatives

The city currently has several projects underway. The Clark Field Municipal Airport is working on a runway extension project. This is a \$10 million dollar project with a 90/10 match coming from TXDOT Aviation. The environmental study has been completed; surveys and appraisals of surrounding properties have been performed, and a significant portion of the land needed has been purchased. A major sewer project is underway with completion anticipated in twenty-four months. This project is a three-phase project to alleviate sanitary sewer overflow issues and expand servicing areas, affecting 80% of the City. A \$2 million dollar storm water drainage project was completed with Community Development Block Grant funding through the Texas General Land Office. The City issued certificates of obligations to fund two million in ball field improvements and twenty million in water and sewer system improvements, including a new well field with transmission line and replacing utility mains under a main thoroughfare to be completed by summer 2024.

### **AWARDS AND ACKNOWLEDGEMENTS**

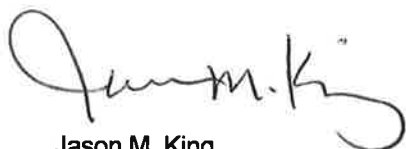
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to the City of Stephenville for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2020.

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This award was the 33<sup>rd</sup> consecutive year that the City of Stephenville has achieved this prestigious award. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire city staff. We would like to express our appreciation to all staff members who assisted and contributed to its preparation. We would also like to thank the Mayor and City Council Members for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,



Jason M. King  
Interim City Manager



Monica D. Harris  
Director of Finance & Administration



Government Finance Officers Association

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

Presented to

**City of Stephenville  
Texas**

For its Annual Comprehensive  
Financial Report  
for the Fiscal Year Ended

**September 30, 2020**

*Christopher P. Morill*

Executive Director/CEO

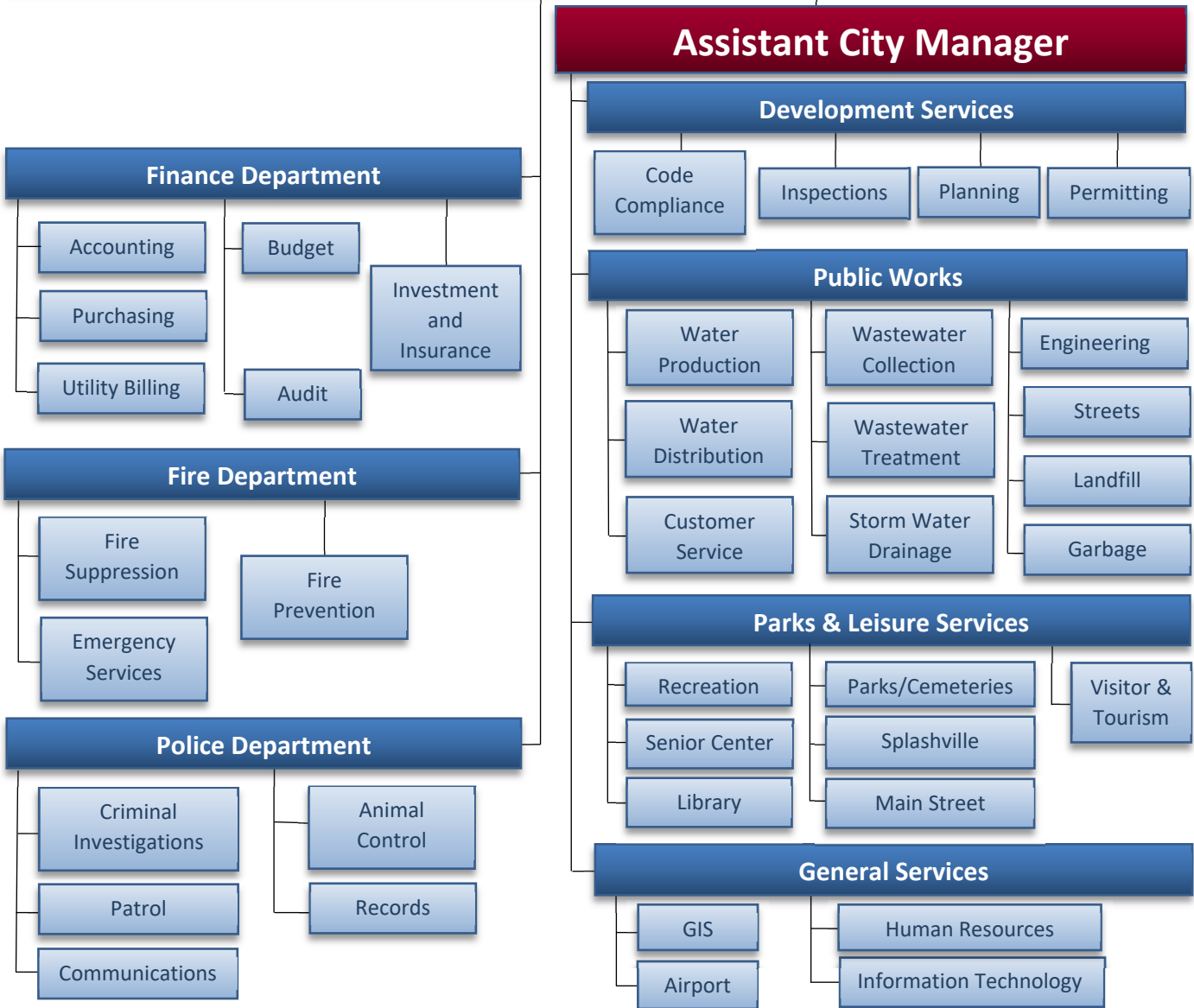
# Organizational Chart

## Citizens of Stephenville

## City Council



## City Manager



## City Council

Mayor	Doug Svien
Place 1	LeAnn Durfey
Place 2	Justin Haschke
Place 3	Daron Trussell
Place 4	Brady Pendleton
Pace 5	Ricky Thurman
Place 6	Alan Nix
Place 7	Gerald Cook
Place 8	Brandon Huckabee

## Staff

City Manager	Allen L. Barnes
Assistant City Manager	Jason M. King
Director of Finance & Administration	Monica D. Harris
Director of Utilities	Nick Williams
Police Chief	Dan M. Harris, Jr.
Interim Fire Chief	Charles W. Elliott
Director of Development Services	Steve Killen
Director of Parks & Leisure Services	Kelli Votypka
City Secretary	Staci L. King

***FINANCIAL SECTION***



*Stephenville*  
TE★AS



**BROOKSWATSON & CO.**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Stephenville, Texas (the "City") as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2021, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

*Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 15, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is 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 City's 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 the City's internal control over financial reporting and compliance.



Brooks Watson & Co.  
Certified Public Accountants  
Houston, Texas  
July 15, 2022

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



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# City of Stephenville, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### September 30, 2021

As management of the City of Stephenville, Texas (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

#### **Financial Highlights**

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows (net position) at September 30, 2021 by \$98,458,173.
- The City's total net position increased by \$11,556,742. The majority of the City's net position is invested in capital assets and restricted for specific purposes.
- The City's governmental funds reported combined ending fund balances of \$22,564,308 at September 30, 2021, a decrease of \$1,840,429 from the prior fiscal year; this includes an increase of \$1,938,031 in the general fund, a decrease of \$4,016,621 in the capital projects fund, and an increase of \$238,161 in the nonmajor governmental funds.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$11,282,011 or 70% of total general fund expenditures.
- The City's outstanding bonds and certificates of obligation payable decreased by \$1,515,000 from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were \$37,060,000.
- The City's net pension asset totaled \$3,193,618 as of year end.

#### **Overview of the Financial Statements**

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

#### **Government-Wide Statements**

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

# City of Stephenville, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### September 30, 2021

The *statement of net position* presents information on all of the City's assets and liabilities. The difference between the two is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other non-financial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, culture and recreation, community development, public safety, and public works. The business-type activities of the City include water and wastewater, stormwater drainage, airport and sanitary landfill operations.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Stephenville Economic Development Authority for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 30-35 of this report.

## FUND FINANCIAL STATEMENTS

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

### Governmental Funds

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

# City of Stephenville, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### September 30, 2021

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental* activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general and capital project funds, which are the only major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in a separate section of the report.

The City adopts an annual appropriated budget for its general, debt service, capital projects and special revenue funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with their respective budget.

The basic governmental fund financial statements can be found on pages 36-41 of this report.

#### **Proprietary Funds**

The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its water and wastewater services, airport, storm water drainage operations, and sanitary landfill operations. All activities associated with providing such services are accounted for in these funds, including administration, operation, maintenance, debt service, capital improvements, production and distribution, billing and collection. The City's intent is that costs of providing the services to the general public on a continuing basis is financed through user charges in a manner similar to a private enterprise.

Proprietary financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major water and sewer, storm water drainage funds and the nonmajor airport, and sanitary landfill funds.

The basic proprietary fund financial statements can be found on pages 44-49 of this report.

# City of Stephenville, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### September 30, 2021

#### Component Unit

The City maintains the accounting and financial statements for two component units. The Stephenville Economic Development Authority is a discretely presented component unit displayed on the government-wide financial statements.

The Tax Increment Financing fund ("TIF") is a special purpose fund that collects property taxes within its boundaries for the purpose of infrastructure development. The fund's board consists of the City Council and is reported as a blended component unit, as it functions similar to a department of the City.

#### Notes to Financial Statements

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

The notes to the financial statements can be found on pages 55-95 of this report.

#### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees and budgetary comparison for the general fund.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted previously, net position may serve over time as a useful indicator of the City's financial position. For the City of Stephenville, Texas, assets and deferred outflows exceeded liabilities and deferred inflows by \$98,458,173 as of September 30, 2021, in the primary government.

The largest portion of the City's net position, \$72,325,861, reflects its investments in capital assets (e.g., land, city hall complex, recreation hall, streets, water and wastewater system, airport hanger, sanitary landfill systems, as well as the public works facilities), less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

**Statement of Net Position:**

The following table reflects the condensed Statement of Net Position:

	2021			2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Current and other assets	\$ 24,080,231	\$ 25,684,029	\$ 49,764,260	\$ 26,351,076	\$ 20,581,406	\$ 46,932,482
Capital assets, net	30,489,316	60,319,938	90,809,254	26,654,604	58,599,440	85,254,044
Net pension asset	2,757,051	373,653	3,130,704	2,102,774	314,517	2,417,291
<b>Total Assets</b>	<b>57,326,598</b>	<b>86,377,620</b>	<b>143,704,218</b>	<b>55,108,454</b>	<b>79,495,363</b>	<b>134,603,817</b>
<b>Deferred Outflows</b>	<b>2,016,119</b>	<b>306,677</b>	<b>2,322,796</b>	<b>2,644,380</b>	<b>433,381</b>	<b>3,077,761</b>
Other liabilities	1,970,857	3,347,541	5,318,398	2,711,224	3,221,485	5,932,709
Long-term liabilities	16,558,913	22,590,738	39,149,651	16,750,115	24,272,023	41,022,138
<b>Total Liabilities</b>	<b>18,529,769</b>	<b>25,938,279</b>	<b>44,468,048</b>	<b>19,461,339</b>	<b>27,493,508</b>	<b>46,954,847</b>
<b>Deferred Inflows</b>	<b>2,730,710</b>	<b>370,083</b>	<b>3,100,793</b>	<b>3,327,585</b>	<b>497,715</b>	<b>3,825,300</b>
Net Position:						
Net investment						
in capital assets	23,272,989	49,052,872	72,325,861	21,847,814	45,293,731	67,141,545
Restricted	3,266,475	956,437	4,222,912	1,976,474	1,089,229	3,065,703
Unrestricted	11,542,774	10,366,626	21,909,400	11,139,622	5,554,561	16,694,183
<b>Total Net Position</b>	<b>\$ 38,082,238</b>	<b>\$ 60,375,935</b>	<b>\$ 98,458,173</b>	<b>\$ 34,963,910</b>	<b>\$ 51,937,521</b>	<b>\$ 86,901,431</b>

Current assets of governmental activities were \$24,080,231 and \$26,351,076 as of September 30, 2021 and September 30, 2020, respectively. The decrease of \$2,270,845 was primarily attributable to available cash being spent on capital improvements and repayment of outstanding vendor payables. Current assets of business-type activities were \$25,684,029 and \$20,581,406 as of September 30, 2021 and September 30, 2020, respectively. The increase of \$5,102,623 was primarily attributable to greater cash on hand resulting from operating surpluses over the course of the year and higher grant revenues. Business-type activities had an overall positive change in net position of \$8,438,414. Overall capital assets increased by \$5,555,210 due to ongoing investment in City infrastructure and other capital assets.



**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

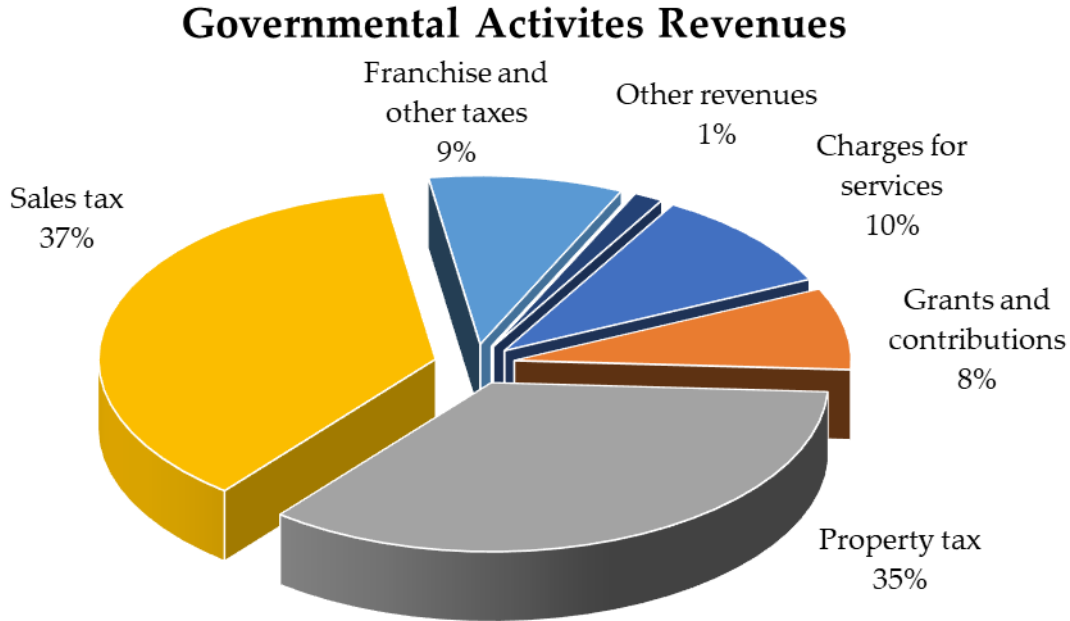
**Statement of Activities:**

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

	For the Year Ended September 30, 2021			For the Year Ended September 30, 2020		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 1,877,701	\$ 10,886,281	\$ 12,763,982	\$ 1,446,661	\$ 10,015,289	\$ 11,461,950
Grants and contributions	1,501,164	4,685,293	6,186,457	2,413,762	287,600	2,701,362
General revenues:						
Property tax	6,711,935	-	6,711,935	6,324,119	-	6,324,119
Sales tax	7,075,224	-	7,075,224	5,940,857	-	5,940,857
Franchise and other taxes	1,794,406	-	1,794,406	1,675,634	-	1,675,634
Investment income	11,277	8,039	19,316	115,763	195,341	311,104
Other revenues	269,196	64,745	333,941	1,030,088	287,971	1,318,059
<b>Total Revenues</b>	<b>19,240,903</b>	<b>15,644,358</b>	<b>34,885,261</b>	<b>18,946,884</b>	<b>10,786,201</b>	<b>29,733,085</b>
<b>Expenses</b>						
General government	2,831,782	-	2,831,782	2,512,975	-	2,512,975
Culture and recreation	2,511,374	-	2,511,374	2,254,992	-	2,254,992
Community development	488,792	-	488,792	493,019	-	493,019
Public safety	8,953,779	-	8,953,779	9,637,871	-	9,637,871
Streets	1,495,367	-	1,495,367	1,501,306	-	1,501,306
Interest and fiscal charges	402,914	409,486	812,400	530,646	453,686	984,332
Water and wastewater	-	5,088,848	5,088,848	-	4,966,867	4,966,867
Airport	-	205,951	205,951	-	178,661	178,661
Storm water drainage	-	296,706	296,706	-	364,971	364,971
Sanitary landfill	-	643,520	643,520	-	599,166	599,166
<b>Total Expenses</b>	<b>16,684,008</b>	<b>6,644,511</b>	<b>23,328,519</b>	<b>16,930,809</b>	<b>6,563,351</b>	<b>23,494,160</b>
<b>Change in Net Position</b>						
<b>Before Transfers</b>	<b>2,556,895</b>	<b>8,999,847</b>	<b>11,556,742</b>	<b>2,016,075</b>	<b>4,222,850</b>	<b>6,238,925</b>
Transfers	561,433	(561,433)	-	1,442,405	(1,442,405)	-
<b>Total</b>	<b>561,433</b>	<b>(561,433)</b>	<b>-</b>	<b>1,442,405</b>	<b>(1,442,405)</b>	<b>-</b>
<b>Change in Net Position</b>	<b>3,118,328</b>	<b>8,438,414</b>	<b>11,556,742</b>	<b>3,458,480</b>	<b>2,780,445</b>	<b>6,238,925</b>
Beginning Net Position	34,963,910	51,937,521	86,901,431	31,505,430	49,157,076	80,662,506
<b>Ending Net Position</b>	<b>\$ 38,082,238</b>	<b>\$ 60,375,935</b>	<b>\$ 98,458,173</b>	<b>\$ 34,963,910</b>	<b>\$ 51,937,521</b>	<b>\$ 86,901,431</b>

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

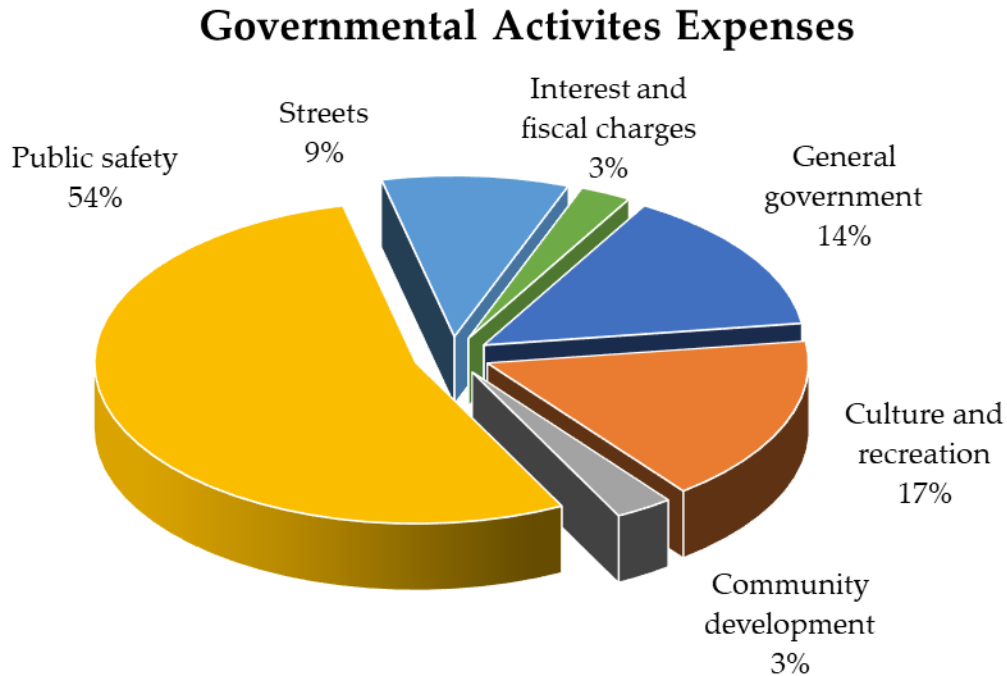
Graphic presentations of selected data from the summary tables are displayed below to assist in the analysis of the City's activities.



For the year ended September 30, 2021, revenues from governmental activities totaled \$19,240,903. Property tax and sales tax are the City's largest general revenue sources. Overall revenue increased \$294,019 or 2% from the prior year. Property tax revenues increased \$387,816 or 6% due to an increase in appraised property values and a growing tax base. Sales tax revenues increased by \$1,134,367 or 19% primarily due to economic growth fueled by local purchases. Charges for services increased by \$431,040 or 30% primarily due to greater aquatic center fees, youth program activity revenues, and lot mowing/demolition fees. Grants and contributions decreased \$912,598 primarily as a result of nonrecurring capital grants received in the prior year. Investment income decreased by \$104,486 or 90% primarily as a result of a reduction in interest-bearing account balances and the realization of lower interest rates in the current year. Other revenue decreased by \$760,892 due to nonrecurring insurance proceeds received in the prior year. All other revenues remained relatively stable when compared to the previous year.

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

This graph shows the governmental function expenses of the City:

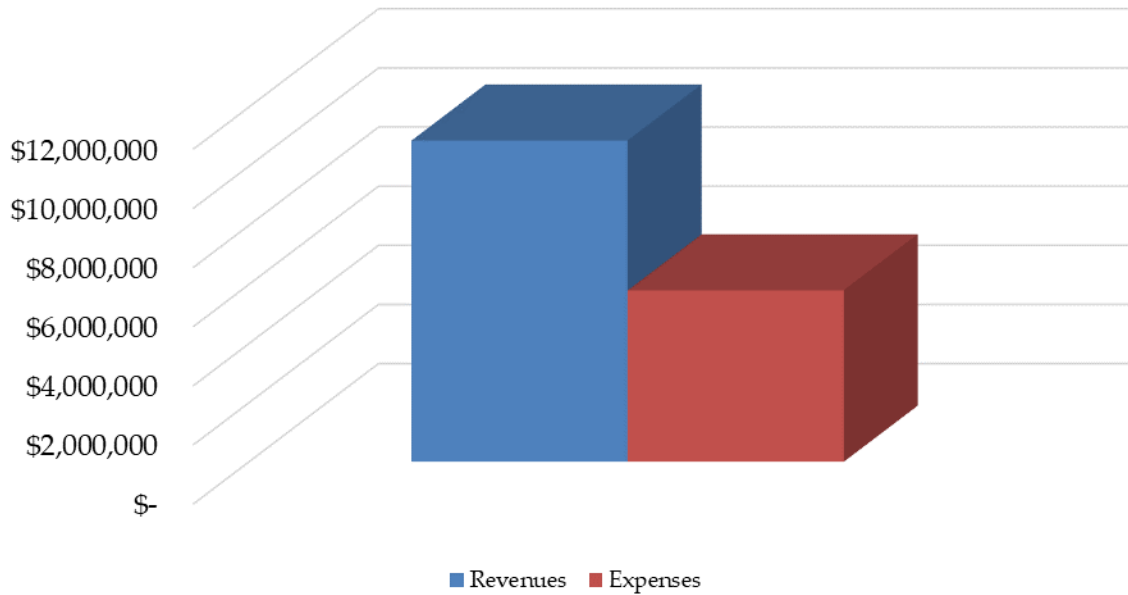


For the year ended September 30, 2021, expenses for governmental activities totaled \$16,684,008. This represents a decrease of \$246,801 or 1% from the prior year. The City's largest functional expense is public safety totaling \$8,953,779. Public safety decreased \$684,092 or 7% primarily due to nonrecurring damage claim expenses resulting from storm damage in the prior year. Culture and recreation increased by \$256,382 or 11% as a result of increased professional fees, annual depreciation, and special events expense. In addition, the City incurred greater personnel, concession supplies, and utility expenses for the aquatic center. Interest and fiscal charges decreased by \$127,732 or 24% primarily due to nonrecurring bond issuance costs recognized in the prior year. All other expenses remained relatively stable when compared to the previous year.

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

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

**Business-Type Activities - Revenues and Expenses**



For the year ended September 30, 2021, charges for services by business-type activities totaled \$10,886,281. This is an increase of \$870,992, or 9%, from the previous year. This is primarily a result of increased sewer service consumption and greater nonresidential service accounts compared to the prior year.

Total expenses increased \$81,160 or 1% to a total of \$6,644,511. Water and wastewater department expenses increased by \$121,981 or 2% primarily due to greater water facility maintenance, online credit card fees, and annual depreciation in the current year. Interest and fiscal charges decreased by \$44,200 or 10% as a result of outstanding debt approaching maturity.

#### **FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

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

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

At September 30, 2021, the City's governmental funds reported combined fund balances of \$22,564,308, a decrease of \$1,840,429 in comparison with the prior year. Approximately 50% of this amount,

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

\$11,271,979, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Nonspendable fund balance totaled \$34,481 for inventories/prepays and committed fund balance totaled \$764,377. The remainder of the fund balance is restricted for particular purposes totaling \$10,493,471.

As of the end of the year, the general fund reflected a total fund balance of \$12,053,148. General fund balance increased by \$1,938,031. This increase is a result of greater than anticipated sales tax revenues and less than anticipated expenditures over the course of the year.

As a measure of the general fund's liquidity, it may be useful to compare total unassigned fund balance to total fund expenditures. The unassigned (the amount available for spending) fund balance of the general fund of \$11,282,011 is 70% of total general fund operating expenditures.

As of the end of the year, the capital projects reflected a total fund balance of \$9,638,333, a decrease of \$4,016,621 compared to the prior year. The change was primarily due to capital outlay expenditures greatly exceeding revenues during the current year.

Proprietary Funds - The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position in the City's largest proprietary fund, the water and wastewater fund, totaled \$43,930,844. Unrestricted net position at the close of the fiscal year amounted to \$7,624,341, and overall net position increased \$5,932,582 from the previous year. Total investment in capital assets, net of related debt of was \$35,486,201, and capital assets, net of depreciation totaled \$41,524,753.

#### **GENERAL FUND BUDGETARY HIGHLIGHTS**

Supplemental budget amendments were approved during the fiscal year increasing total budgeted expenditures by \$1,046,368 and increasing total revenues by \$1,586,430, resulting in an increase in final budgeted fund balance of \$350,306. Total budgeted revenues of \$17,433,637 were less than actual revenues of \$18,048,659, resulting in a total positive revenue variance of \$615,022. Total budgeted expenditures of \$17,004,619 were greater than actual expenditures of \$16,086,434, resulting in a total positive expenditure variance of \$918,185.

#### **CAPITAL ASSETS**

As of the end of the year, the City's governmental activities funds had invested \$30,489,316 in a variety of capital assets and infrastructure. The City's business-type activities funds had invested \$60,319,938 in a variety of capital assets and infrastructure, net of accumulated depreciation. This investment in capital assets includes land, buildings, vehicles, equipment, improvements, and infrastructure. Major capital asset events during the current year include the following:

# City of Stephenville, Texas

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

### September 30, 2021

- Investment in public easement at Washington for \$2,952,283.
- Purchase land for airport operations for \$349,410.
- Downtown revitalization sidewalk improvements for \$285,068.
- Ground storage tank rehab improvements totaling \$509,383.
- Airport pump station expansion project improvements of \$239,340.
- Washington water and sewer line improvements totaling \$495,315.
- Eastside relief interceptor sewer lift station updates for \$100,158.
- Grosebeck CDBG GLO project improvements of \$1,755,650.
- Micro-surfacing and street maintenance project improvements totaling \$1,133,992.
- Continued Harbin Dr. street widening improvements for \$305,470.
- Purchased Spillman NIBRS software for \$84,686.
- Purchased three 2021 Chevy Tahoes totaling \$109,080.

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

#### LONG-TERM DEBT

The City's outstanding bonds and certificates of obligation (excluding premiums and discounts) payable decreased by \$1,515,000 from the prior year. The total bonds and certificates of obligation payable at the close of the fiscal year were \$37,060,000. The City made \$2,163,225 in principal payments on outstanding bonds, certificates of obligation, and capital lease obligations. More detailed information about the City's long-term liabilities is presented in note IV. D to the financial statements.

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The local economy has remained stable and is experiencing continued growth as evidenced by sales tax revenue, property tax valuations, and construction permits issued. Not only were sales tax collections for fiscal year 2020-2021 \$1.2 million more than fiscal year 2019-2020, during the COVID-19 pandemic; sales tax collections for the fiscal year were also \$1.2 million more than the fiscal year 2018-2019 pre-pandemic totals. In addition, the sales tax collections for fiscal year 2021-2022, thus far, exceed last fiscal year to date by over 11%. Taxable assessed property values for 2020 exceeded 2019 by 5.36%, and the 2021 taxable assessed values exceeded 2020 by 5.49%. Furthermore, the City issued 241 building permits in fiscal year 2020-2021 with a value exceeding \$36 million. It is anticipated that new assessed taxable value for 2022 will exceed \$20 million.

The City of Stephenville is committed to maintaining and improving the services provided to its citizens, budgeting over \$1.1 million in street improvements. The City also re-appropriated unspent 2020-2021 funds of over \$11 million for the Eastside Sewer project, and over \$8 million for the Harbin Drive water, sewer, and street project. The City issued debt in April 2022 to fund \$20 million in water and sewer projects and \$2 million in park improvements. The city is mindful of the impact of the budget on the citizens, and continues to strive for cost savings, efficiencies in operations, charging

**City of Stephenville, Texas**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**September 30, 2021**

adequate user fees, and applying for grant funding. The city refunded a 2013 revenue bond saving over \$200,000 over the next eleven years. The General Fund budget for fiscal year 2021-2022 is a balanced budget with a very small positive variance. All other funds, except for the Storm Water Drainage Fund, also have a positive variance or the negative variance is caused by the carryover of funds unspent from previous years or are a planned reduction of fund balance. The Storm Water Drainage Fund negative variance is for needed system improvements. In addition, almost \$1.5 million was budgeted in the general fund for capital expenditures. The City again increased water and sewer rates to fund the debt service on the above-mentioned water and sewer system improvements, which include a new water well field with transmission line and replacement of water and sewer utilities under a main thoroughfare.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact Monica D. Harris, Director of Finance, 298 West Washington, Stephenville, Texas 76401-4257 or call (254) 918-1211.

***FINANCIAL STATEMENTS***



**City of Stephenville, Texas**  
**STATEMENT OF NET POSITION (page 1 of 2)**  
**September 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 21,149,351	\$ 8,667,654	\$ 29,817,005
Restricted cash	63,604	13,732,150	13,795,754
Receivables, net	2,735,840	2,975,808	5,711,648
Prepaid items	27,721	127,859	155,580
Internal balances	55,682	(55,682)	-
Due from component unit	41,273	-	41,273
Inventories	6,760	236,240	243,000
<b>Current Assets</b>	<b>24,080,231</b>	<b>25,684,029</b>	<b>49,764,260</b>
Net pension asset	2,757,051	373,653	3,130,704
Capital assets:			
Non-depreciable	6,420,893	9,784,904	16,205,797
Net depreciable capital assets	24,068,423	50,535,034	74,603,457
<b>Noncurrent Assets</b>	<b>33,246,367</b>	<b>60,693,591</b>	<b>93,939,958</b>
<b>Total Assets</b>	<b>57,326,598</b>	<b>86,377,620</b>	<b>143,704,218</b>
<b>Deferred Outflows of Resources</b>			
Deferred charge on refunding	12,862	35,182	48,044
Deferred pension outflows	1,877,869	254,501	2,132,370
Deferred OPEB outflows	125,388	16,994	142,382
<b>Total Deferred Outflows of Resources</b>	<b>2,016,119</b>	<b>306,677</b>	<b>2,322,796</b>

<u>Component Unit</u>	
<u>Stephenville</u>	
<u>EDA</u>	
\$	1,052,622
	-
	126,323
	-
	-
	-
	-
	-
	<u>1,178,945</u>
	62,914
	-
	54,999
	<u>117,913</u>
	<u>1,296,858</u>
	-
	42,852
	2,861
	<u>45,713</u>

**City of Stephenville, Texas**  
**STATEMENT OF NET POSITION (page 2 of 2)**  
**September 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b><u>Liabilities</u></b>			
Accounts payable and accrued liabilities	936,091	997,668	1,933,759
Customer deposits	-	524,935	524,935
Accrued interest payable	74,085	49,022	123,107
Compensated absences due within one year	544,118	74,997	619,115
Long-term debt due within one year	416,563	1,688,729	2,105,292
Unearned revenue	-	12,190	12,190
Due to primary government	-	-	-
<b>Current Liabilities</b>	<b>1,970,857</b>	<b>3,347,541</b>	<b>5,318,398</b>
Noncurrent liabilities due in more than one year:			
OPEB liability	593,836	80,480	674,316
Compensated absences, noncurrent	60,458	8,333	68,791
Landfill closure costs	-	186,600	186,600
Debt due in more than one year	15,904,619	22,315,325	38,219,944
	<b>16,558,913</b>	<b>22,590,738</b>	<b>39,149,651</b>
<b>Total Liabilities</b>	<b>18,529,769</b>	<b>25,938,279</b>	<b>44,468,048</b>
<b><u>Deferred Inflows of Resources</u></b>			
Deferred pension inflows	2,716,972	368,222	3,085,194
Deferred OPEB inflows	13,738	1,861	15,599
<b>Total Deferred Inflows of Resources</b>	<b>2,730,710</b>	<b>370,083</b>	<b>3,100,793</b>
<b><u>Net Position</u></b>			
Net investment in capital assets	23,272,989	49,052,872	72,325,861
Restricted for:			
Capital projects	465,668	-	465,668
Tourism	603,245	-	603,245
Pensions	1,917,948	259,932	2,177,880
Municipal court	10,294	-	10,294
Public safety	67,172	-	67,172
Debt service	202,148	696,505	898,653
Economic development	-	-	-
Unrestricted	11,542,774	10,366,626	21,909,400
<b>Total Net Position</b>	<b>\$ 38,082,238</b>	<b>\$ 60,375,935</b>	<b>\$ 98,458,173</b>

See Notes to Financial Statements.

<u>Component Unit</u>	
<u>Stephenville</u>	
<u>EDA</u>	
13,863	
-	
-	
11,167	
-	
-	
41,273	
<u>66,303</u>	
13,551	
1,241	
-	
-	
<u>14,792</u>	
<u>81,095</u>	
61,999	
313	
<u>62,312</u>	
54,999	
-	
-	
-	
-	
-	
-	
1,144,165	
-	
<u>\$ 1,199,164</u>	

# City of Stephenville, Texas

## STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities</b>				
General government	\$ 2,831,782	\$ 3,300	\$ 266,926	\$ -
Culture and recreation	2,511,374	325,601	16,929	270,177
Community development	488,792	415,772	-	900
Public safety	8,953,779	1,107,249	855,246	90,986
Streets	1,495,367	25,779	-	-
Interest and fiscal charges	402,914	-	-	-
<b>Total Governmental Activities</b>	<b>16,684,008</b>	<b>1,877,701</b>	<b>1,139,101</b>	<b>362,063</b>
<b>Business-Type Activities</b>				
Water and Wastewater	5,323,323	8,991,212	-	2,632,354
Storm Water Drainage	471,717	757,477	-	1,738,470
Airport	205,951	113,231	-	314,469
Sanitary Landfill	643,520	1,024,361	-	-
<b>Total Business-Type Activities</b>	<b>6,644,511</b>	<b>10,886,281</b>	<b>-</b>	<b>4,685,293</b>
<b>Total Primary Government</b>	<b>\$ 23,328,519</b>	<b>\$ 12,763,982</b>	<b>\$ 1,139,101</b>	<b>\$ 5,047,356</b>
<b>Component Unit</b>				
Stephenville Economic Development Authority	\$ 458,996	\$ -	\$ 34,000	\$ -
<b>Total Component Unit</b>	<b>\$ 458,996</b>	<b>\$ -</b>	<b>\$ 34,000</b>	<b>\$ -</b>

### General Revenues:

Taxes  
Property tax  
Sales tax  
Franchise and other taxes  
Hotel occupancy taxes  
Investment income  
Other revenues

### Transfers

### Total General Revenues and Transfers

### Change in Net Position

Beginning Net Position

Ending Net Position

See Notes to Financial Statements.

**Net (Expense) Revenue and Changes in Net Position**

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Stephenville EDA
\$ (2,561,556)	\$ -	\$ (2,561,556)	\$ -
(1,898,667)	-	(1,898,667)	-
(72,120)	-	(72,120)	-
(6,900,298)	-	(6,900,298)	-
(1,469,588)	-	(1,469,588)	-
(402,914)	-	(402,914)	-
<u>(13,305,143)</u>	<u>-</u>	<u>(13,305,143)</u>	<u>-</u>
-	6,300,243	6,300,243	-
-	2,024,230	2,024,230	-
-	221,749	221,749	-
-	380,841	380,841	-
<u>-</u>	<u>8,927,063</u>	<u>8,927,063</u>	<u>-</u>
<u>(13,305,143)</u>	<u>8,927,063</u>	<u>(4,378,080)</u>	<u>-</u>
			<u>(424,996)</u>
			<u>(424,996)</u>
6,711,935	-	6,711,935	-
7,075,224	-	7,075,224	643,202
1,204,400	-	1,204,400	-
590,006	-	590,006	-
11,277	8,039	19,316	465
269,196	64,745	333,941	-
561,433	(561,433)	-	-
<u>16,423,471</u>	<u>(488,649)</u>	<u>15,934,822</u>	<u>643,667</u>
3,118,328	8,438,414	11,556,742	218,671
34,963,910	51,937,521	86,901,431	980,493
<u>\$ 38,082,238</u>	<u>\$ 60,375,935</u>	<u>\$ 98,458,173</u>	<u>\$ 1,199,164</u>

# City of Stephenville, Texas

BALANCE SHEET (Page 1 of 2)

## GOVERNMENTAL FUNDS

September 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 10,755,196	\$ 9,692,483	\$ 701,672	\$ 21,149,351
Restricted cash	63,604	-	-	63,604
Receivables, net	2,671,948	-	63,892	2,735,840
Inventory	6,760	-	-	6,760
Prepaid items	-	27,721	-	27,721
Due from other funds	-	-	96,031	96,031
Due from component unit	-	-	41,273	41,273
<b>Total Assets</b>	<b>\$ 13,497,508</b>	<b>\$ 9,720,204</b>	<b>\$ 902,868</b>	<b>\$ 24,120,580</b>
<b><u>Liabilities</u></b>				
Accounts payable and accrued liabilities	\$ 866,752	\$ 51,554	\$ 17,785	\$ 936,091
Due to other funds	-	30,317	10,032	40,349
<b>Total Liabilities</b>	<b>866,752</b>	<b>81,871</b>	<b>27,817</b>	<b>976,440</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - Fines and fees	87,691	-	-	87,691
Unavailable revenue - EMS	423,653	-	-	423,653
Unavailable revenue - property taxes	66,264	-	2,224	68,488
<b>Total Deferred Inflows of Resources</b>	<b>577,608</b>	<b>-</b>	<b>2,224</b>	<b>579,832</b>

# City of Stephenville, Texas

BALANCE SHEET (Page 2 of 2)

## GOVERNMENTAL FUNDS

September 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b><u>Fund Balances</u></b>				
Nonspendable:				
Inventories	\$ 6,760	\$ -	\$ -	\$ 6,760
Prepaid items	-	27,721	-	27,721
Committed for:				
Debt service	252,873	-	-	252,873
Recreation Hall	136,750	-	-	136,750
Airport improvement	224,754	-	-	224,754
Grant match	150,000	-	-	150,000
Restricted for:				
Capital projects	-	9,610,612	-	9,610,612
Tourism	-	-	603,245	603,245
Municipal court	-	-	10,294	10,294
Public safety	-	-	67,172	67,172
Debt service	-	-	202,148	202,148
Unassigned reported in:				
General fund	11,282,011	-	-	11,282,011
Special revenue fund	-	-	(10,032)	(10,032)
<b>Total Fund Balances</b>	<b>12,053,148</b>	<b>9,638,333</b>	<b>872,827</b>	<b>22,564,308</b>
<b>Total Liabilities, Deferred</b>				
<b>Inflows and Fund Balances</b>	<b>\$ 13,497,508</b>	<b>\$ 9,720,204</b>	<b>\$ 902,868</b>	<b>\$ 24,120,580</b>

See Notes to Financial Statements.



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# City of Stephenville, Texas

## RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION GOVERNMENTAL FUNDS September 30, 2021

<b>Fund Balances - Total Governmental Funds</b>	\$ 22,564,308
<b>Adjustments for the Statement of Net Position:</b>	
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.	
Capital assets - non-depreciable	6,420,893
Capital assets - net depreciable	24,068,423
The net pension asset is not an available resource and, therefore, is not reported in the funds.	
	2,757,051
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the governmental funds.	
Fines and fees receivable	87,691
Property tax receivable	68,488
EMS receivable	423,653
Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.	
Deferred charges on refunding	12,862
Deferred pension outflows	1,877,869
Deferred OPEB outflows	125,388
Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.	
Deferred pension inflows	(2,716,972)
Deferred OPEB inflows	(13,738)
Some liabilities, including bonds payable and compensated absences, are not reported as liabilities in the governmental funds.	
OPEB liability	(593,836)
Compensated absences	(604,575)
Accrued interest	(74,085)
Bond premium	(956,455)
Bond discount	1,390
Non-current liabilities due in one year	(416,563)
Non-current liabilities due in more than one year	(14,949,554)
<b>Net Position of Governmental Activities</b>	<b>\$ 38,082,238</b>

See Notes to Financial Statements.

# City of Stephenville, Texas

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS (Page 1 of 2) For the Year Ended September 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property tax	\$ 6,398,403	\$ -	\$ 270,477	\$ 6,668,880
Sales tax	7,075,224	-	-	7,075,224
Franchise and other taxes	1,204,400	-	-	1,204,400
Hotel occupancy taxes	-	-	590,006	590,006
License and permits	371,076	2,506	-	373,582
Charges for services	403,394	536	-	403,930
Emergency services	819,513	-	-	819,513
Fines and forfeitures	101,482	-	18,171	119,653
Intergovernmental	242,017	-	3,207	245,224
Contributions and donations	1,248,740	900	-	1,249,640
Investment income	4,552	6,444	281	11,277
Other revenues	179,858	20,362	50,867	251,087
<b>Total Revenues</b>	<b>18,048,659</b>	<b>30,748</b>	<b>933,009</b>	<b>19,012,416</b>
<b>Expenditures</b>				
Current:				
General government	2,399,952	-	415,383	2,815,335
Culture and recreation	2,236,700	-	-	2,236,700
Community development	508,857	-	-	508,857
Public safety	8,836,703	-	391	8,837,094
Streets	763,640	444	-	764,084
Debt service:				
Principal retirement	307,316	-	190,000	497,316
Interest and fiscal charges	40,278	-	418,903	459,181
Capital outlay:				
General government	20,500	-	-	20,500
Culture and recreation	636,007	-	-	636,007
Public safety	292,634	-	-	292,634
Streets	43,847	4,519,175	-	4,563,022
<b>Total Expenditures</b>	<b>16,086,434</b>	<b>4,519,619</b>	<b>1,024,677</b>	<b>21,630,730</b>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>1,962,225</b>	<b>(4,488,871)</b>	<b>(91,668)</b>	<b>(2,618,314)</b>

# City of Stephenville, Texas

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS (Page 2 of 2) For the Year Ended September 30, 2021

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	1,132,622	967,565	673,479	2,773,666
Transfers (out)	(1,373,268)	(495,315)	(343,650)	(2,212,233)
Capital lease issuance	105,998	-	-	105,998
Loan issuance	91,003	-	-	91,003
Proceeds from sale of assets	19,451	-	-	19,451
<b>Total Other Financing Sources</b>	<b>(24,194)</b>	<b>472,250</b>	<b>329,829</b>	<b>777,885</b>
<b>Net Change in Fund Balances</b>	<b>1,938,031</b>	<b>(4,016,621)</b>	<b>238,161</b>	<b>(1,840,429)</b>
Beginning fund balances	10,115,117	13,654,954	634,666	24,404,737
<b>Ending Fund Balances</b>	<b>\$ 12,053,148</b>	<b>9,638,333</b>	<b>\$ 872,827</b>	<b>\$ 22,564,308</b>

See Notes to Financial Statements.

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# City of Stephenville, Texas

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

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

Net changes in fund balances - total governmental funds	\$ (1,840,429)
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	5,512,163
Depreciation expense	(1,676,109)
Adjustment for sale of capital assets	(1,342)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	204,078
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>	
Pension expense	576,140
Compensated absences	32,240
Other post employment benefits	(51,295)
Accrued interest	5,324
Amortization of deferred charges on refunding	(1,119)
Amortization of bond premium and discounts	52,062
<p>The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when they are first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	
Principal payments	503,616
Lease issuances	(197,001)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 3,118,328</b>

See Notes to Financial Statements.

**City of Stephenville, Texas**  
**STATEMENT OF NET POSITION (Page 1 of 2)**  
**PROPRIETARY FUNDS**  
**September 30, 2021**

	Business-Type Activities Enterprise Funds		
	Water and Wastewater	Storm Water Drainage	Nonmajor Airport
<b><u>Assets</u></b>			
<b><u>Current Assets</u></b>			
Cash and cash equivalents	\$ 7,160,485	\$ 73,883	\$ 5,761
Restricted cash	13,638,670	93,480	-
Receivables, net	1,526,359	1,421,402	314
Prepaid items	6,972	-	120,887
Due from other funds	-	-	360,000
Inventories	236,240	-	-
<b>Total Current Assets</b>	<b>22,568,726</b>	<b>1,588,765</b>	<b>486,962</b>
<b><u>Noncurrent Assets</u></b>			
Net pension asset	312,336	-	1,277
Capital assets:			
Non-depreciable	3,830,206	2,159,382	3,755,316
Net depreciable capital assets	37,694,547	7,752,656	3,515,947
<b>Total Noncurrent Assets</b>	<b>41,837,089</b>	<b>9,912,038</b>	<b>7,272,540</b>
<b>Total Assets</b>	<b>64,405,815</b>	<b>11,500,803</b>	<b>7,759,502</b>
<b><u>Deferred Outflows of Resources</u></b>			
Deferred charge on refunding	7,554	27,628	-
Deferred pension outflows	212,737	-	870
Deferred OPEB outflows	14,205	-	58
<b>Total Deferred Outflows of Resources</b>	<b>234,496</b>	<b>27,628</b>	<b>928</b>

<b>Business-Type Activities</b>	
<b>Enterprise Funds</b>	
<b>Nonmajor</b>	
<b>Sanitary Landfill</b>	<b>Total</b>
\$ 1,427,525	\$ 8,667,654
-	13,732,150
27,733	2,975,808
-	127,859
-	360,000
-	236,240
1,455,258	26,099,711
60,040	373,653
40,000	9,784,904
1,571,884	50,535,034
1,671,924	60,693,591
3,127,182	86,793,302
-	35,182
40,894	254,501
2,731	16,994
43,625	306,677



**City of Stephenville, Texas**  
**STATEMENT OF NET POSITION (Page 2 of 2)**  
**PROPRIETARY FUNDS**  
**September 30, 2021**

	Business-Type Activities		
	Enterprise Funds		
	Water and Wastewater	Storm Water Drainage	Nonmajor Airport
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued expenses	663,679	300,602	12,600
Customer deposits	521,035	-	-
Compensated absences due within one year	65,683	-	-
Current maturities of long-term liabilities	1,358,729	330,000	-
Due to other funds	-	415,682	-
Unearned revenue	-	-	12,190
Accrued interest	26,638	22,384	-
<b>Total Current Liabilities</b>	<b>2,635,764</b>	<b>1,068,668</b>	<b>24,790</b>
<b>Noncurrent Liabilities</b>			
OPEB liability - TMRS	67,273	-	275
Compensated absences, noncurrent	7,298	-	-
Landfill closure costs	-	-	-
Long-term liabilities	17,689,780	4,625,545	-
<b>Total Liabilities</b>	<b>20,400,115</b>	<b>5,694,213</b>	<b>25,065</b>
<b>Deferred Inflows of Resources</b>			
Deferred pension inflows	307,796	-	1,259
Deferred OPEB inflows	1,556	-	6
<b>Total Deferred Inflows of Resources</b>	<b>309,352</b>	<b>-</b>	<b>1,265</b>
<b>Net Position</b>			
Net investment in capital assets	35,486,201	4,683,525	7,271,263
Restricted for:			
Pensions	217,277	-	888
Debt service	603,025	93,480	-
Unrestricted	7,624,341	1,057,213	461,949
<b>Total Net Position</b>	<b>\$ 43,930,844</b>	<b>\$ 5,834,218</b>	<b>\$ 7,734,100</b>

See Notes to Financial Statements.

<b>Business-Type Activities</b>	
<b>Enterprise Funds</b>	
<b>Nonmajor Sanitary Landfill</b>	<b>Total</b>
20,787	997,668
3,900	524,935
9,314	74,997
-	1,688,729
-	415,682
-	12,190
-	49,022
<u>34,001</u>	<u>3,763,223</u>
12,932	80,480
1,035	8,333
186,600	186,600
-	22,315,325
<u>234,568</u>	<u>26,353,961</u>
59,167	368,222
299	1,861
<u>59,466</u>	<u>370,083</u>
1,611,884	49,052,872
41,767	259,932
-	696,505
1,223,122	10,366,626
<u>\$ 2,876,773</u>	<u>\$ 60,375,935</u>

# City of Stephenville, Texas

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUNDS

For the Year Ended September 30, 2021

### Business-Type Activities

#### Enterprise Funds

	Enterprise Funds		
	Water and Wastewater	Storm Water Drainage	Nonmajor Airport
<b>Operating Revenues</b>			
Water revenue	\$ 5,205,695	\$ -	\$ -
Sewer revenue	3,785,517	-	-
Airport services	-	-	113,231
Storm drainage	-	757,477	-
Sanitation landfill	-	-	-
Other income	53,420	5,205	-
<b>Total Operating Revenues</b>	<b>9,044,632</b>	<b>762,682</b>	<b>113,231</b>
<b>Operating Expenses</b>			
Personnel services	-	-	4,925
Contractual services	-	-	-
Materials and supplies	-	-	-
Utilities administration and customer service	617,432	-	-
Water and production and distribution	1,489,883	-	-
Wastewater collection and treatment	1,316,671	-	-
Billing and collection	329,336	-	-
Stormwater	-	26,184	-
Airport operations	-	-	79,807
Depreciation	1,335,526	270,522	121,219
<b>Total Operating Expenses</b>	<b>5,088,848</b>	<b>296,706</b>	<b>205,951</b>
<b>Operating Income (Loss)</b>	<b>3,955,784</b>	<b>465,976</b>	<b>(92,720)</b>
<b>Nonoperating Revenues (Expenses)</b>			
Investment income	7,150	395	-
Interest expense	(234,192)	(175,011)	-
Bank fees	(283)	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(227,325)</b>	<b>(174,616)</b>	<b>-</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>3,728,459</b>	<b>291,360</b>	<b>(92,720)</b>
<b>Transfers</b>			
Capital grants and contributions	2,632,354	1,738,470	314,469
Transfers in	530,068	-	160,000
Transfers (out)	(958,299)	(264,439)	-
<b>Change in Net Position</b>	<b>5,932,582</b>	<b>1,765,391</b>	<b>381,749</b>
Beginning net position	37,998,262	4,068,827	7,352,351
<b>Ending Net Position</b>	<b>\$ 43,930,844</b>	<b>\$ 5,834,218</b>	<b>\$ 7,734,100</b>

See Notes to Financial Statements.

**Business-Type Activities  
Enterprise Funds**

<b>Nonmajor</b>	
<b>Sanitary Landfill</b>	<b>Total</b>
\$ -	\$ 5,205,695
-	3,785,517
-	113,231
-	757,477
1,024,361	1,024,361
6,120	64,745
<u>1,030,481</u>	<u>10,951,026</u>
211,220	216,145
45,020	45,020
187,399	187,399
-	617,432
-	1,489,883
-	1,316,671
-	329,336
-	26,184
-	79,807
199,881	1,927,148
<u>643,520</u>	<u>6,235,025</u>
<u>386,961</u>	<u>4,716,001</u>
494	8,039
-	(409,203)
-	(283)
<u>494</u>	<u>(401,447)</u>
387,455	4,314,554
-	4,685,293
-	690,068
(28,763)	(1,251,501)
<u>358,692</u>	<u>8,438,414</u>
2,518,081	51,937,521
<u>\$ 2,876,773</u>	<u>\$ 60,375,935</u>

# City of Stephenville, Texas

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 1 of 2) For the Year Ended September 30, 2021

	Business-Type Activities		
	Enterprise Funds		
	Water and Wastewater	Storm Water Drainage	Nonmajor Airport
<b><u>Cash Flows from Operating Activities</u></b>			
Receipts from customers	\$ 8,961,982	\$ (331,072)	\$ 113,189
Receipts (payments) from interfund transactions	-	415,682	(360,000)
Payments to suppliers and contractors	(3,447,801)	(26,184)	(39,158)
Payments to employees for salaries and benefits	(645,973)	-	(4,950)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>4,868,208</b>	<b>58,426</b>	<b>(290,919)</b>
<b><u>Cash Flows from Noncapital Financing Activities</u></b>			
Transfer in	530,068	-	160,000
Transfer (out)	(958,299)	(264,439)	-
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>(428,231)</b>	<b>(264,439)</b>	<b>160,000</b>
<b><u>Cash Flows from Capital and Related Financing Activities</u></b>			
Purchases of capital assets	(1,542,584)	(1,755,651)	(349,411)
Capital grants	2,632,354	1,738,470	314,469
Principal paid on capital debt	(1,344,609)	(315,000)	-
Change in landfill closure costs	-	-	-
Bank fees paid	(283)	-	-
Interest paid on capital debt	(243,461)	(184,447)	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(498,583)</b>	<b>(516,628)</b>	<b>(34,942)</b>
<b><u>Cash Flows from Investing Activities</u></b>			
Interest on investments	7,150	395	-
<b>Net Cash Provided by Investing Activities</b>	<b>7,150</b>	<b>395</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>3,948,544</b>	<b>(722,246)</b>	<b>(165,861)</b>
Beginning cash and cash equivalents	16,850,611	889,609	171,622
<b>Ending Cash and Cash Equivalents</b>	<b>\$ 20,799,155</b>	<b>\$ 167,363</b>	<b>\$ 5,761</b>

See Notes to Financial Statements.

<b>Business-Type Activities</b>	
<b>Enterprise Funds</b>	
<b>Nonmajor Sanitary Landfill</b>	<b>Total</b>
\$ 1,025,974	\$ 9,770,073
-	55,682
(229,013)	(3,742,156)
(222,217)	(873,140)
<u>574,744</u>	<u>5,210,459</u>
-	690,068
<u>(28,763)</u>	<u>(1,251,501)</u>
<u>(28,763)</u>	<u>(561,433)</u>
-	(3,647,646)
-	4,685,293
-	(1,659,609)
11,133	11,133
-	(283)
-	(427,908)
<u>11,133</u>	<u>(1,039,020)</u>
<u>494</u>	<u>8,039</u>
<u>494</u>	<u>8,039</u>
557,608	3,618,045
<u>869,917</u>	<u>18,781,759</u>
<u>\$ 1,427,525</u>	<u>\$ 22,399,804</u>

# City of Stephenville, Texas

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS (Page 2 of 2) For the Year Ended September 30, 2021

	Business-Type Activities		
	Enterprise Funds		
	Water and Wastewater	Storm Water Drainage	Nonmajor Airport
<b><u>Reconciliation of Operating Income (Loss)</u></b>			
<b><u>to Net Cash Provided (Used) by Operating Activities</u></b>			
Operating Income (Loss)	\$ 3,955,784	\$ 465,976	\$ (92,720)
Adjustments to reconcile operating income to net cash provided (used):			
Depreciation	1,335,526	270,522	121,219
<b>Changes in Operating Assets and Liabilities:</b>			
<b>(Increase) Decrease in:</b>			
Accounts receivable	(228,402)	(1,342,481)	(42)
Inventory	2,322	-	-
Prepaid items	-	-	32,950
Deferred Outflows of Resources:			
Deferred pension charges	118,520	-	934
OPEB charges	(5,677)	-	(12)
<b>Increase (Decrease) in:</b>			
Accounts payable and accrued expenses	(314,233)	248,727	7,699
Customer deposits	145,752	-	-
Compensated absences	16,443	-	-
Due to (from) other funds	-	415,682	(360,000)
Net pension liability (asset)	(40,708)	-	202
OPEB liability	3,373	-	(73)
Deferred Inflows of Resources:			
Pension inflows	(121,759)	-	(1,080)
OPEB inflows	1,267	-	4
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 4,868,208</b>	<b>\$ 58,426</b>	<b>\$ (290,919)</b>

See Notes to Financial Statements.

<b>Business-Type Activities</b>	
<b>Enterprise Funds</b>	
<u>Nonmajor Sanitary Landfill</u>	<u>Total</u>
\$ 386,961	\$ 4,716,001
199,881	1,927,148
(4,607)	(1,575,532)
-	2,322
-	32,950
9,606	129,060
(1,431)	(7,120)
3,406	(54,401)
100	145,852
2,332	18,775
-	55,682
(18,630)	(59,136)
3,190	6,490
(6,319)	(129,158)
255	1,526
<u>\$ 574,744</u>	<u>\$ 5,210,459</u>



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# City of Stephenville, Texas

## NOTES TO FINANCIAL STATEMENTS

September 30, 2021

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

#### B. Reporting Entity

The City of Stephenville, Texas (the "City"), was incorporated in 1889, and operates as a home rule City. The City operates under a council-manager form of government and provides the following services as authorized by its charter: general government, public safety (police, fire, and EMS), highway and streets, culture and recreation, community development (planning and zoning, licensing, permitting, and inspection), water and wastewater system, storm water drainage, airport, and sanitary landfill.

The City is an independent political subdivision of the State of Texas governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City's financial reporting entity. The Stephenville Economic Development Authority (the "SEDA") although legally separate, is considered part of the reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**Discretely Presented Component Unit**

Stephenville Economic Development Authority

The SEDA is governed by a board of seven members, all of whom are appointed by the City Council of the City of Stephenville, Texas and whom can be removed from office by the City Council at its will. SEDA has potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the City. SEDA was incorporated in the state of Texas in 2015. The nature and significance of the relationship between the primary government and SEDA is such that exclusion would cause the City's financial statements to be misleading and incomplete.

Separate financial statements for SEDA as of and for the fiscal year ended September 30, 2021 are not prepared.

**Blended Component Unit**

Tax Increment Financing Fund

The Tax Increment Financing fund was created to encourage and accelerate planned development within the City limits. The fund accounts for all tax and expenditure activity associated with the fund's primary purpose. The tax increment is derived from the difference in appraised value between the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence. The Board is comprised of eight City Council Members, the Mayor, and two members appointed by the Stephenville Economic Development Authority. The TIF Board is substantially the same as City Council and the fund functions similar to a department of the City. As such, the TIF Fund is reported as a blended component unit/special revenue fund. Separate audited financial statements are not available.

**C. Basis of Presentation - Government-Wide and Fund Financial Statements**

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

As discussed earlier, the government has one discretely presented component unit and is shown in separate columns in the government-wide financial statements.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

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

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

The government reports the following major governmental funds:

**General Fund**

The general fund is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales and franchise taxes, licenses and permits, emergency services, and charges for services. Expenditures include general government, public safety, streets, culture and recreation, and community development.

**Capital Projects Fund**

This fund was established to account for resources to be used for the acquisition or construction of general major capital facilities. Financing is provided primarily from bond proceeds and transfers from the general fund.

The government reports the following major enterprise funds:

**Water and Wastewater Fund**

The water and wastewater fund accounts for the operation of the water distribution system and the wastewater treatment plants, wastewater pumping stations, and collection systems.

**Storm Water Drainage Fund**

The storm water drainage fund is used to account for the activities necessary for the provisions of storm water drainage services.

**City of Stephenville, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2021

Additionally, the government reports the following fund types:

**Special Revenue Funds**

The City accounts for resources restricted to, or designated for, specific purposes (not including expendable trusts or major capital projects) in a special revenue fund. These funds consist of the hotel/motel tax, child safety, public safety, municipal court technology, and TIF funds.

**Debt Service Fund**

The City's debt service fund accounts for the accumulation of resources to service the City's governmental long-term debt.

**Airport Fund**

The Airport fund accounts for municipal airport services and to support air transportation and charter services. This fund is presented as a nonmajor proprietary fund.

**Sanitary Landfill Fund**

This fund is used to account for solid waste collection and disposal services provided to the residents of the City. This fund is presented as a nonmajor proprietary fund.

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

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

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**D. Measurement focus and basis of accounting**

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

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

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

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

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Agency funds have no measurement focus but utilize the *accrual basis of accounting* for reporting its assets and liabilities. The City of Stephenville does not have any pension and other postemployment benefit trust, private-purpose trust or agency funds.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

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

**1. Deposits and Investments**

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

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the City reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, such as TexPool, are reported using the pools' share price. The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, of the Texas Governmental Code. In summary, the City is authorized to invest in the following:

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

**2. Fair Value**

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

**3. Receivables and Interfund Transactions**

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

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

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

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

**4. Inventories and Prepaid Items**

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

**5. Capital Assets**

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

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

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

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Airport improvements	40 years
Waterworks and sanitation system	33 1/3 years
Infrastructure	20 years
Buildings and improvements	20 - 40 years



**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**6. Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, fines and fees, and EMS. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**7. Net Position Flow Assumption**

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

**8. Fund Balance Flow Assumptions**

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

**City of Stephenville, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
 September 30, 2021

unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**9. Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

The government has adopted a policy to maintain a minimum reserve of unassigned fund balance in the general fund at an amount equal to or greater than 25% of budgeted expenditures of that fund.

**10. Long-Term Obligations**

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

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payments of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources.

Long-term debt and other obligations, financed by proprietary funds, are reported as liabilities in the appropriate funds. For proprietary fund types, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are expensed when incurred.

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

#### **11. Pensions**

For purposes of measuring the net pension liability (asset), 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.

#### **12. Other Postemployment Benefits ("OPEB")**

The City has implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This statement applies to the individual employers (TMRS cities) in the TMRS Supplemental Death Benefits (SDB) plan, with retiree coverage. The TMRS SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) as such the SDBF is considered to be an unfunded OPEB plan. For purposes of reporting under GASB 75, the retiree portion of the SDBF is not considered a cost sharing plan and is instead considered a single employer, defined benefit OPEB plan. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary, calculated based on the employee's actual earnings on which TMRS deposits are made, for the 12-month period preceding the month of death. The death benefit amount for retirees is \$7,500. GASB No. 75 requires the liability of employers

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position.

**13. Estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**F. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**2. Property Taxes**

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

Property taxes at the fund level are recorded as receivables and deferred revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

Legislation was passed in 1979 and amended in 1981 by the Texas Legislature which affects the method of property assessment and tax collection in the City. This legislation, with certain exceptions, exempts intangible personal property and household goods. In addition, this legislature creates a "Property Tax Code" and provides, among other things, for the establishment of county-wide appraisal districts and for a State Property Tax Board which commenced operation in January 1980. The appraisal of property within the City is the responsibility of the Erath County Tax Appraisal District. The Appraisal District is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment rations. The value of real property within the Appraisal District must be reviewed at least every four years. The City, at its own expense, may challenge appraised values established by the Appraisal District through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on property within the City limits. If the adopted tax rate, excluding tax rates for bonds and other contractual obligations, adjusted for new improvements and revaluation, exceeds the rate of the previous year by more than three & one-half percent (voter-approval tax rate), an automatic property tax election is required. However, Cities with a population under 30,000, have the option to calculate a de minimis tax rate that would generate \$500,000 in more property tax revenue than that of the previous year. If the approved tax rate is above the voter-approval rate but less than the de minimis rate, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than three and one-half percent above the rate of the previous year.

### **3. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation pay benefits up to specified limits. Employees can carry forward unused sick leave benefits, however, no liability is reported for unpaid accumulated sick leave. Vacation pay is accrued when incurred in the government-wide, and proprietary fund type statement of net position. Compensated absences are reported in governmental funds only if they have matured for example, as a result of employee's resignation and retirement.

### **4. Proprietary Funds Operating and Nonoperating Revenues and Expenses**

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund, storm water drainage, airport, and sanitary landfill funds are charges to customers for sales and services. The water and sewer fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental states that, “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.”

## III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for the general fund, special revenue funds, and debt service fund. Budgets are adopted for the proprietary fund annually only as a management tool. Capital projects funds do not present a budget comparison since project length financial plans usually extend into two or more fiscal years, thus making comparisons confusing and misleading. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the City Charter is the department level. No funds can be transferred or added which affect the total fund expenditures without City Council approval. Appropriations lapse at the end of the year, unless legally encumbered. Several supplemental budget appropriations were made during the year.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**A. Restricted Fund Equity**

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

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

	<b>Restricted</b>
Tourism	\$ 603,245 *
Municipal court	10,294 *
Public safety	67,172 *
Debt service	202,148
Capital projects	9,610,612
<b>Total</b>	<b>\$ 10,493,471</b>

\* Restricted by enabling legislation

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

As of September 30, 2021, the primary government had the following investments:

<b>Investment Type</b>	<b>Value</b>	<b>Weighted Average Maturity (Years)</b>
External investment pools	\$ 43,661,385	0.10
Total value	\$ 43,661,385	
Portfolio weighted average maturity		0.10

As of September 30, 2021, the SEDA, a discretely presented component unit, had the following investments:

<b>Investment Type</b>	<b>Value</b>	<b>Weighted Average Maturity (Years)</b>
External investment pools	\$ 1,052,622	0.10
Total value	\$ 1,052,622	
Portfolio weighted average maturity		0.10

**City of Stephenville, Texas**  
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*Interest rate risk* In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average of maturity not to exceed one year; structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations; monitoring credit ratings of portfolio position to assure compliance with rating requirements imposed by the Public Funds Investment Act; and invest operating funds primarily in short-term securities or similar government investment pools.

*Credit risk:* The City's investment policy limits investments to obligations of the United States, State of Texas, or their agencies and instrumentalities with an investment quality rating of not less than "A" or its equivalent, by a nationally recognized investment rating firm. Other obligations must be unconditionally guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency and investment pools with an investment quality not less than AAA or AAA-m, or equivalent, by at least one nationally recognized rating service. As of September 30, 2021, the City's investment in investment pools were rated AAAM by Standard & Poor's.

*Custodial credit risk – deposits:* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require that all deposits in financial institutions be insured or fully collateralized by U.S. government obligations or its agencies and instrumentalities or direct obligations of Texas or its agencies and instrumentalities that have a market value of at least 102% of the principal amount of the deposits. As of September 30, 2021, the market values of pledged securities and FDIC exceeded bank balances and State requirements.

*Custodial credit risk – investments:* For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

**TexPool**

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rate TexPool AAAM. As a requirement to maintain the rating, weekly portfolio information must



**City of Stephenville, Texas**  
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be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. There were no limitations or restrictions on withdrawals.

**TexSTAR**

TexSTAR has been established for governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexSTAR's governing body is a five-member Board consisting of three representatives of participants and one member designated by each of the co-administrators. The Board holds legal title to all money, investments, and assets and has the authority to employ personnel, contract for services, and engage in other administrative activities necessary or convenient to accomplish the objectives of TexSTAR. Board oversight of TexSTAR is maintained through daily, weekly, and monthly reporting requirements. TexSTAR is rated AAAM by Standard & Poor's. The City's fair value position is stated at the value of the position upon withdrawal. There were no limitations or restrictions on withdrawals.

**B. Receivables**

The following comprise receivable balances of the primary government at year end:

	<b>Governmental Activities</b>				<b>Total</b>
	<b>Nonmajor</b>				
	<b>General</b>	<b>Governmental</b>			
Property taxes	\$ 125,325	\$ 7,374			\$ 132,699
Sales and mixed beverage tax	1,393,005	-			1,393,005
Franchise tax	25,261	-			25,261
Hotel/motel taxes	-	60,194			60,194
Court	297,925	-			297,925
Ambulance billing	1,617,419	-			1,617,419
Other	527,033	365			527,398
Allowance	(1,314,020)	(4,041)			(1,318,061)
	\$ 2,671,948	\$ 63,892			\$ 2,735,840

	<b>Business-Type Activities</b>				<b>Total</b>
	<b>Water and Wastewater</b>	<b>Storm Water Drainage</b>	<b>Airport</b>	<b>Sanitary Landfill</b>	
	Accounts	\$ 2,177,262	\$ 1,444,673	\$ -	
Other	38,114	-	314	-	38,428
Allowance	(689,017)	(23,271)	-	-	(712,288)
	\$ 1,526,359	\$ 1,421,402	\$ 314	\$ 27,733	\$ 2,975,808

**City of Stephenville, Texas**  
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The SEDA, a discretely presented component unit, had receivables of \$126,323 as of yearend which consisted entirely of sales tax.

**C. Capital Assets**

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 2,676,079	\$ 2,952,283	\$ -	\$ 5,628,362
Construction in progress	673,453	729,022	(609,944)	792,531
Total capital assets not being depreciated	<u>3,349,532</u>	<u>3,681,305</u>	<u>(609,944)</u>	<u>6,420,893</u>
Capital assets, being depreciated:				
Buildings and improvements	7,275,602	182,380	-	7,457,982
Machinery and equipment	11,081,390	387,437	249,184	11,718,011
Infrastructure	28,264,517	1,261,041	347,345	29,872,903
Total capital assets being depreciated	<u>46,621,509</u>	<u>1,830,858</u>	<u>596,529</u>	<u>49,048,896</u>
Less accumulated depreciation				
Buildings and improvements	2,451,482	188,335	-	2,639,817
Machinery and equipment	7,088,872	540,834	(12,073)	7,617,633
Infrastructure	13,776,083	946,940	-	14,723,023
Total accumulated depreciation	<u>23,316,437</u>	<u>1,676,109</u>	<u>(12,073)</u>	<u>24,980,473</u>
Net capital assets being depreciated	23,305,072	154,749	608,602	24,068,423
<b>Total Capital Assets</b>	<u>\$ 26,654,604</u>	<u>\$ 3,836,054</u>	<u>\$ (1,342)</u>	<u>\$ 30,489,316</u>

Depreciation was charged to governmental functions as follows:

General government	\$ 75,165
Public safety	529,495
Streets	747,544
Culture and recreation	323,905
<b>Total Governmental Activities Depreciation Expense</b>	<u>\$ 1,676,109</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
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A summary of changes in business-type activities capital assets for the year end was as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, not being depreciated:				
Land	\$ 4,408,826	\$ 438,401	\$ -	\$ 4,847,227
Construction in progress	8,755,578	2,430,197	(6,248,098)	4,937,677
Total capital assets not being depreciated	<u>13,164,404</u>	<u>2,868,598</u>	<u>(6,248,098)</u>	<u>9,784,904</u>
Capital assets, being depreciated:				
Buildings and improvements	19,935,627	-	-	19,935,627
Machinery and equipment	5,463,708	30,324	-	5,494,032
Infrastructure	60,884,223	748,724	6,248,098	67,881,045
Total capital assets being depreciated	<u>86,283,558</u>	<u>779,048</u>	<u>6,248,098</u>	<u>93,310,704</u>
Less accumulated depreciation				
Buildings and improvements	6,302,316	487,109	-	6,789,425
Machinery and equipment	3,504,367	259,393	-	3,763,760
Infrastructure	31,041,839	1,180,646	-	32,222,485
Total accumulated depreciation	<u>40,848,522</u>	<u>1,927,148</u>	<u>-</u>	<u>42,775,670</u>
Net capital assets being depreciated	45,435,036	(1,148,100)	6,248,098	50,535,034
<b>Total Capital Assets</b>	<u>\$ 58,599,440</u>	<u>\$ 1,720,498</u>	<u>\$ -</u>	<u>\$ 60,319,938</u>

Depreciation was charged to business-type activities as follows:

Water	\$ 668,378
Sewer	667,148
Storm water drainage	270,522
Airport Fund	121,219
Landfill	199,881
<b>Total Business-type Activities Depreciation Expense</b>	<u>\$ 1,927,148</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

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

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Retirements/ Reclassifications</u>	<u>Ending Balances</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ -	\$ 60,438	\$ -	\$ 60,438
Total capital assets being depreciated	<u>-</u>	<u>60,438</u>	<u>-</u>	<u>60,438</u>
Less accumulated depreciation				
Machinery and equipment	-	5,439	-	5,439
Total accumulated depreciation	<u>-</u>	<u>5,439</u>	<u>-</u>	<u>5,439</u>
Net capital assets being depreciated	<u>-</u>	<u>54,999</u>	<u>-</u>	<u>54,999</u>
<b>Total Capital Assets</b>	<u>\$ -</u>	<u>\$ 54,999</u>	<u>\$ -</u>	<u>\$ 54,999</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**D. Long-term Debt**

The following is a summary of changes in the City's total long-term liabilities for the year ended September 30, 2021. In general, the City uses the debt service fund and general fund to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Bonds, notes and other payables:					
Certificates of Obligation	\$ 14,465,000	\$ -	\$ (190,000)	\$ 14,275,000	\$ 200,000
Capital lease obligations	1,207,732	105,998	(313,616)	1,000,114	199,538
Notes payable	-	91,003	-	91,003	17,025
Less deferred amounts:					
For discounts	(1,523)	-	133	(1,390)	-
For premiums	1,008,650	-	(52,195)	956,455	-
<b>Total Governmental Activities</b>	<u>\$ 16,679,859</u>	<u>\$ 197,001</u>	<u>\$ (555,678)</u>	<u>\$ 16,321,182</u>	<u>\$ 416,563</u>
				<u>\$ 15,904,619</u>	
					<u>\$ 15,904,619</u>
<b>Business-Type Activities:</b>					
General Obligation Bonds	\$ 3,250,000	\$ -	\$ (75,000)	\$ 3,175,000	\$ 80,000
Certificates of Obligation	20,860,000	-	(1,250,000)	19,610,000	1,280,000
Capital lease obligations	1,415,018	-	(334,609)	1,080,409	328,729
Less deferred amounts:					
For discounts	(19,724)	-	1,578	(18,146)	-
For premiums	170,424	-	(13,633)	156,791	-
<b>Total Business-Type Activities</b>	<u>\$ 25,675,718</u>	<u>\$ -</u>	<u>\$ (1,671,664)</u>	<u>\$ 24,004,054</u>	<u>\$ 1,688,729</u>
				<u>\$ 22,315,325</u>	
					<u>\$ 22,315,325</u>

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

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
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Long-term debt at year end was comprised of the following debt issues:

	<b>Governmental Activities</b>	<b>Business - Type Activities</b>	<b>Total</b>
<b>Certificates of Obligation:</b>			
\$4,000,000 Certificates of Obligation, Series 2011, due in annual installments through 2031, interest at 1.75-4.25%	\$ 2,415,000	\$ -	\$ 2,415,000
\$11,860,000 Certificates of Obligation, Series 2020, due in annual installments through 2040, interest at 2-4%	11,860,000	-	11,860,000
\$4,300,000 Certificates of Obligation, Series 2006A, due in annual installments through 2027, interest at 3.92% semi-annually	-	1,660,000	1,660,000
\$1,000,000 Certificates of Obligation, Series 2013 due in annual installments through 2024, interest at 2.49% semi-annually	-	555,000	555,000
\$2,040,000 Certificates of Obligation Bonds, Series 2016 due in annual installments through 2027, interest at 1.84% semi-annually	-	1,950,000	1,950,000
\$17,030,000 Certificates of Obligation Bonds, Series 2018, due in annual installments through 2039, interest at 0.18% to 1.33% semi-annually	-	15,445,000	15,445,000
<b>Total Certificates of Obligation</b>	<b>\$ 14,275,000</b>	<b>\$ 19,610,000</b>	<b>\$ 33,885,000</b>
<b>General Obligation Bonds:</b>			
\$4,775,000 General Obligation Refunding, Series 2013, due in annual installments through 2033, interest at 2.0% to 4.0%	\$ -	\$ 3,175,000	\$ 3,175,000
<b>Total General Obligation Bonds</b>	<b>\$ -</b>	<b>\$ 3,175,000</b>	<b>\$ 3,175,000</b>
Less deferred amounts:			
Issuance premium	\$ 956,455	\$ 156,791	\$ 1,113,246
Issuance discounts	(1,390)	(18,146)	(19,536)
Total deferred amounts	\$ 955,065	\$ 138,645	\$ 1,093,710
Notes payable	91,003	-	91,003
Capital lease obligations	1,000,114	1,080,409	2,080,523
<b>Total Long-Term Debt</b>	<b>\$ 16,321,182</b>	<b>\$ 24,004,054</b>	<b>\$ 40,325,236</b>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
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The annual requirements to amortize the City's long-term activities debt issues outstanding at year ending were as follows:

<u>Year ending</u> <u>September 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 200,000	\$ 413,100	\$ 613,100
2023	695,000	397,225	1,092,225
2024	725,000	370,925	1,095,925
2025	755,000	343,525	1,098,525
2026	785,000	315,025	1,100,025
2027	820,000	300,481	1,120,481
2028	855,000	266,356	1,121,356
2029	885,000	230,906	1,115,906
2030	930,000	193,925	1,123,925
2031	955,000	162,163	1,117,163
2032	680,000	142,550	822,550
2033	695,000	128,800	823,800
2034	710,000	114,750	824,750
2035	725,000	100,400	825,400
2036	740,000	85,750	825,750
2037	755,000	70,800	825,800
2038	770,000	55,550	825,550
2039	785,000	36,075	821,075
2040	810,000	12,150	822,150
	<u>\$ 14,275,000</u>	<u>\$ 3,740,456</u>	<u>\$ 18,015,456</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
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Combination Tax and Revenue Certificates of Obligations

<u>Year ending September 30,</u>	<u>Business-Type Activites</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,280,000	\$ 261,767	\$ 1,541,767
2023	1,265,000	243,345	1,508,345
2024	1,285,000	223,826	1,508,826
2025	1,695,000	199,761	1,894,761
2026	1,730,000	171,085	1,901,085
2027	1,755,000	140,876	1,895,876
2028	830,000	121,510	951,510
2029	840,000	113,368	953,368
2030	845,000	104,731	949,731
2031	855,000	95,635	950,635
2032	865,000	86,088	951,088
2033	875,000	76,082	951,082
2034	885,000	65,565	950,565
2035	895,000	54,528	949,528
2036	910,000	43,020	953,020
2037	920,000	31,125	951,125
2038	935,000	18,881	953,881
2039	945,000	6,332	951,332
	<u>\$ 19,610,000</u>	<u>\$ 2,057,524</u>	<u>\$ 21,667,524</u>

General Obligation Bonds

<u>Year ending September 30,</u>	<u>Business-Type Activites</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 80,000	\$ 113,200	\$ 193,200
2023	80,000	111,200	191,200
2024	80,000	108,800	188,800
2025	85,000	106,325	191,325
2026	85,000	103,775	188,775
2027	90,000	101,150	191,150
2028	405,000	93,725	498,725
2029	420,000	80,825	500,825
2030	440,000	65,200	505,200
2031	450,000	47,400	497,400
2032	470,000	29,000	499,000
2033	490,000	9,800	499,800
	<u>\$ 3,175,000</u>	<u>\$ 970,400</u>	<u>\$ 4,145,400</u>



**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
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Governmental assets under capital lease consist of vehicles and have an original purchase value of \$1,566,519 and a current net book value of \$1,278,611 of year end.

Business-type assets under capital lease consist of water meters and infrastructure and have an original purchase value of \$2,988,450 and a current net book value of \$2,494,598 of year end.

The annual requirements to amortize capital leases outstanding at year ending were as follows:

<u>Year ending September 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 199,538	\$ 33,433	\$ 232,971
2023	146,162	26,195	172,357
2024	144,619	21,438	166,057
2025	121,419	16,517	137,936
2026	125,353	12,583	137,936
2027	129,414	8,522	137,936
2028	133,609	4,329	137,938
<b>Total</b>	<u>\$ 1,000,114</u>	<u>\$ 123,016</u>	<u>\$ 1,123,130</u>

<u>Year ending September 30,</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 328,729	\$ 25,545	\$ 354,274
2023	371,065	16,868	387,934
2024	380,615	7,317	387,932
<b>Total</b>	<u>\$ 1,080,409</u>	<u>\$ 49,730</u>	<u>\$ 1,130,139</u>

The annual requirements to amortize notes payable outstanding at year ending were as follows:

<u>Year ending September 30,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 17,025	\$ 2,876	\$ 19,901
2023	17,684	2,217	19,901
2024	18,213	1,688	19,901
2025	18,759	1,142	19,901
2026	19,322	579	19,901
<b>Total</b>	<u>\$ 91,003</u>	<u>\$ 8,502</u>	<u>\$ 99,505</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**E. Other Long-term Liabilities**

The following is a summary of changes in the City's total other long-term liabilities for the year ended September 30, 2021. In general, the City uses the general fund to liquidate governmental compensated absences.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated Absences	\$ 636,815	\$ 523,038	\$ (555,278)	\$ 604,575	\$ 544,118
<b>Total Governmental Activities</b>	<u>\$ 636,815</u>	<u>\$ 523,038</u>	<u>\$ (555,278)</u>	<u>\$ 604,575</u>	<u>\$ 544,118</u>
	<b>Long-term liabilities due in more than one year</b>			<u>\$ 60,457</u>	
<b>Business-Type Activities:</b>					
Estimated landfill closure and postclosure cost	\$ 175,467	\$ 11,133	\$ -	\$ 186,600	-
Compensated Absences	64,555	75,259	(56,484)	83,330	74,997
<b>Total Business-Type Activities</b>	<u>\$ 240,022</u>	<u>\$ 86,392</u>	<u>\$ (56,484)</u>	<u>\$ 269,930</u>	<u>\$ 74,997</u>
	<b>Long-term liabilities due in more than one year</b>			<u>\$ 194,933</u>	
<b>Component Unit Activities:</b>					
Compensated Absences	\$ 10,964	\$ 1,444	\$ -	\$ 12,408	\$ 11,167
<b>Total Component Unit Activities</b>	<u>\$ 10,964</u>	<u>\$ 1,444</u>	<u>\$ -</u>	<u>\$ 12,408</u>	<u>\$ 11,167</u>
	<b>Long-term liabilities due in more than one year</b>			<u>\$ 1,241</u>	

**F. Deferred Charges on Refunding**

Deferred charges resulting from the issuance of general obligation refunding bonds have been recorded as deferred outflows of resources and are being amortized to interest expense over the shorter of either the remaining term of the refunded debt or the refunding bonds. Current year balances for governmental and business-type activities totaled \$12,862 and \$35,182, respectively. Current year amortization expense for governmental and business-type activities totaled \$1,119 and \$4,764, respectively.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**G. Interfund Transactions**

Transfers between the primary government funds during the 2021 year were as follows:

<b>Transfer out:</b>	<b>Transfer In:</b>					<b>Total</b>
	<b>General</b>	<b>Capital Projects</b>	<b>Nonmajor Governmental</b>	<b>Water &amp; Wastewater</b>	<b>Airport</b>	
General	\$ -	\$ 967,565	\$ 245,703	\$ -	\$ 160,000	\$ 1,373,268
Capital projects	-	-	-	495,315	-	495,315
Nonmajor Govt	-	-	343,650	-	-	343,650
Water & Wastewater	939,604	-	18,695	-	-	958,299
Stormwater Drainage	164,255	-	65,431	34,753	-	264,439
Nonmajor Enterprise	28,763	-	-	-	-	28,763
<b>Total</b>	<b>\$ 1,132,622</b>	<b>\$ 967,565</b>	<b>\$ 673,479</b>	<b>\$ 530,068</b>	<b>\$ 160,000</b>	<b>\$ 3,463,734</b>

Transfers between funds were primarily to support capital projects, internal administration costs, debt service, and operation of funds.

The compositions of interfund balances as of the year ended September 30, 2021 were as follows:

<b>Due to (payable):</b>	<b>Due from (receivable):</b>		
	<b>Nonmajor</b>		<b>Total</b>
	<b>Govt</b>	<b>Airport</b>	
Capital projects	\$ 30,317	\$ -	30,317
Stormwater drainage	55,682	360,000	415,682
Nonmajor governmental	10,032	-	10,032
<b>Total</b>	<b>\$ 96,031</b>	<b>\$ 360,000</b>	<b>\$ 456,031</b>

<b>Due to (payable):</b>	<b>Due from (receivable):</b>
	<b>Nonmajor</b>
SEDA (Component Unit)	\$ 41,273
<b>Total</b>	<b>\$ 41,273</b>

Interfund receivables and payables related to negative cash positions in pooled cash equity and various amounts used to cover operational and capital expenditures. All balances are expected to be resolved in the subsequent year.

**City of Stephenville, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
September 30, 2021

**V. OTHER INFORMATION**

**A. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters for which the City participates along with over 2,800 other entities in the Texas Municipal League's Intergovernmental Risk Pools. The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

**B. Commitments and Contingent Liabilities**

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

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's management that the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

The City had the following construction commitments as of year end:

Project	Spent to Date	Contract Amount	Remaining Commitment
Eastside Sewer Project - Engineering	\$ 706,238	\$ 707,182	\$ 944
Eastside Sewer Project - Construction Materials Testing	20,565	34,458	13,893
Eastside Sewer Project - Project Management	138,955	165,000	26,045
Green Ribbon Grant Median Improvements	40,400	41,000	600
536 Well Field Development - Engineering	79,075	450,000	370,925
Airport Extension	281,232	294,953	13,721
377 Ground Storage Tank - Engineering	82,555	85,200	2,645
Airport Pump Station Expansion	186,270	287,500	101,230
South Lockhart Rd Engineering	86,909	92,378	5,469
CDBG GLO Project Grosebeck Storm Drainage-Engineering	165,640	202,000	36,360
CDBG GLO Project Grosebeck Storm Drainage-Admin Svcs	92,850	108,000	15,150
	<u>\$ 1,880,689</u>	<u>\$ 2,467,671</u>	<u>\$ 586,982</u>

### C. Municipal Solid Waste Landfill Closure and Post Closure Costs

The City has constructed a Type IV sanitary landfill, which began operations on December 1, 1995. This facility is permitted to accept only brush and/or construction demolition wastes and rubbish free of household wastes.

State and federal laws and regulation require the City to place a final cover on the landfill site when it stops accepting waste to perform certain maintenance and monitoring functions at the site for a period of five years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City will report a portion of these closure and post closure costs as an operating expense in each period based on landfill capacity used to date. Estimated closure and 5-year post closure costs are approximately \$443,581. The landfill site has an estimate net capacity of 1,216,156 cubic yards and is expected to be closed within the next 20-30 years; approximately 42.07% of the landfill was used at yearend. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The City has received written authorization from the state that no annual contributions are required, thus the intent of the City is to fund the required expenses as incurred.

### D. Defined Benefit Pension Plans

#### 1. Plan Description

The City of Stephenville, Texas participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

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

**2. Benefits Provided**

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

At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24 or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

The general and enterprise funds have typically been used to liquidate the liability for pension and OPEB balances.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

Plan provisions for the City were as follows:

	<u>Plan Year 2020</u>	<u>Plan Year 2019</u>
Employee deposit rate	6%	6%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI
Active Employees	Yes	Yes
Supplemental Death Benefit to Retirees	Yes	Yes

**Employees covered by benefit terms**

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	110
Inactive employees entitled to but not yet receiving benefits	132
Active employees	<u>158</u>
<b>Total</b>	<b><u>400</u></b>

**3. Contributions**

Member contribution rates in TMRS are either 5%, 6% or 7% of the Member's total compensation, and the city matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

Employees for the City of Stephenville, Texas were required to contribute 6% of their annual gross earnings during the fiscal year. The contribution rates for the City of Stephenville, Texas were 6.67% and 7.05% in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were \$642,735, and were equal to the required contributions.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**4. Net Pension Liability (Asset)**

The City's Net Pension Liability (Asset) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

**Actuarial assumptions**

The Total Pension Liability (Asset) in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

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

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a



**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100.0%	

**Discount Rate**

The discount rate used to measure the Total Pension Liability (Asset) 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 members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability (Asset). Of the total pension (asset), \$3,130,704 is related to the primary government and \$62,914 is attributable to discretely presented component units.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**Changes in the Net Pension Liability (Asset)**

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Total Net Pension Liability (Asset) (a) – (b)</b>	<b>Primary Government</b>	<b>Component Unit</b>
<b>Balance at 12/31/2019</b>	\$ 41,990,975	\$ 44,455,838	\$ (2,464,863)	\$ (2,417,291)	\$ (47,572)
Changes for the year:					
Service cost	1,239,233	-	1,239,233	1,214,820	24,413
Interest	2,803,005	-	2,803,005	2,747,786	55,219
Change in benefit terms	-	-	-	-	-
Difference between expected and actual experience	(264,202)	-	(264,202)	(258,997)	(5,205)
Changes of assumptions	-	-	-	-	-
Contributions – employer	-	609,114	(609,114)	(597,115)	(11,999)
Contributions – employee	-	547,929	(547,929)	(537,135)	(10,794)
Net investment income	-	3,372,435	(3,372,435)	(3,305,998)	(66,437)
Benefit payments, including refunds of emp. contributions	(2,169,177)	(2,169,177)	-	-	-
Administrative expense	-	(21,835)	21,835	21,405	430
Other changes	-	(852)	852	1,821	(969)
Net changes	1,608,859	2,337,614	(728,755)	(713,413)	(15,342)
<b>Balance at 12/31/2020</b>	<b>\$ 43,599,834</b>	<b>\$ 46,793,452</b>	<b>\$ (3,193,618)</b>	<b>\$ (3,130,704)</b>	<b>\$ (62,914)</b>

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

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

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**Primary Government**

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 2,305,234	\$ (3,130,704)	\$ (7,649,513)

**Component Unit**

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 46,326	\$ (62,914)	\$ (153,723)

**Total**

1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
\$ 2,351,560	\$ (3,193,618)	\$ (7,803,236)

**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).

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

For the year ended September 30, 2021, the City recognized pension expense of \$18,482. Of this amount, \$18,118 is related to the primary government and \$364 is attributable to discretely presented component unit.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
<b>Primary Government:</b>		
Difference between projected and actual investment earnings	\$ 1,565,861	\$ (2,802,079)
Differences between expected and actual economic experience	35,987	(283,115)
Difference in assumption changes	20,697	-
Contributions subsequent to the measurement date	509,825	-
<b>Component Unit:</b>		
Difference between projected and actual investment earnings	31,477	(56,310)
Differences between expected and actual economic experience	723	(5,689)
Difference in assumption changes	416	-
Contributions subsequent to the measurement date	10,236	-
<b>Total</b>	<u>\$ 2,175,222</u>	<u>\$ (3,147,193)</u>

The primary government and component unit reported \$509,825 and \$10,236, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2022.

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

<b>Year ended December 31:</b>	<u>Total</u>	<u>Primary Government</u>	<u>Component Unit</u>
2021	\$ (554,920)	\$ (543,988)	\$ (10,932)
2022	(16,935)	(16,601)	(334)
2023	(824,587)	(808,343)	(16,244)
2024	(95,590)	(93,717)	(1,873)
2025	-	-	-
Thereafter	-	-	-
	<u>\$ (1,492,032)</u>	<u>\$ (1,462,649)</u>	<u>\$ (29,383)</u>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**Other Postemployment Benefits**

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City offers supplemental death to:	Plan Year 2020	Plan Year 2019
Active employees (yes or no)	Yes	Yes
Retirees (yes or no)	Yes	Yes

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

**Employees covered by benefit terms**

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	84
Inactive employees entitled to but not yet receiving benefits	26
Active employees	158
<b>Total</b>	<b>268</b>

The City's contributions to the TMRS SDBF for the years ended 2021, 2020, and 2019 were \$11,334, \$4,567, and \$4,366, respectively, which equaled the required contributions each year.

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

Schedule of Contribution Rates  
*(RETIREE-only portion of the rate)*

Plan/ Calendar Year	Annual Required Contribution (Rate)	Actual Contribution Made (Rate)	Percentage of ARC Contributed
2019	0.05%	0.05%	100.0%
2020	0.05%	0.05%	100.0%
2021	0.15%	0.15%	100.0%

**Total OPEB Liability**

The City’s Postemployment Benefits Other Than Pensions Liability (OPEB) was measured as of December 31, 2020, and the Total OPEB Liability was determined by an actuarial valuation as of that date.

**Actuarial assumptions:**

The Total OPEB Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5%, including inflation per year
Discount rate	2.00%
Retirees’ share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68

Salary increases were based on a service-related table. For service retirees and beneficiary mortality rates, the OPEB liability and the OPEB contribution rates utilized the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. Based on the size of the city, rates are multiplied by an additional factor of 100.0%. For disabled annuitants mortality rates, the OPEB liability and the OPEB contribution rates utilized the mortality tables for healthy retirees is used with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

**City of Stephenville, Texas**  
*NOTES TO FINANCIAL STATEMENTS, Continued*  
 September 30, 2021

**Discount Rate:**

The discount rate used to measure the Total OPEB Liability was 2.00%. The discount rate was based on the Fidelity Index’s “20-Year Municipal GO AA Index” rate as of December 31, 2020.

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current rate:

**Primary Government:**

1% Decrease 1.00%	Current Single Rate Assumption 2.00%	1% Increase 3.00%
\$ 824,124	\$ 674,316	\$ 559,957

**Component Unit:**

1% Decrease 1.00%	Current Single Rate Assumption 2.00%	1% Increase 3.00%
\$ 16,561	\$ 13,551	\$ 11,253

**Total:**

1% Decrease 1.00%	Current Single Rate Assumption 2.00%	1% Increase 3.00%
\$ 840,685	\$ 687,867	\$ 571,210

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**Changes in the Total OPEB Liability:**

	<u>Total OPEB Liability</u>	<u>Primary Government</u>	<u>Component Unit</u>
<b>Balance at 12/31/2019</b>	\$ 579,852	\$ 568,661	\$ 11,191
Changes for the year:			
Service Cost	22,830	22,380	450
Interest	16,197	15,878	319
Difference between expected and actual experience	(16,587)	(16,260)	(327)
Changes of assumptions	90,141	88,365	1,776
Benefit payments	(4,566)	(4,476)	(90)
Other changes	-	(232)	232
Net changes	108,015	105,655	2,360
<b>Balance at 12/31/2020</b>	<u>\$ 687,867</u>	<u>\$ 674,316</u>	<u>\$ 13,551</u>

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

For the year ended September 30, 2021, the City recognized OPEB expense of \$64,781. Of this amount, \$63,527 is related to the primary government and \$1,254 is attributable to discretely presented component unit.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB liability from the following sources:

<u>Primary Government</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ (15,599)
Differences in assumptions	132,520	-
Contributions subsequent to measurement date	9,862	-
<b>Total</b>	<u>\$ 142,382</u>	<u>\$ (15,599)</u>



**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

<u>Component Unit</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred (Inflows) of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ (313)
Differences in assumptions	2,663	-
Contributions subsequent to measurement date	198	-
<b>Total</b>	<b>\$ 2,861</b>	<b>\$ (313)</b>

The primary government and component unit reported \$9,862 and \$198, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability for the year ending September 30, 2022.

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

<b>Year ended December 31:</b>	<b>Total</b>	<b>Primary Government</b>	<b>Component Unit</b>
2021	\$ 25,754	\$ 25,247	\$ 507
2022	25,754	25,247	507
2023	24,282	23,804	478
2024	22,183	21,746	437
2025	18,244	17,885	359
Thereafter	3,054	2,994	60
	<b>\$ 119,271</b>	<b>\$ 116,921</b>	<b>\$ 2,350</b>

**City of Stephenville, Texas**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**September 30, 2021**

**E. Tax Abatement Disclosures**

The City negotiates property tax abatement agreements on an individual basis. The City has tax abatement agreements with one entity as of September 30, 2021:

<u>Purpose</u>	Percentage of Taxes Abated during	Amount of Taxes Abated during the Fiscal Year	Amount of Taxes Abated during the Fiscal Year
	the Fiscal Year	Property Tax	Sales Tax
Construction of a well service pump facility by F.M.C. Technologies, Inc. for commercial or industrial purposes.	35%	\$ 19,906	\$ -
Purchase of capital machine tools and modification of existing structure by F.M.C. Technologies, Inc. This agreement is between F.M.C. Technologies Inc. and Erath County.	29%	19,906	-
<b>Total</b>		<b>\$ 39,812</b>	<b>\$ -</b>

Each agreement was negotiated under Article III, Section 52-a, Texas Constitution, and Chapter 312, Texas Tax Code, stating that the City may establish and provide for the administration of a program for making loans and grants of public money to promote state or local economic development and to stimulate business and commercial activity in the municipality. Taxes were abated through a reduction of taxes owed.

The City has not made any commitments as part of the agreements other than to reduce taxes. The City has chosen to disclose information about its tax abatement agreements individually. It established a quantitative threshold of 100% percent of the total dollar amount of taxes abated during the year.

**F. Subsequent Events**

Subsequent to yearend, the City entered into five separate capital lease obligations to finance various equipment and vehicle purchases. The contract values range from \$149,495 to \$1,990,403, with stated interest rates of 2.684% to 3.192%

In April 2022, the City issued \$2,825,000 worth of series 2022 general obligation refunding bonds. The bonds carry interest rates of 3-5% and are due in biannual installments through 2033.

There were no other material subsequent events through July 15, 2022, the date the financial statements were issued.

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***REQUIRED SUPPLEMENTARY INFORMATION***

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND (Page 1 of 2)**  
**For the Year Ended September 30, 2021**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property tax	\$ 6,405,836	\$ 6,405,836	\$ 6,398,403	\$ (7,433)
Sales tax	5,712,368	5,712,368	7,075,224	1,362,856
Franchise and other taxes	1,277,000	1,277,000	1,204,400	(72,600)
License and permits	302,562	302,562	371,076	68,514
Charges for services	510,737	510,737	403,394	(107,343)
Emergency services	613,000	846,313	819,513	(26,800)
Fines and forfeitures	117,850	117,850	101,482	(16,368)
Intergovernmental	200,000	200,000	242,017	42,017
Contributions and donations	648,485	2,001,602	1,248,740	(752,862)
Investment income	19,979	19,979	4,552	(15,427)
Other revenues	39,390	39,390	179,858	140,468
<b>Total Revenues</b>	<b>15,847,207</b>	<b>17,433,637</b>	<b>18,048,659</b>	<b>615,022</b>
<b>Expenditures</b>				
Current:				
General government				
City council	140,757	304,081	288,146	15,935
City administrator	428,220	431,765	418,782	12,983
City secretary	129,688	181,499	154,072	27,427
Emergency management	20,802	20,802	16,619	4,183
Financial services	511,624	541,955	515,999	25,956
Municipal building	95,292	98,859	87,836	11,023
Municipal services center	95,033	95,033	88,436	6,597
Information technology	312,572	354,077	330,114	23,963
Legal counsel	119,842	119,842	118,491	1,351
Human resources	187,799	200,299	198,902	1,397
Downtown	59,132	59,132	36,412	22,720
Tax	170,031	170,031	166,643	3,388
Total general government	2,270,792	2,577,375	2,420,452	156,923
Culture and recreation				
Library	250,197	250,538	238,766	11,772
Parks and recreation	2,521,899	2,323,984	2,270,016	53,968
Senior citizens	141,110	141,110	109,502	31,608
Aquatic	254,859	254,859	254,423	436
Total culture and recreation	3,168,065	2,970,491	2,872,707	97,784

# City of Stephenville, Texas

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND (Page 2 of 2)

For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Community development				
Planning and development	624,279	624,279	508,857	115,422
Total community development	624,279	624,279	508,857	115,422
Public safety				
Municipal court	114,217	114,217	111,119	3,098
Fire department	3,238,807	3,608,252	3,573,822	34,430
Police department	5,244,230	5,783,724	5,444,396	339,328
Total public safety	8,597,254	9,506,193	9,129,337	376,856
Public works				
Street maintenance	978,687	978,687	807,487	171,200
Total public works	978,687	978,687	807,487	171,200
Debt service:				
Principal retirement	279,195	307,316	307,316	-
Interest and fiscal charges	39,979	40,278	40,278	-
Total debt service	319,174	347,594	347,594	-
<b>Total Expenditures</b>	15,958,251	17,004,619	16,086,434	918,185
<b>Revenues Over (Under) Expenditures</b>	(111,044)	429,018	1,962,225	1,533,207
<b>Other Financing Sources (Uses)</b>				
Transfers in	1,098,054	1,098,054	1,132,622	34,568
Transfers (out)	(1,373,268)	(1,373,268)	(1,373,268)	-
Capital lease issuance	-	105,999	105,998	(1)
Loan issuance	-	90,503	91,003	500
Proceeds from sale of assets	-	-	19,451	19,451
<b>Total Other Financing Sources (Uses)</b>	(275,214)	(78,712)	(24,194)	54,518
<b>Net Change in Fund Balance</b>	\$ (386,258)	\$ 350,306	1,938,031	\$ 1,587,725
Beginning fund balance			10,115,117	
<b>Ending Fund Balance</b>			\$ 12,053,148	

### Notes to Required Supplementary Information

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

# City of Stephenville, Texas

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS

Years Ended:

	12/31/2014	12/31/2015	12/31/2016
Total pension liability			
Service cost	\$ 992,735	\$ 1,076,600	\$ 1,240,408
Interest	2,494,034	2,637,868	2,673,757
Changes in benefit terms	-	-	-
Differences between expected and actual experience	(36,585)	(270,060)	341,014
Changes of assumptions	-	86,443	-
Benefit payments, including refunds of participant contributions	(1,370,731)	(1,503,966)	(1,866,778)
<b>Net change in total pension liability</b>	<b>2,079,453</b>	<b>2,026,885</b>	<b>2,388,401</b>
<b>Total pension liability - beginning</b>	<b>35,818,058</b>	<b>37,897,511</b>	<b>39,924,396</b>
<b>Total pension liability - ending (a)</b>	<b>37,897,511</b>	<b>39,924,396</b>	<b>42,312,797</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 1,060,235	\$ 1,056,595	\$ 1,152,678
Contributions - members	436,423	439,450	487,390
Net investment income	1,840,969	50,357	2,307,288
Benefit payments, including refunds of participant contributions	(1,370,731)	(1,503,966)	(1,866,778)
Administrative expenses	(19,219)	(30,670)	(26,054)
Other	(1,580)	(1,514)	(1,403)
<b>Net change in plan fiduciary net position</b>	<b>1,946,097</b>	<b>10,252</b>	<b>2,053,121</b>
<b>Plan fiduciary net position - beginning</b>	<b>32,178,872</b>	<b>34,124,969</b>	<b>34,135,221</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 34,124,969</b>	<b>\$ 34,135,221</b>	<b>\$ 36,188,342</b>
<b>Fund's net pension liability(asset) - ending (a) - (b)</b>	<b>\$ 3,772,542</b>	<b>\$ 5,789,175</b>	<b>\$ 6,124,455</b>
<b>Plan fiduciary net position as a percentage of the total pension liability (asset)</b>	<b>90.05%</b>	<b>85.50%</b>	<b>85.53%</b>
<b>Covered-employee payroll</b>	<b>\$ 6,901,589</b>	<b>\$ 7,215,815</b>	<b>\$ 8,123,168</b>
<b>Fund's net pension liability as a percentage of covered-employee payroll</b>	<b>54.66%</b>	<b>80.23%</b>	<b>75.39%</b>

**Notes to schedule:**

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

	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u> <sup>1</sup>
\$	1,250,973	\$ 1,168,137	\$ 1,185,079	\$ 1,239,233
	2,424,723	2,540,193	2,679,331	2,803,005
	(6,087,924)	-	-	-
	(149,716)	97,553	(105,017)	(264,202)
	-	-	38,003	-
	(1,857,064)	(1,690,739)	(1,815,354)	(2,169,177)
	<u>(4,419,008)</u>	<u>2,115,144</u>	<u>1,982,042</u>	<u>1,608,859</u>
	<u>42,312,797</u>	<u>37,893,789</u>	<u>40,008,933</u>	<u>41,990,975</u>
	<u>37,893,789</u>	<u>40,008,933</u>	<u>41,990,975</u>	<u>43,599,834</u>
\$	1,163,749	\$ 591,042	\$ 571,828	\$ 609,114
	488,628	523,047	537,993	547,929
	5,016,931	(1,227,648)	6,052,577	3,372,435
	(1,857,064)	(1,690,739)	(1,815,354)	(2,169,177)
	(25,993)	(23,720)	(34,194)	(21,835)
	(1,321)	(1,238)	(1,028)	(852)
	<u>4,784,930</u>	<u>(1,829,256)</u>	<u>5,311,822</u>	<u>2,337,614</u>
	<u>36,188,342</u>	<u>40,973,272</u>	<u>39,144,016</u>	<u>44,455,838</u>
\$	<u>40,973,272</u>	<u>\$ 39,144,016</u>	<u>\$ 44,455,838</u>	<u>\$ 46,793,452</u>
\$	<u>(3,079,483)</u>	<u>\$ 864,917</u>	<u>\$ (2,464,863)</u>	<u>\$ (3,193,618)</u>
	108.13%	97.84%	105.87%	107.32%
\$	8,133,762	\$ 8,717,442	\$ 8,843,876	\$ 9,132,155
	-37.86%	9.92%	-27.87%	-34.97%



# City of Stephenville, Texas

## SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

Years Ended:

	<u>9/30/2015</u>	<u>9/30/2016</u>	<u>9/30/2017</u>
Actuarially determined employer contributions	\$ 1,050,537	\$ 1,105,140	\$ 1,147,185
Contributions in relation to the actuarially determined contribution	<u>\$ 1,050,537</u>	<u>\$ 1,105,140</u>	<u>\$ 1,147,185</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Annual covered-employee payroll	\$ 7,179,688	\$ 7,752,867	\$ 8,042,962
Employer contributions as a percentage of covered-employee payroll	14.63%	14.25%	14.26%

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

### NOTES TO SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

#### 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	N/A
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.5%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

#### Other Information:

Notes

There were no benefit changes during the year.

<u>9/30/2018</u>	<u>9/30/2019</u>	<u>9/30/2020</u>	<u>9/30/2021</u> <sup>1</sup>
\$ 746,654	\$ 565,648	\$ 601,275	\$ 642,735
<u>\$ 746,654</u>	<u>\$ 565,648</u>	<u>\$ 601,275</u>	<u>\$ 642,735</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,525,408	\$ 8,732,879	\$ 9,133,053	\$ 9,254,121
8.76%	6.48%	6.58%	6.95%

# City of Stephenville, Texas

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS PENSIONS (OPEB) LIABILITY AND RELATED RATIOS TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS PLAN

Years Ended:

	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>12/31/2020</u>	<sup>1</sup>
Total OPEB liability					
Service cost	\$ 16,268	\$ 20,050	\$ 16,803	\$ 22,830	
Interest	15,405	15,629	17,124	16,197	
Changes in benefit terms	-	-	-	-	
Differences between expected and actual experience	-	(8,185)	3,706	(16,587)	
Changes of assumptions	35,257	(32,062)	91,264	90,141	
Benefit payments, including refunds of participant contributions	(4,068)	(4,359)	(4,422)	(4,566)	
<b>Net change in total OPEB liability</b>	<u>62,862</u>	<u>(8,927)</u>	<u>124,475</u>	<u>108,015</u>	
<b>Total OPEB liability - beginning</b>	<u>401,442</u>	<u>464,304</u>	<u>455,377</u>	<u>579,852</u>	
<b>Total OPEB liability - ending</b>	<u>\$ 464,304</u>	<u>\$ 455,377</u>	<u>\$ 579,852</u>	<u>\$ 687,867</u>	<sup>2</sup>
<b>Covered-employee payroll</b>	\$ 8,133,762	\$ 8,717,442	\$ 8,843,876	\$ 9,132,155	
<b>City's total OPEB liability as a percentage of covered-employee payroll</b>	5.71%	5.22%	6.56%	7.53%	

**Notes to schedule:**

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

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

***COMBINING AND INDIVIDUAL FUND FINANCIAL  
STATEMENTS AND SCHEDULES***

**City of Stephenville, Texas**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**September 30, 2021**

	<u>Hotel/ Motel Tax</u>	<u>Child Safety</u>	<u>Public Safety</u>	<u>Municipal Court Technology</u>
<b><u>Assets</u></b>				
Cash and cash equivalents	\$ 517,641	\$ 5,040	\$ 64,978	\$ 10,294
Accounts receivable, net	60,194	-	-	-
Due from component unit	-	-	-	-
Due from other funds	30,317	-	10,032	-
<b>Total Assets</b>	<b>\$ 608,152</b>	<b>\$ 5,040</b>	<b>\$ 75,010</b>	<b>\$ 10,294</b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 4,907	\$ -	\$ 12,878	\$ -
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>4,907</b>	<b>-</b>	<b>12,878</b>	<b>-</b>
<b><u>Deferred Inflows of Resources</u></b>				
Unavailable revenue - property taxes	-	-	-	-
<b><u>Fund Balances</u></b>				
Restricted for:				
Tourism	603,245	-	-	-
Municipal court	-	-	-	10,294
Public safety	-	5,040	62,132	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>603,245</b>	<b>5,040</b>	<b>62,132</b>	<b>10,294</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 608,152</b>	<b>\$ 5,040</b>	<b>\$ 75,010</b>	<b>\$ 10,294</b>

TIF	Total Nonmajor Special Revenue	Debt Service	Total Nonmajor Governmental
\$ -	\$ 597,953	\$ 103,719	\$ 701,672
-	60,194	3,698	63,892
-	-	41,273	41,273
-	40,349	55,682	96,031
<u>\$ -</u>	<u>\$ 698,496</u>	<u>\$ 204,372</u>	<u>\$ 902,868</u>
\$ -	\$ 17,785	\$ -	\$ 17,785
10,032	10,032	-	10,032
<u>10,032</u>	<u>27,817</u>	<u>-</u>	<u>27,817</u>
-	-	2,224	2,224
	603,245	-	603,245
	10,294	-	10,294
	67,172	-	67,172
	-	202,148	202,148
<u>(10,032)</u>	<u>(10,032)</u>	<u>-</u>	<u>(10,032)</u>
<u>(10,032)</u>	<u>670,679</u>	<u>202,148</u>	<u>872,827</u>
<u>\$ -</u>	<u>\$ 698,496</u>	<u>\$ 204,372</u>	<u>\$ 902,868</u>

**City of Stephenville, Texas**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended September 30, 2021**

	<u>Hotel/ Motel Tax</u>	<u>Child Safety</u>	<u>Public Safety</u>	<u>Municipal Court Technology</u>
<b><u>Revenues</u></b>				
Hotel occupancy tax	\$ 590,006	\$ -	\$ -	\$ -
Property taxes	-	-	-	-
Fines and forfeitures	-	1,897	12,007	4,267
Intergovernmental	-	-	3,207	-
Investment income	153	2	35	4
Other revenue	50,867	-	-	-
<b>Total Revenues</b>	<u>641,026</u>	<u>1,899</u>	<u>15,249</u>	<u>4,271</u>
<b><u>Expenditures</u></b>				
General government	415,083	-	-	-
Public safety	-	-	391	-
Debt service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
<b>Total Expenditures</b>	<u>415,083</u>	<u>-</u>	<u>391</u>	<u>-</u>
<b>Revenues Over (Under) Expenditures</b>	<u>225,943</u>	<u>1,899</u>	<u>14,858</u>	<u>4,271</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	225,943	1,899	14,858	4,271
Beginning fund balances	377,302	3,141	47,274	6,023
<b>Ending Fund Balances</b>	<u>\$ 603,245</u>	<u>\$ 5,040</u>	<u>\$ 62,132</u>	<u>\$ 10,294</u>

<u>TIF</u>	<u>Total Nonmajor Special Revenue</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental</u>
\$ -	\$ 590,006	\$ -	\$ 590,006
3,789	3,789	266,688	270,477
-	18,171	-	18,171
-	3,207	-	3,207
-	194	87	281
-	50,867	-	50,867
<u>3,789</u>	<u>666,234</u>	<u>266,775</u>	<u>933,009</u>
-	415,083	300	415,383
-	391	-	391
-	-	190,000	190,000
-	-	418,903	418,903
<u>-</u>	<u>415,474</u>	<u>609,203</u>	<u>1,024,677</u>
<u>3,789</u>	<u>250,760</u>	<u>(342,428)</u>	<u>(91,668)</u>
329,829	329,829	343,650	673,479
(343,650)	(343,650)	-	(343,650)
<u>(13,821)</u>	<u>(13,821)</u>	<u>343,650</u>	<u>329,829</u>
(10,032)	236,939	1,222	238,161
-	433,740	200,926	634,666
<u>\$ (10,032)</u>	<u>\$ 670,679</u>	<u>\$ 202,148</u>	<u>\$ 872,827</u>



**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**HOTEL/MOTEL TAX**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b><u>Revenues</u></b>				
Hotel occupancy tax	\$ 408,148	\$ 408,148	\$ 590,006	\$ 181,858
Investment income	660	660	153	(507)
Other revenue	42,000	62,867	50,867	(12,000)
<b>Total Revenues</b>	<u>450,808</u>	<u>471,675</u>	<u>641,026</u>	<u>169,351</u>
<b><u>Expenditures</u></b>				
General government	450,223	508,076	415,083	92,993
<b>Total Expenditures</b>	<u>450,223</u>	<u>508,076</u>	<u>415,083</u>	<u>92,993</u>
<b>Net Change in Fund Balance</b>	<u>\$ 585</u>	<u>\$ (36,401)</u>	225,943	<u>\$ 262,344</u>
Beginning fund balance			377,302	
<b>Ending Fund Balance</b>			<u>\$ 603,245</u>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CHILD SAFETY**  
**For the Year Ended September 30, 2021**

	<u>Original &amp; Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b><u>Revenues</u></b>			
Fines and forfeitures	\$ 2,500	\$ 1,897	\$ (603)
Investment income	3	2	(1)
<b>Total Revenues</b>	<u>2,503</u>	<u>1,899</u>	<u>(604)</u>
<b>Excess of Revenues</b>			
<b>Over (Under) Expenditures</b>	<u>2,503</u>	<u>1,899</u>	<u>(604)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 2,503</u>	<u>1,899</u>	<u>\$ (604)</u>
Beginning fund balance		<u>3,141</u>	
<b>Ending Fund Balance</b>		<u>\$ 5,040</u>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**PUBLIC SAFETY**  
**For the Year Ended September 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and forfeitures	\$ 3,500	\$ 12,007	\$ 8,507
Intergovernmental	-	3,207	3,207
Interest income	80	35	(45)
<b>Total Revenues</b>	<b>3,580</b>	<b>15,249</b>	<b>11,669</b>
<b>Expenditures</b>			
Public safety	13,000	391	12,609
<b>Total Expenditures</b>	<b>13,000</b>	<b>391</b>	<b>12,609</b>
<b>Net Change in Fund Balance</b>	<b>\$ (9,420)</b>	<b>14,858</b>	<b>\$ 24,278</b>
Beginning fund balance		47,274	
<b>Ending Fund Balance</b>		<b>\$ 62,132</b>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**MUNICIPAL COURT TECHNOLOGY**  
**For the Year Ended September 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Fines and forfeitures	\$ 8,900	\$ 4,267	\$ (4,633)
Interest income	23	4	(19)
<b>Total Revenues</b>	<u>8,923</u>	<u>4,271</u>	<u>(4,652)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 8,923</u>	4,271	<u>\$ (4,652)</u>
Beginning fund balance		6,023	
<b>Ending Fund Balance</b>		<u>\$ 10,294</u>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**DEBT SERVICE**  
**For the Year Ended September 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property taxes	\$ 265,289	\$ 266,688	\$ 1,399
Interest income	311	87	(224)
<b>Total Revenues</b>	<b>265,600</b>	<b>266,775</b>	<b>1,175</b>
<b>Expenditures</b>			
General government	300	300	-
Debt service			
Principal	190,000	190,000	-
Interest	418,950	418,903	47
<b>Total Expenditures</b>	<b>609,250</b>	<b>609,203</b>	<b>47</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(343,650)</b>	<b>(342,428)</b>	<b>1,222</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	343,650	343,650	-
<b>Total Other Financing Sources (Uses)</b>	<b>343,650</b>	<b>343,650</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>1,222</b>	<b>\$ 1,222</b>
Beginning fund balance		200,926	
<b>Ending Fund Balance</b>		<b>\$ 202,148</b>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**CAPITAL PROJECTS**  
**For the Year Ended September 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
<b><u>Revenues</u></b>				
License and permits	\$ 14,840	\$ 14,840	\$ 2,506	\$ (12,334)
Charges for services	536	536	536	-
Interest income	1,200	1,200	6,444	5,244
Contributions and donations	-	-	900	900
Other revenue	-	-	20,362	20,362
<b>Total Revenues</b>	<u>16,576</u>	<u>16,576</u>	<u>30,748</u>	<u>14,172</u>
<b><u>Expenditures</u></b>				
Streets	13,428,066	13,713,936	4,519,619	9,194,317
<b>Total Expenditures</b>	<u>13,428,066</u>	<u>13,713,936</u>	<u>4,519,619</u>	<u>9,194,317</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>(13,411,490)</u>	<u>(13,697,360)</u>	<u>(4,488,871)</u>	<u>9,208,489</u>
<b><u>Other Financing Sources (Uses)</u></b>				
Transfers in	967,565	967,565	967,565	-
Transfers (out)	(495,315)	(495,315)	(495,315)	-
<b>Total Other Financing Sources (Uses)</b>	<u>472,250</u>	<u>472,250</u>	<u>472,250</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>\$ (12,939,240)</u>	<u>\$ (13,225,110)</u>	<u>(4,016,621)</u>	<u>\$ 9,208,489</u>
Beginning fund balance			13,654,954	
<b>Ending Fund Balance</b>			<u>\$ 9,638,333</u>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL**  
**TIF FUND**  
**For the Year Ended September 30, 2021**

	Original & Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b><u>Revenues</u></b>			
Property taxes	\$ 13,821	\$ 3,789	\$ (10,032)
<b><u>Other Financing Sources (Uses)</u></b>			
Transfers in	329,829	329,829	-
Transfers (out)	(343,650)	(343,650)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(13,821)</b>	<b>(13,821)</b>	<b>-</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>(10,032)</b>	<b>\$ (10,032)</b>
Beginning fund balance		-	
<b>Ending Fund Balance</b>		<b>\$ (10,032)</b>	

Notes to Supplementary Information

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

**City of Stephenville, Texas**  
**BALANCE SHEET**  
**DISCRETELY PRESENTED COMPONENT UNIT**  
**September 30, 2021**

		<b>Stephenville Economic Development Authority</b>
<b><u>Assets</u></b>		
Cash and cash equivalents	\$	1,052,622
Receivables, net		126,323
<b>Total Assets</b>	<b>\$</b>	<b>1,178,945</b>
<b><u>Liabilities</u></b>		
Accounts payable and accrued liabilities	\$	13,863
Due to primary government		41,273
<b>Total Liabilities</b>		<b>55,136</b>
<b><u>Fund Balances</u></b>		
Restricted for:		
Economic development		1,123,809
<b>Total Fund Balance</b>		<b>1,123,809</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$</b>	<b>1,178,945</b>

See Notes to Financial Statements.



# City of Stephenville, Texas

## RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION DISCRETELY PRESENTED COMPONENT UNIT

September 30, 2021

<b>Fund Balance</b>		1,123,809
<b>Adjustments for the Statement of Net Position:</b>		
Capital assets used in governmental activities are not current financial resources and, therefore, not reported in the governmental funds.		
Capital assets - net depreciable		54,999
Deferred outflows of resources, represent a consumption of net position that applies to a future period(s) and is not recognized as an outflow of resources (expenditure) until then.		
Deferred pension outflows		42,852
Deferred OPEB outflows		2,861
Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.		
Deferred pension inflows		(61,999)
Deferred OPEB inflows		(313)
Some liabilities, including bonds payable and deferred charges, are not reported as liabilities in the governmental funds.		
Compensated absences		(12,408)
Net pension asset		62,914
OPEB liability		(13,551)
<b>Net Position of the Discretely Presented Component Unit</b>		<b>1,199,164</b>

See Notes to Financial Statements.

# City of Stephenville, Texas

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE DISCRETELY PRESENTED COMPONENT UNIT

For the Year Ended September 30, 2021

	<b>Stephenville Economic Development Authority</b>
<b><u>Revenues</u></b>	
Sales tax	\$ 643,202
Grant revenues	34,000
Investment income	465
<b>Total Revenues</b>	<b>677,667</b>
<b><u>Expenditures</u></b>	
Current:	
Economic development	524,708
<b>Total Expenditures</b>	<b>524,708</b>
<b>Revenue Over (Under) Expenditures</b>	<b>152,959</b>
<b>Net Change in Fund Balance</b>	<b>152,959</b>
Beginning fund balance	970,850
<b>Ending Fund Balance</b>	<b>\$ 1,123,809</b>

See Notes to Financial Statements.

**City of Stephenville, Texas**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES OF THE DISCRETELY PRESENTED**  
**COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended September 30, 2021**

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

Net changes in fund balance	\$	152,959
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		60,438
Depreciation expenses		(5,439)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Pension expense		13,411
Other post employment benefits		(1,254)
Compensated absences		(1,444)
<b>Change in Net Position of the Discretely Presented Component Unit</b>	<b>\$</b>	<b><u>218,671</u></b>

See Notes to Financial Statements.

## STATISTICAL SECTION

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

<b>Contents</b>	<b>Page</b>
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Financial Trends	123
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*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

Revenue Capacity	133
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*These schedules contain information to help the reader assess the City's most significant local revenue sources.*

Debt Capacity	141
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*These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Demographic and Economic Information	147
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*These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

Operating Information	151
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*These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

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**City of Stephenville, Texas**  
**NET POSITION BY COMPONENT**

Last Ten Fiscal Years (Unaudited)  
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Governmental activities:</b>										
Invested in capital assets, net of related debt	\$ 17,500,689	\$ 17,032,179	\$ 18,024,389	\$ 18,038,284	\$ 19,789,241	\$ 19,963,873	\$ 20,176,273	\$ 20,416,468	\$ 21,847,814	\$ 23,272,989
Restricted	450,527	870,780	523,019	427,493	593,600	581,054	2,621,264	2,008,149	1,976,474	3,266,475
Unrestricted	7,680,873	8,355,906	9,150,340	8,142,434	5,976,217	5,115,547	7,993,562	9,080,813	11,139,622	11,542,774
<b>Total governmental activities net position</b>	<b>\$ 25,632,089</b>	<b>\$ 26,258,865</b>	<b>\$ 27,697,748</b>	<b>\$ 26,608,211</b>	<b>\$ 26,359,058</b>	<b>\$ 25,660,474</b>	<b>\$ 30,791,099</b>	<b>\$ 31,505,430</b>	<b>\$ 34,963,910</b>	<b>\$ 38,082,238</b>
<b>Business-type activities:</b>										
Invested in capital assets, net of related debt	\$ 28,438,665	\$ 30,014,882	\$ 32,099,918	\$ 33,151,854	\$ 34,339,443	\$ 36,926,841	\$ 38,174,605	\$ 43,079,879	\$ 45,293,731	\$ 49,052,872
Restricted	842,224	2,706,411	1,023,271	1,019,719	1,054,111	1,456,900	2,477,403	1,045,392	1,089,229	956,437
Unrestricted	5,243,744	3,030,924	4,112,342	4,382,362	4,795,330	4,810,634	5,312,381	5,031,805	5,554,561	10,366,626
<b>Total business-type activities net position</b>	<b>\$ 34,524,633</b>	<b>\$ 35,752,217</b>	<b>\$ 37,235,531</b>	<b>\$ 38,553,935</b>	<b>\$ 40,188,884</b>	<b>\$ 43,194,375</b>	<b>\$ 45,964,389</b>	<b>\$ 49,157,076</b>	<b>\$ 51,937,521</b>	<b>\$ 60,375,935</b>
<b>Primary government:</b>										
Invested in capital assets, net of related debt	\$ 45,939,354	\$ 47,047,061	\$ 50,124,307	\$ 51,190,138	\$ 54,128,684	\$ 56,890,714	\$ 58,350,878	\$ 63,496,347	\$ 67,141,545	\$ 72,325,861
Restricted	1,292,751	3,577,191	1,546,290	1,447,212	1,647,711	2,037,954	5,098,667	3,053,541	3,065,703	4,222,912
Unrestricted	12,924,617	11,386,830	13,262,682	12,524,796	10,771,547	9,926,181	13,305,943	14,112,618	16,694,183	21,909,400
<b>Total primary government net position</b>	<b>\$ 60,156,722</b>	<b>\$ 62,011,082</b>	<b>\$ 64,933,279</b>	<b>\$ 65,162,146</b>	<b>\$ 66,547,942</b>	<b>\$ 68,854,849</b>	<b>\$ 76,755,488</b>	<b>\$ 80,662,506</b>	<b>\$ 86,901,431</b>	<b>\$ 98,458,173</b>

Source: City Audited Financials.

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# City of Stephenville, Texas

## CHANGES IN NET POSITION

Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>EXPENSES</b>										
Governmental activities:										
General government	\$ 1,518,207	\$ 2,076,100	\$ 2,353,191	\$ 1,922,897	\$ 2,004,366	\$ 1,999,694	\$ 2,271,044	\$ 2,555,641	\$ 2,512,975	\$ 2,831,782
Culture and recreation	2,509,599	2,157,175	2,037,539	1,705,654	2,254,963	2,457,781	2,467,345	2,402,357	2,254,992	2,511,374
Community development	433,360	521,710	444,401	471,855	980,992	1,031,830	486,602	588,612	493,019	488,792
Public Safety	6,496,290	6,786,524	6,948,549	7,879,067	7,929,307	8,617,164	8,561,797	8,885,222	9,637,871	8,953,779
Streets	1,567,117	1,432,818	1,274,173	1,462,172	1,604,054	1,566,786	1,507,920	1,644,724	1,501,306	1,495,367
Interest on long-term debt	151,197	128,398	108,289	77,063	68,008	100,245	107,588	124,539	530,646	402,914
Total governmental activities expenses	<u>12,675,770</u>	<u>13,102,725</u>	<u>13,166,142</u>	<u>13,518,708</u>	<u>14,841,690</u>	<u>15,773,500</u>	<u>15,402,296</u>	<u>16,201,095</u>	<u>16,930,809</u>	<u>16,684,008</u>
Business-type activities:										
Water & Wastewater	4,833,953	5,018,940	5,237,160	5,326,721	5,690,857	5,688,473	5,032,780	5,508,559	5,234,741	5,323,323
Storm water drainage	562,207	535,056	528,208	558,501	505,829	546,509	415,779	593,199	550,783	471,717
Airport	313,978	282,952	305,179	395,474	442,822	465,063	542,252	178,613	178,661	205,951
Sanitary landfill	181,904	183,145	193,368	207,538	224,233	256,121	194,000	579,206	599,166	643,520
Total business-type activities expenses	<u>5,892,042</u>	<u>6,020,093</u>	<u>6,263,915</u>	<u>6,488,234</u>	<u>6,863,741</u>	<u>6,956,166</u>	<u>6,184,811</u>	<u>6,859,577</u>	<u>6,563,351</u>	<u>6,644,511</u>
Total primary government program revenues	<u>\$ 18,567,812</u>	<u>\$ 19,122,818</u>	<u>\$ 19,430,057</u>	<u>\$ 20,006,942</u>	<u>\$ 21,705,431</u>	<u>\$ 22,729,666</u>	<u>\$ 21,587,107</u>	<u>\$ 23,060,672</u>	<u>\$ 23,494,160</u>	<u>\$ 23,328,519</u>
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services:										
General Government	\$ 219,082	\$ 217,686	\$ 205,782	\$ 22,648	\$ 8,274	\$ 5,704	\$ 11,141	\$ 12,722	\$ 3,600	\$ 3,300
Culture and recreation	363,650	346,442	288,540	321,565	377,192	347,603	289,065	313,847	245,570	325,601
Community development	193,592	413,762	265,863	217,805	320,353	215,731	245,391	474,426	321,774	415,772
Public Safety	1,077,514	959,364	1,073,838	989,630	817,156	721,112	664,449	1,056,364	875,103	1,107,249
Streets	95,954	30,443	28,170	42,749	15,567	15,352	20,836	30,442	614	25,779
Operating grants and contributions	29,142	53,796	63,038	147,200	160,504	514,199	219,853	238,763	935,242	1,139,101
Capital grants and contributions	159,402	-	188,262	3,654	3,596	49,905	170,239	49,672	1,478,520	362,063
Total governmental activities program revenues	<u>2,138,336</u>	<u>2,021,493</u>	<u>2,113,493</u>	<u>1,745,251</u>	<u>1,702,642</u>	<u>1,869,606</u>	<u>1,620,974</u>	<u>2,176,236</u>	<u>3,860,423</u>	<u>3,378,865</u>
Business-type activities:										
Charges for services:										
Water and Wastewater	\$ 6,055,936	\$ 6,443,152	\$ 6,708,108	\$ 6,485,177	\$ 7,014,095	\$ 7,264,479	\$ 7,596,037	\$ 7,762,515	\$ 8,152,610	\$ 8,991,212
Storm water drainage	604,231	620,595	618,993	611,827	632,583	629,673	657,356	646,904	638,126	757,477
Municipal airport	93,493	110,200	104,440	107,544	111,088	107,484	108,097	110,919	110,919	113,231
Sanitary landfill	200,546	297,650	457,086	955,391	856,649	665,681	628,731	863,829	1,113,634	1,024,361
Operating grants and contributions	7,868	-	-	-	17,857	7,086	-	-	-	-
Capital grants and contributions	813,212	27,652	109,614	175,651	48,054	1,672,182	175,274	316,254	287,600	4,685,293
Total business-type activities program revenues	<u>7,775,286</u>	<u>7,499,249</u>	<u>7,998,241</u>	<u>8,335,590</u>	<u>8,680,326</u>	<u>10,346,585</u>	<u>9,165,495</u>	<u>9,701,429</u>	<u>10,302,889</u>	<u>15,571,574</u>
Total primary government program revenues	<u>\$ 9,913,622</u>	<u>\$ 9,520,742</u>	<u>\$ 10,111,734</u>	<u>\$ 10,080,841</u>	<u>\$ 10,382,968</u>	<u>\$ 12,216,191</u>	<u>\$ 10,786,469</u>	<u>\$ 11,877,665</u>	<u>\$ 14,163,312</u>	<u>\$ 18,950,439</u>

Source: City Audited Financials.



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**City of Stephenville, Texas**  
**CHANGES IN NET POSITION (Continued)**

Last Ten Fiscal Years (Unaudited)  
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>NET (EXPENSE) REVENUES</b>										
Governmental activities	\$( 10,537,434)	\$( 11,081,232)	\$( 11,052,649)	\$( 11,773,457)	\$( 13,139,048)	\$( 13,903,894)	\$( 13,781,322)	\$( 14,024,859)	\$( 13,070,386)	\$( 13,305,143)
Business-type activities	1,883,244	1,479,156	1,734,326	1,847,356	1,816,585	3,390,419	2,980,684	2,841,852	3,739,538	8,927,063
Total primary government net expense	( 8,654,190)	( 9,602,076)	( 9,318,323)	( 9,926,101)	( 11,322,463)	( 10,513,475)	( 10,800,638)	( 11,183,007)	( 9,330,848)	( 4,378,080)
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental activities:										
Taxes										
Property - general purposes	3,787,828	4,049,755	4,321,370	4,386,134	4,715,959	4,806,351	5,286,326	5,577,304	6,067,879	6,446,356
Property - debt services	593,543	589,867	595,444	576,847	484,490	481,603	492,536	465,640	256,240	265,579
Sales	5,191,213	5,281,663	5,485,705	5,718,579	5,285,142	5,264,443	5,644,834	5,943,343	5,940,857	7,075,224
Franchise	1,122,934	1,097,564	1,166,503	1,525,602	1,501,457	1,381,186	1,199,890	1,317,544	1,276,928	1,204,400
Other	393,461	374,806	450,456	502,017	480,036	515,043	474,199	510,185	398,706	590,006
Proceeds from sale of capital assets		10,056	110,122		16,162	30,274				18,109
Investment earnings	14,651	11,546	6,157	5,990	52,123	68,163	139,025	264,034	115,763	11,277
Insurance Proceeds				63,740	58,576	18,537				
Miscellaneous	18,320	35,902	100,731	164,842	37,080	135,230	153,598	260,645	1,030,088	251,087
Transfers	21,161	256,849	255,044	208,824	258,870	504,479	750,852	400,495	1,442,405	561,433
Special item - change in employee benefits							5,110,168			
Total governmental activities	11,143,111	11,708,008	12,491,532	13,152,575	12,889,895	13,205,309	19,251,428	14,739,190	16,528,866	16,423,471
Business-type activities:										
Investment earnings	7,716	6,780	4,032	4,891	23,477	49,082	118,108	501,577	195,341	8,039
Gain on Sale of Capital Assets				17,106	8,630	( 1,600)				
Miscellaneous		( 1,504)	( 255,044)	33,292	45,127	72,069	106,639	249,753	287,971	64,745
Transfers	( 21,161)	( 256,849)	( 251,012)	( 208,824)	( 258,870)	( 504,479)	( 750,852)	( 400,495)	( 1,442,405)	( 561,433)
Total business-type activities	( 13,445)	( 251,573)	( 251,012)	( 153,535)	( 181,636)	( 384,928)	( 526,105)	350,835	( 959,092)	( 488,649)
Total primary government	11,129,666	11,456,435	12,240,520	12,999,040	12,708,259	12,820,381	18,725,323	15,090,025	15,569,773	15,934,822
<b>CHANGE IN NET POSITION</b>										
Governmental activities	605,677	626,776	1,438,883	1,379,118	( 249,153)	( 698,585)	5,470,106	714,331	3,458,480	3,118,328
Business-type activities	1,869,799	1,227,583	1,483,314	1,693,821	1,634,949	3,005,491	2,454,579	3,192,687	2,780,445	8,438,414
Total primary government	2,475,476	1,854,359	2,922,197	3,072,939	1,385,796	2,306,906	7,924,685	3,907,018	6,238,925	11,556,742

Source: City Audited Financials.

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**City of Stephenville, Texas**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years (Unaudited)  
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	17,399	19,417	10,995	7,016	20,955	8,760	11,609	5,563	3,962	6,760
Assigned/committed	1,989,442	2,400,000	3,000,000	3,000,000	1,150,000	950,609	950,609	579,402	534,754	764,377
Unassigned	5,113,489	5,246,245	5,868,872	6,786,574	7,154,643	7,132,272	7,288,833	8,755,397	9,576,401	11,282,011
Total general fund	\$ 7,120,330	\$ 7,665,662	\$ 8,879,867	\$ 9,793,590	\$ 8,325,598	\$ 8,091,641	\$ 8,251,051	\$ 9,340,362	\$ 10,115,117	\$ 12,053,148
All other governmental funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt service funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	27,721
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	( 10,032)
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Restricted	4,206,447	1,201,698	824,262	702,559	434,914	365,349	488,158	512,308	634,666	10,493,471
Assigned/committed	529,093	416,371	416,371	416,727	417,929	415,743	442,063	544,571	13,654,954	-
Total all other governmental funds	\$ 4,735,540	\$ 1,618,069	\$ 1,240,633	\$ 1,119,286	\$ 852,843	\$ 781,092	\$ 930,221	\$ 1,056,879	\$ 14,289,620	\$ 10,511,160

Source: City Audited Financials.

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**City of Stephenville, Texas**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
 Last Ten Fiscal Years (Unaudited)  
 (modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>REVENUES</b>										
Taxes	\$ 11,062,514	\$ 11,394,371	\$ 12,014,282	\$ 12,733,241	\$ 12,455,045	\$ 12,460,952	\$ 13,089,387	\$ 13,824,745	\$ 13,956,935	\$ 15,538,510
Licenses, fees and permits	318,899	361,236	294,084	258,384	186,925	143,903	246,891	434,132	321,774	373,582
Charges for services	1,291,337	1,198,408	1,131,850	1,111,193	1,022,624	958,249	978,973	1,219,100	955,616	1,223,443
Fines and penalties	182,517	398,093	261,126	227,979	316,343	210,015	147,598	97,480	82,567	119,653
Intergovernmental	233,670	65,465	127,751	200,634	218,054	613,744	344,358	367,463	1,012,110	245,224
Contributions and donations	-	-	-	-	-	-	-	-	-	1,249,640
Investment earnings	14,651	11,546	6,157	5,990	52,123	68,163	139,025	264,034	115,763	11,277
Miscellaneous	18,189	75,550	103,838	167,941	40,054	135,230	150,649	269,704	1,066,400	251,087
Total revenues	<u>13,121,777</u>	<u>13,504,669</u>	<u>13,939,088</u>	<u>14,705,362</u>	<u>14,291,168</u>	<u>14,590,256</u>	<u>15,096,881</u>	<u>16,476,658</u>	<u>17,511,165</u>	<u>19,012,416</u>
<b>EXPENDITURES</b>										
General government	1,504,855	1,997,675	2,289,098	1,922,184	1,904,340	1,870,697	2,145,014	2,407,281	2,409,994	2,815,335
Culture and recreation	2,268,386	1,859,640	1,795,809	1,853,439	1,936,112	2,104,892	2,163,873	2,081,327	1,939,211	2,236,700
Community development	414,769	514,474	419,054	456,196	968,197	1,003,655	485,280	558,878	482,507	508,857
Public Safety	6,210,892	6,410,938	6,725,152	7,668,000	7,428,899	7,820,377	8,066,721	7,926,014	8,966,480	8,837,094
Streets	968,236	920,417	780,006	968,092	997,520	818,913	768,153	852,360	773,640	764,084
Capital outlay	1,793,507	4,076,340	985,179	859,897	3,053,778	1,532,290	1,480,185	2,338,141	2,181,502	5,512,163
Debt service	-	-	-	-	-	-	-	-	-	-
Principal	440,000	455,000	465,000	505,000	415,000	469,243	560,879	746,898	483,490	497,316
Interest	139,305	126,693	120,261	77,845	66,375	85,322	107,099	104,230	258,261	459,181
Bond Issuance Costs	45,000	5,312	11,027	-	-	-	-	-	262,595	-
Advance Refunding Escrow	-	382,370	1,323,441	-	-	-	-	-	-	-
Total expenditures	<u>13,784,950</u>	<u>16,748,859</u>	<u>14,914,027</u>	<u>14,310,653</u>	<u>16,770,221</u>	<u>15,705,389</u>	<u>15,777,204</u>	<u>17,015,129</u>	<u>17,757,680</u>	<u>21,630,730</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$( 663,173)</u>	<u>\$( 3,244,190)</u>	<u>\$( 974,939)</u>	<u>\$ 394,709</u>	<u>\$( 2,479,053)</u>	<u>\$( 1,115,133)</u>	<u>\$( 680,323)</u>	<u>\$( 538,471)</u>	<u>\$( 246,515)</u>	<u>\$( 2,618,314)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Debt issued	4,000,000	370,000	1,336,841	-	-	-	215,371	1,333,310	11,860,000	197,001
Premium on Bonds	-	22,904	-	-	-	-	-	-	1,021,005	-
Discount on Bonds	-	( 2,651)	-	113,938	349,833	168,051	-	-	-	-
Sale of Fixed Assets	27,851	24,950	219,822	11,165	77,340	118,358	22,639	20,635	21,498	19,451
Proceeds from insurance	11,498	-	-	63,740	58,576	18,537	-	-	-	-
Transfers in	741,161	506,849	1,196,840	208,824	633,870	729,968	1,666,068	2,036,185	2,513,977	2,773,666
Transfers out	( 720,000)	( 250,000)	( 941,796)	-	( 375,000)	( 225,489)	( 915,216)	( 1,635,690)	( 1,071,572)	( 2,212,233)
Total other financing sources (uses)	<u>4,060,510</u>	<u>672,052</u>	<u>1,811,707</u>	<u>397,667</u>	<u>744,619</u>	<u>809,425</u>	<u>988,862</u>	<u>1,754,440</u>	<u>14,344,908</u>	<u>777,885</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 3,397,337</u>	<u>\$( 2,572,138)</u>	<u>\$ 836,768</u>	<u>\$ 792,376</u>	<u>\$( 1,734,434)</u>	<u>\$( 305,708)</u>	<u>\$ 308,539</u>	<u>\$ 1,215,969</u>	<u>\$ 14,098,393</u>	<u>\$( 1,840,429)</u>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	<u>5.2%</u>	<u>7.6%</u>	<u>13.8%</u>	<u>4.3%</u>	<u>3.5%</u>	<u>3.9%</u>	<u>4.7%</u>	<u>5.8%</u>	<u>6.4%</u>	<u>5.9%</u>

Source: City Audited Financials.

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**City of Stephenville, Texas**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**Last Ten Fiscal Years (Unaudited)**

Tax Year	Fiscal Year	Taxes Levied for the Fiscal Year		Collected With the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Outstanding as of 9/30/21
		Fiscal Year	Amount	Percentage of Levy	Amount		Percentage of Levy		
2011	2011-2012	\$ 4,343,596	\$ 4,302,513	99.05%	\$ 4,302,513	40,063	\$ 4,342,576	99.98%	\$ 1,020
2012	2012-2013	4,594,127	4,554,491	99.14%	4,554,491	38,270	4,592,761	99.97%	1,366
2013	2013-2014	4,868,772	4,820,901	99.02%	4,820,901	46,553	4,867,454	99.97%	1,318
2014	2014-2015	4,914,157	4,889,253	99.49%	4,889,253	20,434	4,909,687	99.91%	4,470
2015	2015-2016	5,173,332	5,130,875	99.18%	5,130,875	35,786	5,166,661	99.87%	6,671
2016	2016-2017	5,250,713	5,204,383	99.12%	5,204,383	43,689	5,248,072	99.95%	2,641
2017	2017-2018	5,774,003	5,718,051	99.03%	5,718,051	51,603	5,769,654	99.92%	4,348
2018	2018-2019	6,039,572	5,993,621	99.24%	5,993,621	40,124	6,033,745	99.90%	5,827
2019	2019-2020	6,489,897	6,457,973	99.51%	6,457,973	21,905	6,479,878	99.85%	10,018
2020	2020-2021	6,619,550	6,532,586	98.69%	6,532,586	-	6,532,586	98.69%	86,964

Sources: Erath County Appraisal District and Erath County Tax Assessor-Collector.



**City of Stephenville, Texas**  
**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
 Last Ten Fiscal Years (Unaudited)

Tax Year	Fiscal Year	Less:				Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
		Residential Property	Commercial Property	Industrial Property	Tax-exempt Property				
2011	2011-2012	\$ 555,032,740	\$ 511,780,800	\$ 148,096,980	\$ 317,517,724	\$ 897,392,796	0.4850	\$ 897,392,796	100%
2012	2012-2013	561,570,020	546,842,640	225,183,450	384,611,442	948,984,668	0.4850	948,984,668	100%
2013	2013-2014	567,670,640	562,727,447	297,556,973	441,606,152	986,348,908	0.4950	986,348,908	100%
2014	2014-2015	601,105,080	750,961,010	245,239,590	590,694,529	1,006,611,151	0.4900	1,006,611,151	100%
2015	2015-2016	636,597,500	768,186,520	268,319,490	609,847,714	1,063,255,796	0.4900	1,063,255,796	100%
2016	2016-2017	657,717,227	785,853,463	259,118,010	627,870,983	1,074,817,717	0.4900	1,074,817,717	100%
2017	2017-2018	753,358,500	824,711,040	245,604,310	617,069,492	1,206,604,358	0.4800	1,206,604,358	100%
2018	2018-2019	776,693,310	841,695,300	304,695,430	651,711,851	1,271,372,189	0.4750	1,271,372,189	100%
2019	2019-2020	826,226,780	883,238,110	346,709,950	675,346,485	1,380,828,355	0.4700	1,380,828,355	100%
2020	2020-2021	887,954,420	952,950,260	293,836,870	679,895,887	1,454,845,663	0.4550	1,454,845,663	100%

Source: Erath County Appraisal District.

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# City of Stephenville, Texas

## DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years (Unaudited)

Tax Year	Fiscal Year	City Direct Rates			Overlapping Rates			Total Direct and Overlapping Rates
		Basic Rate	Obligation Debt Service	Total Direct Rate	Stephenville School District	Middle Trinity Water District	Erath County	
2011	2011-2012	0.4194	0.0656	0.4850	1.1700	0.0150	0.4700	2.1400
2012	2012-2013	0.4235	0.0615	0.4850	1.1940	0.0145	0.4700	2.1635
2013	2013-2014	0.4357	0.0593	0.4950	1.2170	0.0125	0.4700	2.1945
2014	2014-2015	0.4330	0.0570	0.4900	1.2349	0.0120	0.4700	2.2069
2015	2015-2016	0.4450	0.0450	0.4900	1.2349	0.0115	0.4700	2.2064
2016	2016-2017	0.4454	0.0446	0.4900	1.2349	0.0112	0.4700	2.2061
2017	2017-2018	0.4391	0.0409	0.4800	1.2349	0.0103	0.4700	2.1952
2018	2018-2019	0.4384	0.0366	0.4750	1.3429	0.0097	0.4458	2.2734
2019	2019-2020	0.4512	0.0188	0.4700	1.2729	0.0097	0.4560	2.2086
2020	2020-2021	0.4368	0.0182	0.4550	1.2221	0.0092	0.4444	2.1307
Source:	Erath County Tax Office							

Notes: The City's basic property tax rate may be increased only by a majority vote of the City's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those of local and county governments that apply to property owners within the City of Stephenville, Texas.

**City of Stephenville, Texas**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**Current and Nine Years Ago (Unaudited)**

Taxpayer	Tax Year 2020			Tax Year 2011		
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value		Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	
FMC Company	\$ 116,261,955	1	7.99%	\$ 43,921,753	1	4.89%
Mustang Ranch	20,246,840	2	1.39%			- %
Saint Gobain Abrasives	19,772,806	3	1.36%	15,483,558		1.73%
Stephenville Campus Crest	17,650,170	4	1.21%	11,030,880		1.23%
Oncor Electric Delivery	16,528,350	5	1.14%	7,457,580		0.83%
NJH Investment Corp	16,252,160	6	1.12%			- %
Tejas Tubular Inc.	15,372,188	7	1.06%			- %
Fibergrate Composite Structures Inc.	12,379,910	8	0.85%			- %
Bosque River Center Realty	10,013,350	9	0.69%			- %
D818 LLC	9,615,320	10	0.66%			- %
FMC Technologies	-		- %			- %
Wal-Mart Stores, Inc. #1	-		- %	8,394,510		0.94%
Bosque River Associates	-		- %	8,211,620		0.92%
Stephenville Student Housing LP	-		- %	10,259,330		1.14%
United Telephone Company (Century	-		- %	6,511,740		0.73%
Wilmington Trust (Wal-Mart #2)	-		- %	6,000,730		0.67%
Subtotal	\$ 254,093,049		17.47%	\$ 117,271,701		13.08%
Remaining Roll	1,200,752,614		82.53%	780,121,095		86.92%
Total	\$ 1,454,845,663		100.00%	\$ 897,392,796		100.00%

Source: Erath County Appraisal District State Property Tax Board Report.

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**City of Stephenville, Texas**  
**TAXABLE SALES BY CATEGORY**  
**Last Ten Calendar Years (Unaudited)**

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Services	\$ 80,715,109	\$ 43,434,651	\$ 49,560,842	\$ 46,989,186	\$ 41,651,657	\$ 40,241,475	\$ 63,727,628	\$ 59,351,380	\$ 60,613,525	\$ 58,476,390
Misc Retail	57,031,030	51,246,891	52,221,686	54,975,621	54,751,164	54,321,288	50,773,645	52,220,824	53,686,867	59,406,069
Eat/Drink Places	48,634,297	51,945,376	55,015,006	60,296,991	57,700,419	68,762,227	70,136,317	75,769,971	72,885,265	76,893,794
Hospitality and Leisure	13,893,238	56,992,190	60,118,426	64,408,646	66,313,220	53,981,331	72,606,172	78,151,316	83,181,730	79,884,966
HomeFurnishings	8,341,058	7,144,077	7,209,200	7,246,403	6,660,673	6,162,365	7,046,159	7,604,974	8,387,888	7,889,581
Apparel Stores	92,836,643	8,639,294	8,799,575	10,578,892	10,324,254	10,257,542	9,645,246	11,823,407	12,760,079	12,426,438
Automotive Stores	57,733,375	115,540,159	113,933,329	123,712,193	115,703,501	107,067,897	144,126,333	116,799,945	113,763,645	112,589,518
Food Stores	121,061,076	56,734,012	57,179,417	59,377,144	63,577,869	59,091,905	59,400,532	66,271,975	72,885,265	79,158,303
General Merchandise Building/Garden	28,142,214	27,030,238	28,455,504	31,727,307	37,693,956	35,695,603	36,386,966	36,761,366	34,781,537	32,534,255
Supplies	54,781,219	53,509,172	47,091,948	45,902,673	48,009,817	46,967,803	51,525,032	57,421,775	62,100,066	65,174,511
Wholesale Trade	20,743,984	23,103,447	27,220,571	51,074,808	44,597,329	36,916,496	41,376,240	45,379,899	54,485,728	32,324,686
Manufacturing	24,673,453	20,487,172	23,399,150	29,565,160	39,838,703	36,567,165	32,516,125	42,457,584	32,014,392	24,908,250
Construction	20,498,610	24,770,674	31,521,635	29,361,821	42,437,131	32,920,411	37,214,389	37,851,430	31,426,794	43,677,784
Other	310,294	227,301	346,309	157,377	131,950	87,089	-	-	-	-
Agriculture										
<b>Total</b>	<b>\$ 629,395,600</b>	<b>\$ 661,284,560</b>	<b>\$ 682,853,319</b>	<b>\$ 738,509,096</b>	<b>\$ 756,110,871</b>	<b>\$ 710,211,154</b>	<b>\$ 799,588,086</b>	<b>\$ 805,506,477</b>	<b>\$ 811,062,502</b>	<b>\$ 804,761,981</b>

Direct Sales Tax Rate 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50% 1.50%

Source: Office of the Comptroller of the State of Texas

**City of Stephenville, Texas**  
***DIRECT AND OVERLAPPING SALES TAX RATES***  
**Last Ten Fiscal Years (Unaudited)**

	<b>General Municipal Sales Tax</b>	<b>Sales Tax for Property Tax Relief</b>	<b>Sales Tax for Economic/ Industrial Dev Sec 4B</b>
2012	1.00%	0.50%	-
2013	1.00%	0.50%	-
2014	1.00%	0.50%	-
2015	1.00%	0.50%	-
2016	1.000%	0.375%	0.125%
2017	1.000%	0.375%	0.125%
2018	1.000%	0.375%	0.125%
2019	1.000%	0.375%	0.125%
2020	1.000%	0.375%	0.125%
2021	1.000%	0.375%	0.125%

Source: Texas Comptroller.

**City of Stephenville, Texas**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**Last Ten Fiscal Years (Unaudited)**

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Certificates of Obligation	Unamortized Premiums (Discounts)	Leases/Notes	Water Revenue Bonds	Certificates of Obligation	Unamortized Premiums (Discounts)	Capital Leases			
2012	-	\$ 5,745,000	-	-	\$ 430,000	\$ 18,597,865	-	\$ 99,661	\$ 24,872,526	4.26%	1,360
2013	360,000	4,940,000	19,746	-	4,315,000	12,737,850	239,090	-	22,611,686	3.61%	1,170
2014	1,500,000	3,340,000	18,734	-	9,385,000	6,851,841	220,290	-	21,315,865	3.11%	1,098
2015	1,155,000	3,180,000	17,721	113,938	8,895,000	5,350,850	210,978	3,161,834	22,085,321	3.24%	1,129
2016	905,000	3,015,000	16,709	436,510	8,390,000	3,774,827	198,922	2,833,134	19,570,101	2.54%	904
2017	610,000	2,920,000	14,683	525,318	6,720,000	5,568,827	186,866	3,131,370	19,677,064	2.38%	896
2018	310,000	2,855,000	13,671	544,810	5,040,000	22,340,000	174,811	2,028,635	33,306,927	3.77%	1,495
2019	-	2,785,000	12,659	1,511,222	3,325,000	22,100,000	162,757	1,730,829	31,627,467	3.33%	1,396
2020	-	14,465,000	1,007,127	1,207,732	3,250,000	20,860,000	150,700	1,415,018	42,355,577	4.17%	1,832
2021	-	14,275,000	955,065	1,091,117	3,175,000	19,610,000	138,645	1,080,409	40,325,236	N/A	1,745

Notes: See page 139 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.



**City of Stephenville, Texas**  
**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**  
**Last Ten Fiscal Years (Unaudited)**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligations	Total		
2012	-	\$ 5,745,000	\$ 5,745,000	0.64%	314
2013	379,746	4,940,000	5,319,746	0.56%	275
2014	1,518,734	3,340,000	4,858,734	0.49%	250
2015	1,172,721	3,180,000	4,352,721	0.43%	223
2016	921,709	3,015,000	3,936,709	0.37%	182
2017	624,683	2,920,000	3,544,683	0.33%	161
2018	323,671	2,855,000	3,178,671	0.26%	143
2019	12,659	2,785,000	2,797,659	0.22%	123
2020	11,645	15,460,482	15,472,127	1.12%	669
2021	10,633	15,219,432	15,230,065	1.05%	659

## Notes:

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

See page 125 for property value data.

Population data can be found on page 139.

**City of Stephenville, Texas**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**As of September 30, 2021 (Unaudited)**

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Debt repaid with property taxes:			
Overlapping			
Stephenville Independent School District	\$ 78,930,954	74.21%	\$ 58,574,661
Erath County	\$ 1,890,000	37.54%	<u>709,506</u>
Subtotal, overlapping debt			<u>59,284,167</u>
Direct			
City of Stephenville	\$ 16,321,178	100.00%	<u>16,321,178</u>
Total Direct and Overlapping Debt			<u>\$ 75,605,345</u>

## Sources:

Assessed value data used to estimate applicable percentages provided by the Erath County Appraisal District and Assessment Debt outstanding data provided by each governmental unit.

## Notes:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Stephenville. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident--and therefore responsible for repaying the debt--of each overlapping government.

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# City of Stephenville, Texas

## LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years (Unaudited)  
(amounts expressed in thousands)

Tax Year Fiscal year	2020 2020-2021	2019 2019-2020	2018 2018-2019	2017 2017-2018	2016 2016-2017	2015 2015-2016	2014 2014-2015	2013 2013-2014	2012 2012-2013	2011 2011-2012
Debt limit	\$ 160,740	\$ 157,749	\$ 145,165	\$ 135,754	\$ 124,250	\$ 122,554	\$ 116,345	\$ 116,885	\$ 107,470	\$ 98,743
Total net debt applicable to limit	15,029	15,257	2,591	2,981	3,389	3,793	4,213	4,718	5,191	5,627
Legal debt margin	\$ 145,711	\$ 142,492	\$ 142,574	\$ 132,773	\$ 120,861	\$ 118,762	\$ 112,132	\$ 112,167	\$ 102,279	\$ 93,116
Total net debt applicable to limit as a percentage of debt limit	9.35%	9.67%	1.78%	2.20%	2.73%	3.09%	3.62%	4.04%	4.83%	5.70%

### Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 1,454,846
Add back: exempt real property	152,554
Total assessed value	<u>1,607,400</u>
Debt limit (10% of total assessed value)	160,740
Debt applicable to limit:	
General obligation	15,230
Less: Amount set aside for repayment of general obligation debt	(201)
Total net debt applicable to limit	<u>15,029</u>
Legal debt margin	<u>\$ 145,711</u>

Note: There is no direct debt limitation in the City Charter or under state law. The City operates under a Home Rule Charter (Article XI, Section 5, Texas Constitution), that limits the maximum tax rate, for all city purposes, to \$2.50 per \$100 assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for general obligation debt service.

Source: City of Stephenville, TX and Erath County Appraisal District.

**City of Stephenville, Texas**  
**PLEDGED-REVENUE COVERAGE**  
**Last Ten Fiscal Years (Unaudited)**

**Water and Wastewater Revenue Bonds**

Fiscal Year	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	\$ 6,055,936	\$ 3,106,535	\$ 2,949,401	\$ 1,734,000	\$ 800,432	1.16
2013	6,443,151	3,282,484	3,160,667	1,810,000	613,073	1.30
2014	6,700,902	3,491,792	3,209,110	1,866,000	608,919	1.30
2015	6,485,177	3,631,614	2,853,563	1,986,000	459,292	1.17
2016	7,014,095	4,115,398	2,898,697	2,076,000	351,427	1.19
2017	7,264,479	4,095,335	3,169,144	1,911,000	319,806	1.42
2018	7,694,695	3,022,451	4,672,244	1,938,827	331,249	2.06
2019	7,962,268	3,917,609	4,044,659	1,955,000	424,112	1.70
2020	8,322,481	3,741,298	4,581,183	1,315,000	411,005	2.65
2021	9,044,632	3,753,322	5,291,310	1,325,000	375,420	3.11

Notes: Operating expenses do not include interest, depreciation, or amortization expenses.  
Utility Surplus Revenue is also pledged for other Enterprise bonds.

Source City ACFR.

**City of Stephenville, Texas**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**Last Ten Fiscal Years (Unaudited)**

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>College Enrollment</u>	<u>Unemployment Rate</u>
2012	18,290	\$ 583,213,230	\$ 31,887	3,702	10,227	5.2%
2013	19,320	625,852,080	32,394	3,731	10,903	5.5%
2014	19,410	686,454,060	35,366	3,656	11,681	4.7%
2015	19,560	681,274,800	34,830	3,702	12,396	3.8%
2016	21,640	771,076,480	35,632	3,614	12,333	4.7%
2017	21,950	827,229,650	37,687	3,671	13,052	3.9%
2018	22,280	883,468,840	39,653	3,711	13,019	3.2%
2019	22,660	948,683,560	41,866	3,842	13,226	3.1%
2020	23,120	1,014,968,000	43,900	3,659	14,022	5.8%
2021	23,110	N/A	N/A	3,622	13,995	4.1%

Sources: Population estimate provided by the North Central Texas Council of Governments. Personal income data provided by the U.S. Census Bureau of Economic Analysis. Unemployment rate data provided by the Texas Workforce Commission. School enrollment data provided by the Stephenville Independent School District and Tarleton State University.

Note: Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2012-2020 reflect county population estimates available as of March 2020. Personal income is not available for 2021.

# City of Stephenville, Texas

## PRINCIPAL EMPLOYERS

Current and Nine Years Ago (Unaudited)

Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Tarleton State University	1,297	1	6.66%	1,238	1	6.95%
FMC Company	735	2	3.77%	809	2	4.54%
Stephenville Independent School District	474	3	2.43%	262	7	1.47%
Saint Gobain Abrasives	470	4	2.41%	450	3	2.53%
Scheiber Foods	435	5	2.23%	385	5	2.16%
Wal-Mart Stores, Inc.	300	6	1.54%	429	4	2.41%
Western Dairy Transport	210	7	1.08%	175	9	0.98%
Pecan Valley Centers	210	8	1.08%	-	-	- %
Erath County	202	9	1.04%	175	8	0.98%
Texas Health Harris Methodist Stephenville	200	10	1.03%	294	6	1.65%
Fibergrate Composite Structures	-		- %	132	10	0.74%
Subtotal	4,533		23.28%	4,349		24.42%
Remaining Employers (County)	14,938		76.72%	13,462		75.58%
Total	19,471		100.00%	17,811		100.00%

Source: City Human Resources Department, Stephenville Independent School District, Erath County, and Stephenville Chamber of Commerce. Total employee data is provided by the Texas Workforce Commission.

Notes:

Total employee information is based on entire Erath County. Principal employers are only those that operate from within the corporate city limits of Stephenville.

**City of Stephenville, Texas**  
**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM**  
 Last Ten Fiscal Years (Unaudited)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Management services	4	4	4	4	5	5	5	8	9	8
Finance	7	7	7	7	7	7	7	9	9	8
Planning	2	2	2	2	2	3	3	3	3	4
Building	2	2	2	2	2	2	2	2	2	2
Other	2	2	2	2	2	2	3	2	2	3
Police										
Officers	39	39	39	39	39	39	39	39	39	39
Civilians	12	12	16	16	15	17	17	19	19	19
Fire										
Firefighters and officers	31	31	31	31	31	31	31	31	31	34
Civilians	-	-	-	1	1	1	1	1	1	1
Parks and recreation	13	13	13	13	12	14	14	14	14	14
Library	3	3	3	3	3	3	4	4	4	4
Streets	7	7	7	7	7	7	7	7	7	7
Water	13	13	13	13	16	15	15	15	15	13
Wastewater	5	5	5	5	5	6	6	6	6	6
Landfill	2	2	2	3	3	3	3	3	3	4
<b>Total</b>	<b>142</b>	<b>142</b>	<b>146</b>	<b>147</b>	<b>150</b>	<b>155</b>	<b>157</b>	<b>163</b>	<b>164</b>	<b>166</b>

Source: Various City departments

Notes: A full time employee is scheduled to work 2080 hours per year (including vacation and sick leave).



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**City of Stephenville, Texas**  
**OPERATING INDICATORS BY FUNCTIONS/PROGRAM**  
 Last Ten Fiscal Years (Unaudited)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Building permits issued	96	113	90	93	146	127	197	205	220	241
Building permits value	\$11,174,610	\$49,204,311	\$19,061,275	\$10,829,426	\$41,143,042	\$22,331,535	\$24,569,365	\$71,952,765	\$21,765,542	\$36,545,036
Building inspections conducted										
Police										
Calls for service	11,166	10,566	9,836	14,631	12,378	12,044	13,785	15,369	15,135	14,775
Physical arrests	882	1,123	846	806	643	696	742	687	487	455
Parking violations (1)	417	520	258	467	858	830	177	130	407	75
Traffic violations	2,035	5,357	7,338	5,665	3,816	3,470	3,767	3,207	2,571	2,221
Fire										
Ambulance responses	1,517	1,555	1,592	1,733	1,897	1,767	1,842	1,876	1,787	1,869
Fires responses	229	276	251	294	303	313	385	479	421	605
Inspections	289	551	456	444	400	393	392	293	455	376
Refuse collection										
Refuse collected (tons)	16,930	18,393	21,729	22,494	21,676	19,229	19,689	21,092	20,873	22,696
Recyclables collected (tons per day)										
Other public works										
Street resurfacing (miles)	1.30	1.32	-	-	17.90	8.77	10.62	10.38	-	15.40
Library										
Volumes in collection	32,504	33,316	35,171	36,759	37,416	38,685	40,041	40,167	39,636	38,219
Total volumes borrowed	161	25	6	12	37	199	138	111	113	862
Water										
Active connections	5,920	6,181	6,000	6,442	6,495	6,625	6,813	6,435	6,519	6,630
Water main breaks	80	47	59	57	39	30	23	45	38	45
Average daily consumption (thousands of gallons)	2,115,000	2,107,000	1,983,000	1,945,000	1,997,000	1,932,000	2,117,000	1,893,000	2,000,000	2,101,000
Peak daily consumption (thousands of gallons)	3,937,000	3,937,000	3,176,000	3,505,000	3,872,000	2,985,000	3,703,000	3,352,000	3,493,000	3,742,000
Wastewater										
Average daily sewage treatment (thousands of gallons)	1,610,000	1,453,000	1,433,000	1,444,000	1,720,000	1,380,000	1,310,000	1,667,000	1,368,000	1,320,000
WW Peak	4,494,000	3,158,000	2,737,000	7,106,000	9,350,000	6,597,000	6,800,000	7,220,000	3,560,000	1,910,000
Airport										
Landings	3,637	3,574	3,384	3,233	3,008	2,862	2,765	2,879	2,825	2,859
Take-offs	3,631	3,572	3,383	3,239	3,010	2,862	2,765	2,878	2,826	2,859
Municipal Court										
New cases (2)	-	-	-	-	-	-	-	-	1,226	963
Disposed cases	-	-	-	-	-	-	-	-	741	654

(1) 2011 through 2017 represents the calls for parking violations, which could be significantly higher than actual citations issued. Due to new software, 2018 represents the actual citations issued for parking violations.  
 (2) The City of Stephenville contracted with Erath County Justice of the Peace precinct 1, 3, 4 for Municipal Court services until 9/30/19. The new cases for 2020 include cases transferred from the Justice of the Peace.  
 Source: Various City departments

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# City of Stephenville, Texas

## CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years (Unaudited)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	10	10	10	10	10	11	11	11	12	12
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles)	92	92	92	92	93	93	93	91	91	95
Highways (miles)	23	23	23	23	23	23	23	23	23	23
Streetlights	1,125	1,127	1,139	1,145	1,149	1,156	1,164	1,168	1,160	1,160
Parks and recreation										
Acreage	130	130	130	130	142	142	142	142	147	160
Playgrounds	4	4	4	4	4	4	4	4	6	6
Baseball/softball diamonds	11	11	11	11	11	11	11	11	11	11
Soccer/football fields	1	1	1	1	1	1	1	1	-	-
Skate park	1	1	1	1	1	1	1	1	1	1
Outdoor aquatic center	1	1	1	1	1	1	1	1	1	1
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles)	126	126	126	126	126	128	131	131	135	140
Fire hydrants	798	798	798	798	801	816	816	816	863	922
Storage capacity (thousands of gallons)	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000	5,750,000
Wastewater										
Sanitary sewers (miles)	116	116	116	116	116	116	117	117	117	118
Storm sewers (miles)	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	4.9
Treatment capacity (thousands of gallons)	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000

Source: Various City departments

Note: No capital asset indicators are available for the general government or library function



# STAFF REPORT

**SUBJECT:** Discussion of Permitted Uses within the Industrial Zoning District

**DEPARTMENT:** Development Services

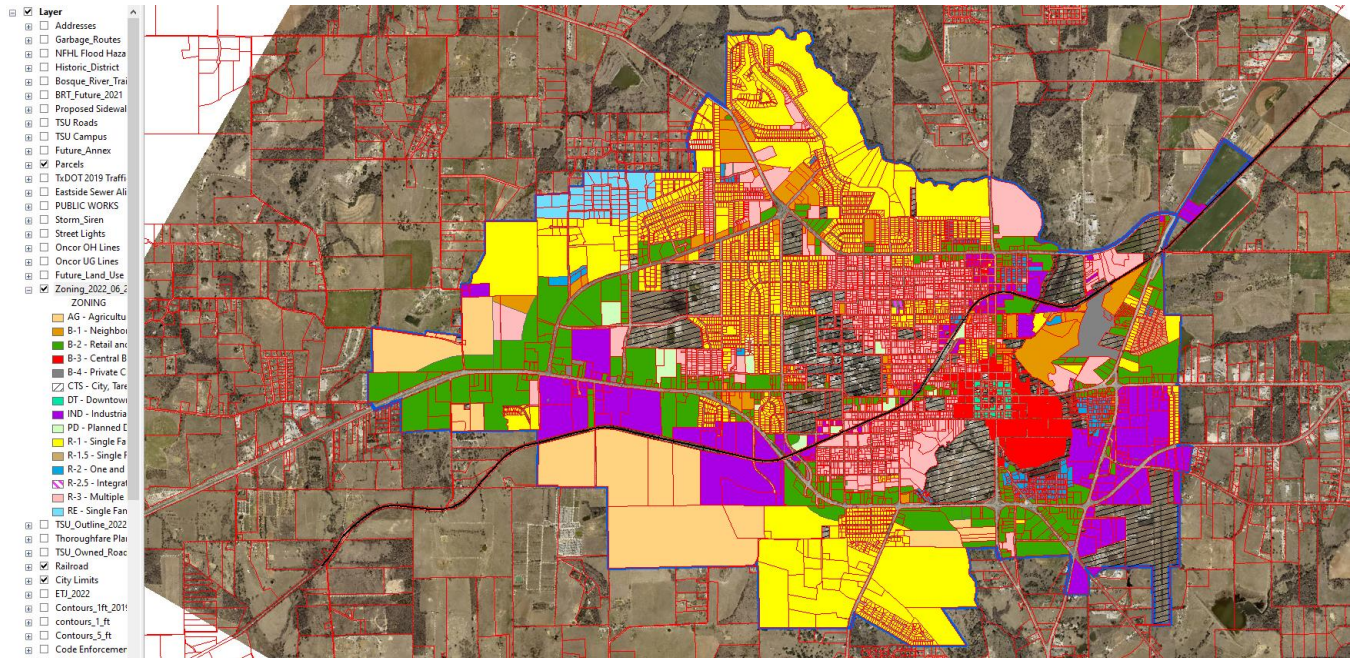
**STAFF CONTACT:** Steve Killen

## BACKGROUND:

In July, 2021, the committee reviewed the zoning ordinance in relation to alcohol sales as a permitted use within the zoning districts. Subsequent actions lead to an ordinance revision that authorized the “sale of alcohol as licensed by the Texas Alcoholic Beverage Commission” within the B-2, B-3 and Downtown districts.

Since that time, existing and incoming businesses, along with new developments within the Industrial District, have expressed interest for similar rights. Staff is requesting the committee to consider adding the “sale of alcohol as licensed by the Texas Alcoholic Beverage Commission” within the Industrial District. If a favorable recommendation is granted, the item will be added to the next Planning and Zoning Commission meeting for Public Hearing and relative recommendation to the City Council.

A map of the City Zoning Districts is pasted below for reference.





## Stephenville Thoroughfare Plan

For most current map, please see the [City of Stephenville GIS gallery](#).



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# Acknowledgements

Thank you to the following for their participation and involvement in the development of this report.

## City Staff

Wayne McKethan, Interim City Administrator  
Jeremy Allen, MBA, Deputy City Administrator  
Noah Cullis, MBA, Director of Planning and Building Services  
Nick Williams, PE, CFM, Director of Public Works  
Gene Calvert, PE, PTOE, City Engineer

## City Council

Kenny Weldon, Mayor  
Mark McClinton, Place 1  
Carla Trussell, Place 2  
Doug Svien, Place 3  
Brady Pendleton, Place 4  
Rhett Harrison, Place 5  
Alan Nix, Place 6  
Sherry Zachery, Place 7  
Jerry Warren, Place 8

## Freese and Nichols

Dan Sefko, FAICP  
David Paine, PTP, AICP  
Spencer Maxwell, PE, PTOE  
Kevin St. Jacques, PE, PTOE, PTP  
Chelsea Irby

**Approved and Adopted, April 2017**



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## Executive Summary

The Thoroughfare Plan for Stephenville provides a framework for a transportation system to offer choices in how residents travel, and includes recommendations for corridor alignments to preserve mobility and add connectivity as the community grows. This plan also serves as a blueprint for transportation investment decisions and includes opportunities to address current, near term and long term needs. It is envisioned that the majority of the network laid out in this document will be provided through the development process at the time of subdivision, using this document as a guide. The plan builds on the adopted Stephenville Comprehensive Plan 2030 goals and objectives and has specific, supporting themes of:



1. **Provide Access and Mobility for Residents**
2. **Fiscal Stewardship**
3. **Preserve Local Character Preference**

Using public resources in an efficient and effective manner includes anticipating growth and making reasonable allowances for coordination. The City will need to improve its network of roads and corridors as growth occurs, and balance expansion with maintenance and operation of the existing system in order to preserve the ability to reach desired goods, services and activities. Lastly, care is being taken in implementation, seeking to balance between the need to accommodate growth, yet retain what is distinctive to preserve the community character and best suit the Stephenville community. This plan reflects the input and direction given during its development and is responsive to the concerns raised, while still providing a framework to allow for growth of the community and the transportation network.

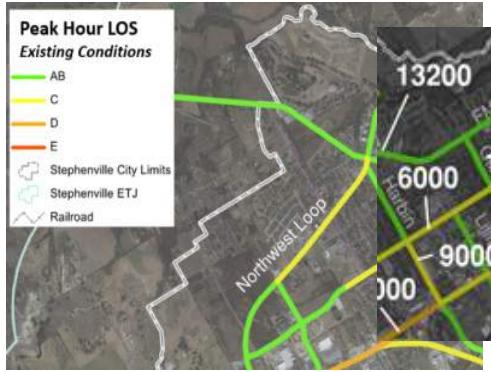
## Plan Development and Agency Coordination

The plan effort was developed with input from stakeholders and existing plan efforts, including the Texas Department of Transportation, the North Central Texas Council of Governments, Erath County, Tarleton State University, and the Stephenville Economic Development Action Plan.

Updates were given to the City Council at key stages of the planning process to gain input and guidance. The public commented on an early draft map and was able to participate in the public hearing process.

Roadway volumes, capacities, crash locations and frequencies were evaluated at to identify trends and project growth needs based on the future land use and economic development plans. System needs are summarized on page 24, and include enhancements to the existing network, focused intersection





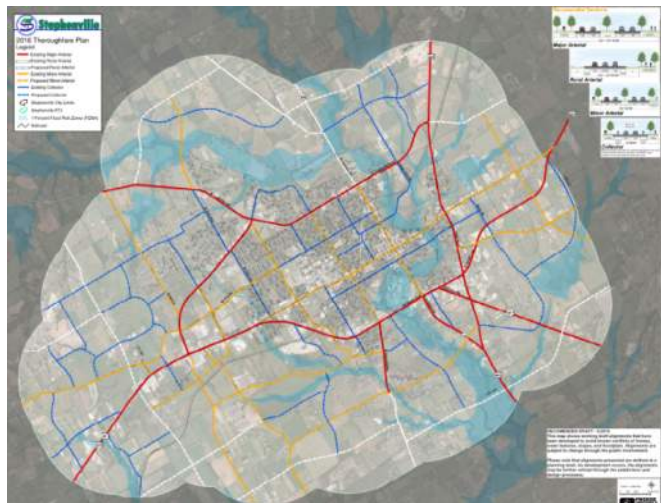
Traffic analysis and volumes. Image from Public Open House.

improvements to maintain capacity and better defined pedestrian and bike routes to TSU. Mid-term needs include expanded capacity in the western-center area of the City which has the greatest concentration of daily trips between homes, schools, and commerce.

Critical flaws were identified from planned alignments of the existing thoroughfare plan, and alternatives were developed, resulting in an extension of the thoroughfare grid network. Alignments were selected so as to avoid existing development, significant water features, steep slopes, and minimize floodplain and rail corridor areas which add to the cost of building and can prohibit implementation of road corridors. Non-auto considerations are also included, with selective bike and pedestrian elements added to link areas with vulnerable users and areas of higher recreation and economic activity. An equestrian-appropriate trail extension of the Bosque River Trail was also added, to connect known areas of active horseback-oriented transportation activities. Draft alternative alignments and near-term recommended improvements were shared with the stakeholders for comment at an open house. Comments were reviewed with the Council Public Works committee, and revisions addressed based on feedback.

### Thoroughfare Network

The updated thoroughfare network provides for long-term added mobility and connectivity needs to serve the community, and alternatives for a reduced dependency on the automobile. These are alignments free from known critical flaws and existing development, that should be preserved for connections through the subdivision process or by careful implementation from The City, or through partnership with Erath County or TxDOT at such time as they are considered necessary. Thoroughfare plan recommendations are part of a continuity of plan efforts, and as needs change, the plan should continue to be amended to reflect updated information for the preservation of long term community needs.



Recommended Thoroughfare Plan Map.

### Candidate Short-Term Projects

The plan includes recommendations that can be implemented to address current and short-term needs identified through the thoroughfare plan analysis and stakeholder input. The list of potential improvements are summarized as follows:



Recommended Near Term Projects.

1. Conduct an **access management study** by TxDOT of Washington Street (US 377) and US Business 377 from Graham Street (FM 108) to Northwest Loop in order to identify improvements for traffic, safety, and non-auto considerations to update this critical, central roadway corridor. This roadway currently has a high number of crashes and traffic congestion that would benefit from focused improvements resulting from a focused engineering study. The Study should include consideration of a shared-use path on the north side connecting the business district to the TSU campus.
2. **Northwest Loop and FM 8 intersection:** Increase capacity and reduce delay at this critical intersection by adding northbound channelized right turn.
3. **Northwest Loop at Harbin Drive:** Evaluate the intersection for potential intersection improvements to reduce delays and associated problems from the close spacing to the FM 8 and North Loop Intersection.
4. **Northwest Loop at US 377:** Increase capacity at this critical intersection by adding a southbound channelized right turn lane.
5. Advance to construction the TxDOT project for a **Super-2 highway configuration on US 281** to increase capacity and safety along this key corridor (Bids opened 9/2016).
6. **Washington Street (US Business 377) and Lillian:** Restriping and signal timing modifications to improve pedestrian crossing as a temporary improvement in anticipation of longer-term, more permanent reconfiguration by TxDOT and TSU.
7. Consider peak traffic-period left-turn restrictions along **Northwest Loop south of Harbin Drive** to maintain flow and reduce crashes.
8. Conduct **traffic signal warrant studies** for potential traffic signal control to improve flow and safety at: FM 8 and Ollie, Harbin and W. Frey, and W. Frey and Wolfe Nursery Road.



Excessive driveway access on busy arterial.

The planned network overall and these projects, specifically, have been identified based on short-term need for the transportation network, and are improvements to key locations with the highest existing travel volumes and significant concentrations of public activity.



# Basis for the Plan

## Introduction

Stephenville is a growing rural city located in the Cross Timbers section of North Central Texas. Home to Tarleton State University, a thriving rodeo circuit, light industry and agricultural concerns, the City is actively engaged in considering and guiding growth opportunities while maintaining the character that so many of its residents and neighbors identify with. In 2015 the City Council saw the need to update the thoroughfare plan adopted as part of the 2008 Stephenville Comprehensive Plan to address structural changes that had occurred since the plan's adoption, to reflect an updated view from the community, and to more specifically guide the development of a transportation network outlined in the comprehensive plan.

The thoroughfare network is one of the most visible and permanent elements of a community and it is experienced by residents daily as they make choices of how to connect with where they live, work, and play. This plan provides a framework for a more balanced transportation system to offer choices in how people travel, and includes assessment of traffic volumes and crash statistics, corridor design, and a recommendation for a Thoroughfare Plan with functional classifications and multimodal components. This transportation plan serves as a blueprint for transportation investment decisions.



## Guiding Principles, Goals, and Objectives

The 2016 Thoroughfare Plan builds on the foundation of the Comprehensive Plan, and the goals and objectives adopted through its vision and goals that were developed with the community. The Thoroughfare Plan offers the opportunity to carry the prior plan goals forward, as modified through the update process. Goals and objectives from the Comprehensive Plan form the basis of action for the Thoroughfare Plan. The following are the transportation-related Goals and related Objectives referenced from the adopted Stephenville Comprehensive Plan 2030 in summary form being addressed, or incorporated:

- ***Access for Residents***
  - » Use funds on streets to benefit community as a whole
  - » Determine where arterial and collector streets are needed
- ***Minimize negative impact on residential neighborhoods***
  - » Re-evaluate functional classifications of roads periodically
- ***Entry and Identity***
  - » City entrance signs
  - » Setbacks, preserve trees, plant additional ones
- ***Access and Circulation***
  - » Upgrade Ollie/Alexander to a Collector Street
  - » Extend Wolfe Nursery, Harbin Drive
- ***Alternative Transportation Modes***
  - » Trails, Sidewalks, Crosswalks
  - » On-, and off-street bike routes

Ultimately the Thoroughfare Plan attempts to balance these goals and inform public decision making on the Thoroughfare Plan based on this framework. Based on existing plans, Council, and community input, the Thoroughfare Plan actions build on the Goals and Objectives noted above, and focus on three areas, expanded on below with specific objectives:

- 1. Provide Access and Mobility for Residents**
- 2. Fiscal Stewardship**
- 3. Preserve Local Character Preference**

## Goal #1: Provide Access and Mobility for Residents

A critical goal for any thoroughfare plan is the ability to reach desired goods, services and activities. The provision of transportation options to reach destinations in Stephenville will grow as the City does. This principle is represented in Stephenville through a network of roads and corridors, efficient system management and operations, and through context sensitive street designs providing transportation choices. An expanding multi-modal network will provide connections to where residents work, live, and play, whether in central Stephenville or at the expanding periphery, through a system offering opportunities to drive, walk, and bike.

**Goal Vision: Provide efficient and effective mobility to, from and within Stephenville by providing a network of thoroughfares that include multi-modal options of connectivity to meet existing and anticipated needs.**

**Objective M1.** Provide mobility options for people who live, work and visit Stephenville, including efficient connections to regional communities.

**Objective M2.** Maintain a hierarchy of thoroughfare classifications that will provide for safe and convenient flow of traffic throughout the community. Maintain a thoroughfare planning process to ensure efficient and desirable connections between major arterials and other thoroughfares.

**Objective M3.** Invest in improvements to the arterial and collector street network to support the balanced mobility of motorists, pedestrians, bicyclists and commerce.

**Objective M4.** Provide a network of bicycle and pedestrian facilities, including sidewalks, bike routes, bike lanes and multi-use paths tied in to the Bosque River Trail, which provide active mobility options, connectivity and increase recreational opportunities for healthy living.

**Objective M5.** Promote and preserve convenient connections between neighborhoods, schools, access to commercial areas, and neighborhood assets to provide alternatives, and reduce trip lengths for neighborhood connectivity.

## Goal #2: Fiscal Stewardship

Stephenville strives to provide a roadmap of actions for transportation infrastructure preservation and investments to maximize the benefits for residents in a way that is fiscally responsible. Investments will include: input from the community and the priorities as identified through ongoing dialog with stakeholders, supporting economic vitality that promotes economic growth, and using resources in an efficient and effective manner. These fiscally sound efforts are intended to maintain a growing, vibrant local economy with a strong tax base, thus reducing the future fiscal burden on residents to provide city services.

**Goal Vision: Optimize the use of City of Stephenville funds and actions, and leverage additional resources from partner agencies and institutions to maximize the public return on investment for the community in transportation infrastructure and operations.**

**Objective F1.** Plan for and preserve rights-of-way and other real property for future multimodal transportation and supporting infrastructure investments in advance of economic development.

**Objective F2.** Prioritize maintenance, rehabilitation, safety and reconstruction of existing networks by maintaining streets, sidewalks, utilities, storm water systems and other infrastructure facilities.

**Objective F3.** Balance roadway congestion and increase mobility and safety for all roadway users through targeted intersection enhancements, operational improvements and promotion of alternative means of transportation first, then select-link capacity enhancements.

**Objective F4.** Coordinate and manage corridor access to enhance the long-term corridor viability through coordinated driveway sharing, cross access easements, intersection control and as applicable, coordinated median applications or turn-lane gap spacing.

**Objective F5.** Continue coordination with Erath County to ensure appropriate transportation system connections and, as necessary, coordinated response to shared system needs.

**Objective F6.** Coordinate with the Texas Department of Transportation (TXDOT) on improvements to the state highway system. As appropriate, consider land use, economic benefit and community implications to planning initiatives.

**Objective F7.** Continue to coordinate with Tarleton State University on transportation system implications of proposed school facility expansion and needs. Establish proactive planning dialogue and coordination to optimizing traffic operations and school safety to specific site issues.

### **Goal #3: Preserve Local Character Preference**

Investments should enhance transportation choices and accessibility, and create lasting value that complements the character and vision of Stephenville's neighborhoods, employment centers and activity centers.

**Goal Vision: Provide a transportation system planned and designed with people, places, and history, and culture in mind, including amenities and aesthetic design treatments that reflect a positive visual experience for all modes of transportation.**



**Objective P1.** Promote roadway design details, landscaping, and visual elements that reflect the rural heritage of Stephenville, such as natural materials, native grasses, and local character accents. Provide natural, grassed drainage where space permits, and where provided, promote open agriculture inspired fence styles along corridors.

**Objective P2.** Encourage public/private participation in beautification efforts. Explore utilizing assistance that may be available from private and volunteer groups to landscape design related projects and help maintain enhanced public areas (e.g., street medians, small landscaped areas, intersection corners, etc.).

**Objective P3.** Create visual gateways at principal entry points to establish a design theme or other coordinated visual for the city.

**Objective P4.** Develop pedestrian-friendly access to key community resources and areas. Link key community assets with comfortable, safe pedestrian links. Employ traffic calming techniques as necessary, to moderate speeds and traffic volumes, particularly on residential streets.

**Objective P5.** Expand the Shared-use path network centered on the Bosque River trail to connect key community assets with a non- auto options. Develop an equestrian-appropriate transportation link linking the major equestrian destinations in the community using existing easements where possible to promote the local activity, and provide a safe and active transportation link buffered from vehicular traffic.

**Objective P6.** Develop a plan for use of brick pavement treatment, and reuse of existing brick materials where appropriate and in a way that highlights the historic use and local visual preference.

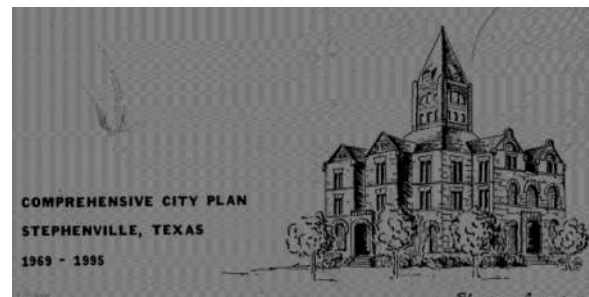
## Transportation Planning

This Thoroughfare Plan serves as the long-range plan for major transportation facilities for the City of Stephenville. The Thoroughfare Plan, like the Stephenville Comprehensive Plan, is a living document and intended to accommodate development of the City’s thoroughfare network, but is also meant to be updated periodically as goals are accomplished and conditions change. The plan is also a policy document for corridor and right-of-way preservation, allowing for orderly development of a transportation network to support the City’s growth plans over time, and as properties in the area of the City develop. Making needed connections happen is a combination being able to focus City, and contributing agency participation such as TxDOT and Erath County, for improvements that are publicly supported. This policy document guides that, but individual connections not provided through development over time are still left to partnerships between City, County, and TxDOT to prioritize and implement.

Future thoroughfare alignments are long-term and general in nature, and have been identified with high level planning consideration based on current, available conditions. As such, their alignments may be modified over time during the development process, but linkages should be maintained so that the overall system functions as a whole. This section describes the public process used in the creation of the plan, the referenced planning documents that formed the basis for its development, coordination process, and formal adoption process.

### Thoroughfare Plans

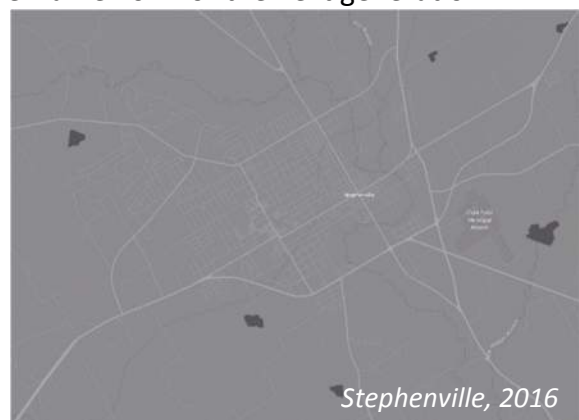
Thoroughfare plans are important to help guide development, and preserve transportation options for the future, as a community changes. The corridors help frame where development can occur, but just as importantly where it should not occur, as preserved through the City’s subdivision authority – so that when key connections are needed they can be made with less disruption, displacement and cost. In this way, a plan is a cost-effective way to lay out a vision for a city in the way a farmer will lay out his plan for a field to plant. This thoroughfare plan is a continuation of prior plans in Stephenville, dating back to 1969 with a summary plan which included a chapter on thoroughfare planning. In each iteration, the City Council has worked to provide a similar framework for growth, understanding the community values, discussing alternatives, and providing the opportunity to lay the framework for the next generation.



*Cover, 1969 Comprehensive Plan*



*Stephenville, 1969*



*Stephenville, 2016*



## Public Involvement

Several interim presentations were made to review and discuss the existing conditions and needs, modal plans, policies and programs and implementation strategies for the thoroughfare plan, culminating with a public meeting and open house. The draft plan was then submitted to the City Council to initiate the public adoption process.

- » City Council Planning and Public Works subcommittees briefing on Goals & Objectives, Existing Conditions and Needs (1/26/16)
- » Public Open House: Goals & Objectives, Existing Conditions and Needs, Modal Plans, Working Draft Thoroughfare Plan Alignments, and draft CIP (2/9/16)
- » City Council Planning and Public Works subcommittees briefing on Draft Thoroughfare Plan, Modal Plans, and Implementation (2/16/16)
- » County Briefing on Existing Conditions and Needs and working draft alignments coordination (2/19/16)
- » City Council Planning and Zoning Committee Briefing on Recommended Thoroughfare Plan and Implementation (12/13/2016)
- » Planning and Zoning Commission Hearing on Recommended Thoroughfare Plan, Modal Plans, and Implementation (3/15/2017)
- » City Council Adoption: Transportation Plans, Policies and Programs, Implementation (4/4/2017)

## Public Open House

An open house was held on February 9<sup>th</sup>, 2016, to brief the public on progress material that had been developed. Topics included existing conditions, draft goals and objectives, concepts for trail extensions, and working ideas to adjust the alignments of the thoroughfare plan from the adopted Stephenville 2030 Comprehensive Plan. The meeting was well-attended, with nearly 300 participants in two presentation sessions followed by questions and answers. Comments and questions were taken, an exit survey was handed out, and contact information on how to include comments on the material was made available. Comments taken at the session and

written comments submitted were incorporated into the plan recommendations as applicable and alignments adjusted further based on specific input details. Written comments were also submitted and accepted. Of the feedback given, it was apparent there was general lack of knowledge of the pre-existing thoroughfare plan outside of the City. The considerable majority of comments appeared to focus on the concept for a loop roadway, which was vocally discouraged. In general, the public comment period following the open house allowed residents to seek more information and understand the details of the proposal.

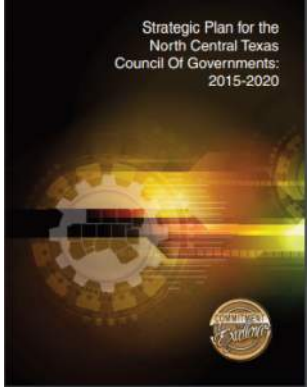
As a result of the feedback, given the significant number of comments regarding the 'loop' concept, direction was given to the team to remove the loop alternative, and instead focus on a grid network which was carried forward as part of the planning process. The resulting grid network layout is sufficient for growth of the community, but will place the emphasis on the community to implement the segments of roadway to link to other arterials continuously, particularly for the growing west and southwest edges. Without continuous arterial network link improvements, pressure will build at the key points in the network.



### Regional and Agency Coordination

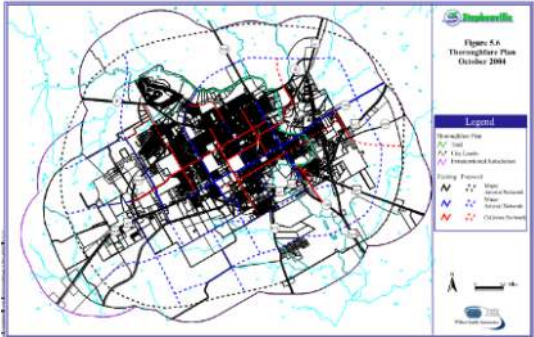
#### North Central Texas Council of Governments

Stephenville is situated in the southwest edge of the greater Dallas/Fort Worth Metropolitan Area which is hosts the North Central Texas Council of Governments (NCTCOG). The transportation elements of the current NCTCOG Strategic Plan related to Stephenville call for support for adequate transportation funding that results in reduced congestion and opportunities for economic development, making improvements to air quality, and improving goods movement. These broad policy statements are supported by the elements of this thoroughfare plan.



#### Stephenville 2030 Comprehensive Plan

The City adopted a comprehensive plan in 2008 through a public process that included land use and transportation recommendations for the growing community. The comprehensive plan forms the basis of the goals and objectives, initial alignments and functional classifications are the predecessor for this Thoroughfare Plan. The thoroughfare network of the plan included conceptual alignments for new roadways and a loop road concept to frame growth at the periphery of the community. The alignments have proven difficult to implement, and in some cases had conflicts with existing development or water district ponds that would preclude their implementation.



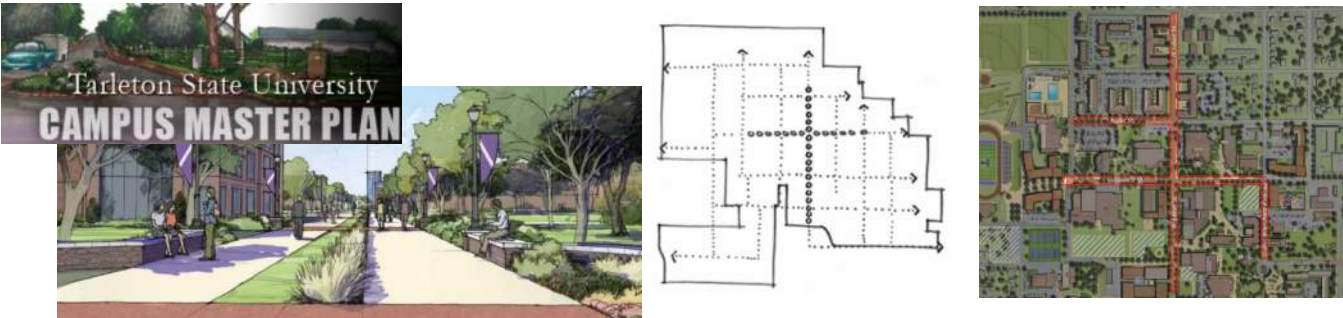
The conceptual alignments of the prior plan have been revised to reflect - and to the extent possible avoid - known conflicts of homes, water features, steep slopes, and floodplain. They were also re-aligned to better match updated roadway infrastructure, existing rights-of-way and known property lines. The loop road concept was also generally seen as problematic from residents outside of the city limits, and so the plan was modified to reflect the input. The land use map of the 2030 comprehensive plan also formed an important piece of the development of this plan, and is referenced in a later section.

#### Tarleton State University

With an enrollment over 11,000 and plans in motion for growth, Tarleton State University's main campus is also at the heart of the City of Stephenville. The University Campus Master Plan calls for the conversion of Lillian and Vanderbilt Streets to pedestrian malls. While traffic is already blocked by bollards to all but emergency vehicles, over time the roads will be converted with permanent improvements. Coordination with TSU during the thoroughfare plan development yielded specific concerns including: classifications of streets near the campus, preserving the area of pedestrian-emphasis, and adding concern for cyclists to the plan. An increasing number of students choose to access the campus, as well as move around it, by bike. Congestion was also noted, with the balancing concern for safety and pedestrian access.



Continued redevelopment of the university main campus will provide good opportunities to co-locate additional student housing on the campus, which reduces the need to access the campus by vehicle. The campus is also served by a shuttle service, which extends to dense nodes of off campus housing, and should be expanded to new concentrations of students to reduce the need for driving. Together with redevelopment opportunities, the campus can best accomplish reduced vehicle trips by reducing and even restricting parking on campus, and requiring payment for the convenience. As the university continues to grow, the City should consider partnering with the university on an operational traffic study, with detailed analysis of travel patterns to and from the main campus, to ensure safe access without negatively impacting the surrounding community disproportionately. Outcomes of such a study could include intersection improvements, wayfinding signage, marked pedestrian crosswalks with lighted signage, new sidewalks, and shelters for shuttle stops.



*Erath County*

Erath County Commissioner’s Court was briefed on the project in February, and invited to collaborate on the thoroughfare plan alignments and plan elements. Collaboration with the County is important to the City as a good neighbor practice, and for generating cooperation on coordination of transportation infrastructure. Initial feedback concerned the maintenance of roadways, and interim conditions where a portion of roadway in the City ETJ would be built to City standards rather than county standards. Concerns were also raised and over limited infrastructure resources for maintenance and new roadways. Commissioners were also invited to comment on draft roadway alignments, with comments incorporated in the plan recommendations as applicable.



### *TxDOT*

Some of the roadway alignments identified in the plan may be developed in part through TxDOT participation. For rural areas in Texas, projects focused on connectivity are typically a combination of State and local efforts, when the needs arise. Advanced planning helps align the purpose and need with potential rights-of-way preservation that allows for better communication and collaboration, and results in less disruptive and less costly project implementation.

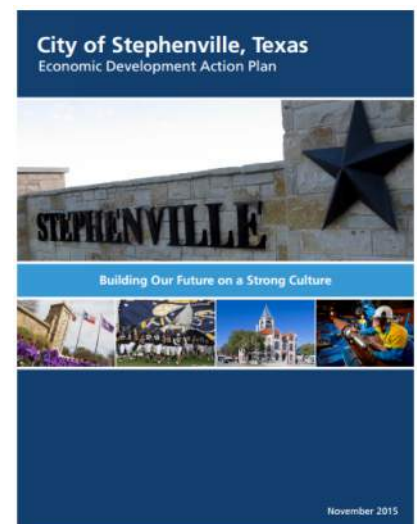
The Erath District staff were also invited to comment on the plan throughout its development, and was kept informed of the status of alignments and concepts under development. TxDOT contributed to existing thoroughfare plan needs, vehicle trip projections, and some specific project concepts from their perspective that are supported by the city thoroughfare plan, such as the need for a specific access management study along the US Business 377 (Washington Street) corridor, and status updates on discussion of long-term improvements to the Washington Street and South Lillian intersection.

### *Stephenville Economic Development Action Plan*

Consideration to accommodate for growth and orderly economic development is one of the goals of the plan, and consideration of the City's economic development goals, including locations and types of development, were incorporated in the plan. Key inputs were areas designated more industrial – and therefore needing additional access to regional roadways. Areas designated as residential were included in the plan with recommendations for collector streets to preserve connectivity during subdivision.

Gateway locations are also a function of the economic development plan, which identifies several districts, and the need for signage. This plan compiles those locations, and also has recommendations for delineation of additional community gateway features to distinctly announce arrival in Stephenville.

Lastly, the character of the City and region includes the rodeo prominently, and the plan reflects this character in three key ways. First the grid network of roadways is a direct result of input received from residents in the open house. Second, the plan includes development of a rural arterial roadway functional classification, which has natural drainage and fewer travel lanes. Third, the plan calls for an equestrian-appropriate trail extension to connect and serve prominent rodeo and equestrian destinations. This important transportation link serves the unique travel mode in Stephenville in locations most likely for it to be utilized.



# Transportation System Needs

## Regional Mobility and Connectivity

Stephenville and Erath County are currently in the greater Dallas/Fort Worth Metropolitan Area administered by the North Central Texas Council of Governments (NCTCOG), but considered a rural county and therefore not a participating member of the NCTCOG metropolitan planning organization (MPO). With current growth trends, within 5-10 years Erath County population can be expected to exceed 50,000, enabling the community to join the MPO if they choose. Joining the MPO has several benefits, including allowing participation in the greater regional planning discussion, and consideration nomination and allocation of MPO-directed federal and state transportation funding for projects.

Stephenville is the center of a regional transportation hub, at the intersection of four highways bisecting Erath County and providing connections across an area approximately 50 miles across. Stephenville is also the County seat, and the center of commercial truck shipping routes for US 281, US 377, and US 67. The Erath County region is shown in the illustration below.





## Local Mobility and Safety

### Traffic Volumes & Congestion

The performance of the local roadways and resulting congestion can be linked to many components – including the number of vehicles using them and at what times, number of lanes, speed limit, daily traffic volumes, adjacent land uses, traffic signal parameters, driver types, signage, pavement conditions, road design elements, and access control. In this section, traffic volumes are reported to track average conditions at the time of the plan.

According to US Census data, approximately 97% of all work trips in the City of Stephenville are automobile-based, with an average commute time of 15 minutes. Currently, 14% of work-bound trips are carpool based, with 3% of respondents walking, biking, or working from home. Notably, this does not include data for students. The percentage of people driving to work alone has been increasing slightly, from 77% in 2000 to 86% for most of the incorporated area in 2013. For those not working at home, the commute time varies based on the length of trip, destination, and chosen route.

The most heavily traveled route in Stephenville is US 67/US 377, which carries 25,900 vehicles on an average day just east of the Northwest Loop. The Northwest Loop, by comparison, carries nearly 10,500 vehicles daily. FM 8 is the second most travelled roadway, with 15,700 average daily trips. Other arterial routes with high average daily trips range between 8,000 and 10,000

Figure 1. Peak Hour Level of Service, Current.



Data: 2011 TxDOT saturation count, 2013 AADT, and 2015 GRAM, Inc. traffic counts.

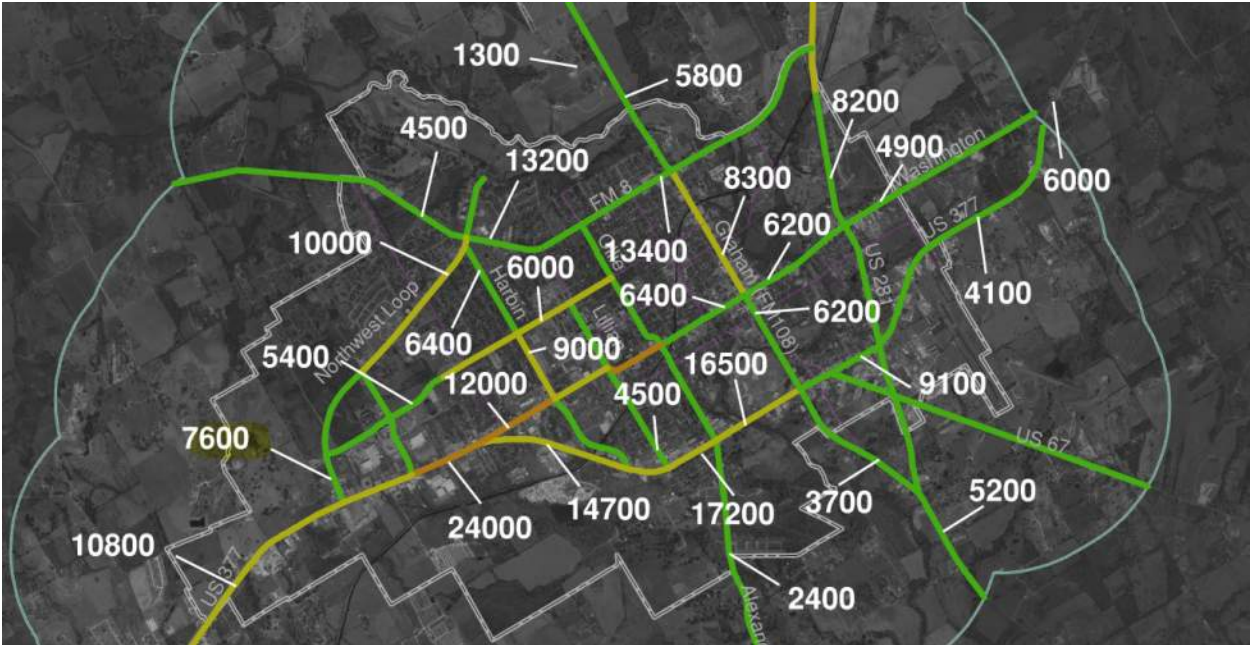
daily vehicles. A comparison of traffic volume data from 2007 revealed annual increases ranging from under 2% to 3%, generally. However, the data did reveal heavier increases in key traffic corridors, and more volumes on the west side of the city, where retail and some major employers are located. This is indicative of both the commute patterns to major employers in the west, the clustering of schools in the education triangle, and connection to the concentration of retail which typically sees highest volumes in the PM peak traffic period. The concentration of trips in this period leads to residents experiencing traffic delays, with stop controlled intersections of minor arterials and collectors requiring frequent management by an uniformed officer (Image below).

*Intersection of Harbin and Frey during peak traffic periods*



Average annual daily traffic (AADT) volumes were gathered from TxDOT, with 2013 data available in the figure below, and also supplemented by the Stephenville Thoroughfare Plan counts taken in 2015. Additional detail is included in the Projected Growth and Needs section, and the study appendix.

*Figure 2. Existing Average Annual Daily Traffic*



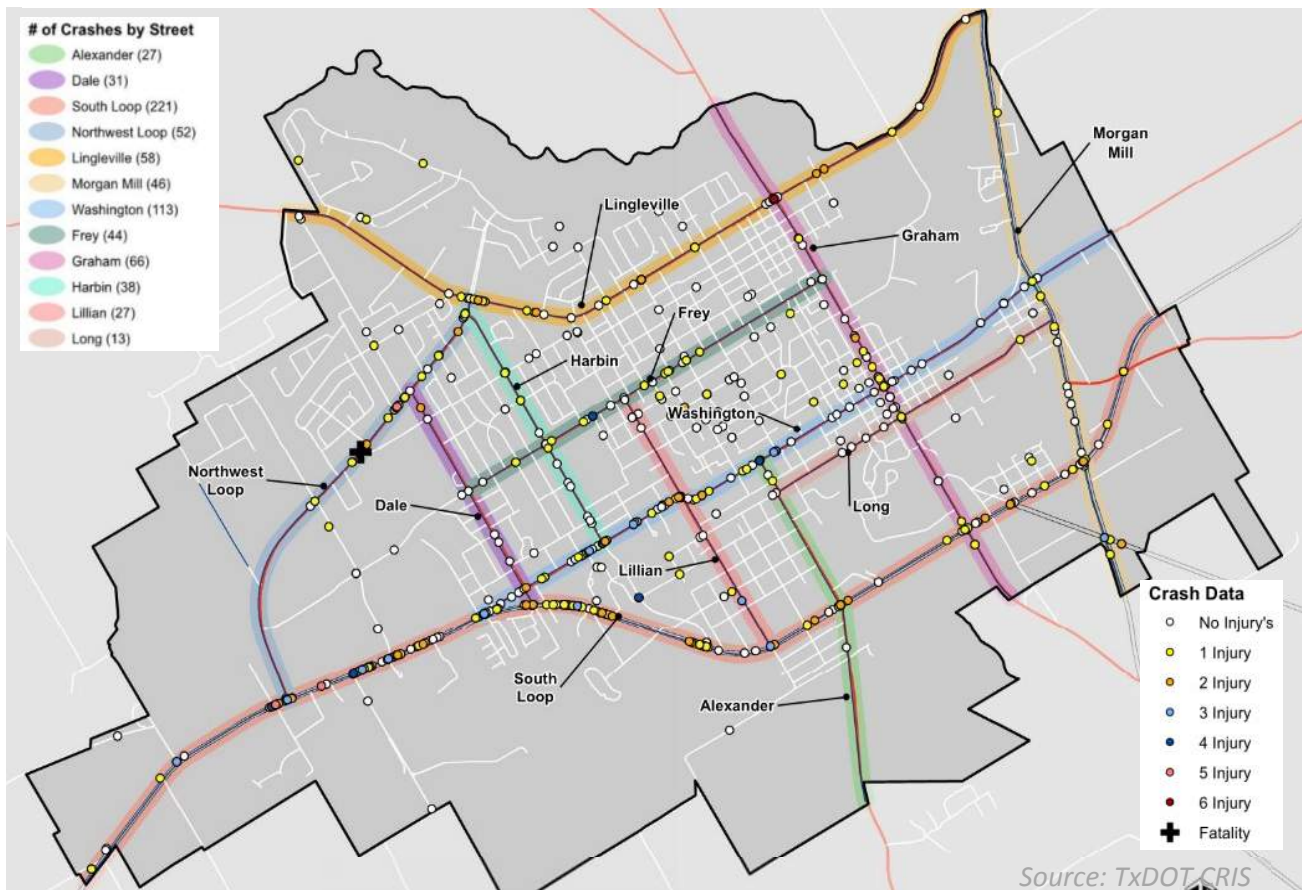


### Crash History and Trends

Vehicle crashes are a source of considerable personal anguish, disruption and loss of personal property and time and can result in personal injury and in the worse cases, death. Analysis of crashes recorded over the prior three-year period of available data was conducted to determine if patterns were prominent. Rates of crashes on roadways were also compared to cities of similar size. The analysis showed that, generally, arterials in Stephenville have a similar or lower number of crashes per year compared to communities of similar size in Texas, such as Denison, Seagoville, and Forney.

For the three-year period, an average of 270 crashes per year were reported on roadways in Stephenville, with one crash resulting in fatalities on the Northwest Loop in 2015. For the period analyzed, 20 out of 815 total crashes reported resulted in incapacitating injury. Of the crashes resulting in incapacitating injury, 70% occurred on roads with a posted speed limit of 40 miles per hour or higher. 55% of the crashes resulting in significant injury occurred on the two roadways with the highest average daily travel – US 67 and US 377, which also overlap in designation. Weight differential can often also be a significant contributing factor. Although related data was not available for all years, commercial vehicles as a subset of vehicle types were involved with a limited number of crashes overall in the period analyzed, and none of the crashes resulting in incapacitating injuries. Commercial vehicles were not a factor in the

Figure 3. Crash Data (October 2012 through September 2015)



crash resulting in fatality. Neither time of day nor weather conditions appeared to be contributing factors for fatal crashes for the period of time studied. Overall, 35% of the crashes occurred at night. The policy implications for the City of Stephenville are that speed differentials between crash vehicles increase crash severity, and lower speeds are more appropriate for residential areas, with enforcement and education of speed risks an ongoing concern. Additionally, road design features such as narrower lanes and reduced turn radii at intersections can be visual cues to slow traffic on arterial roadways.

## Future Land Uses and Population

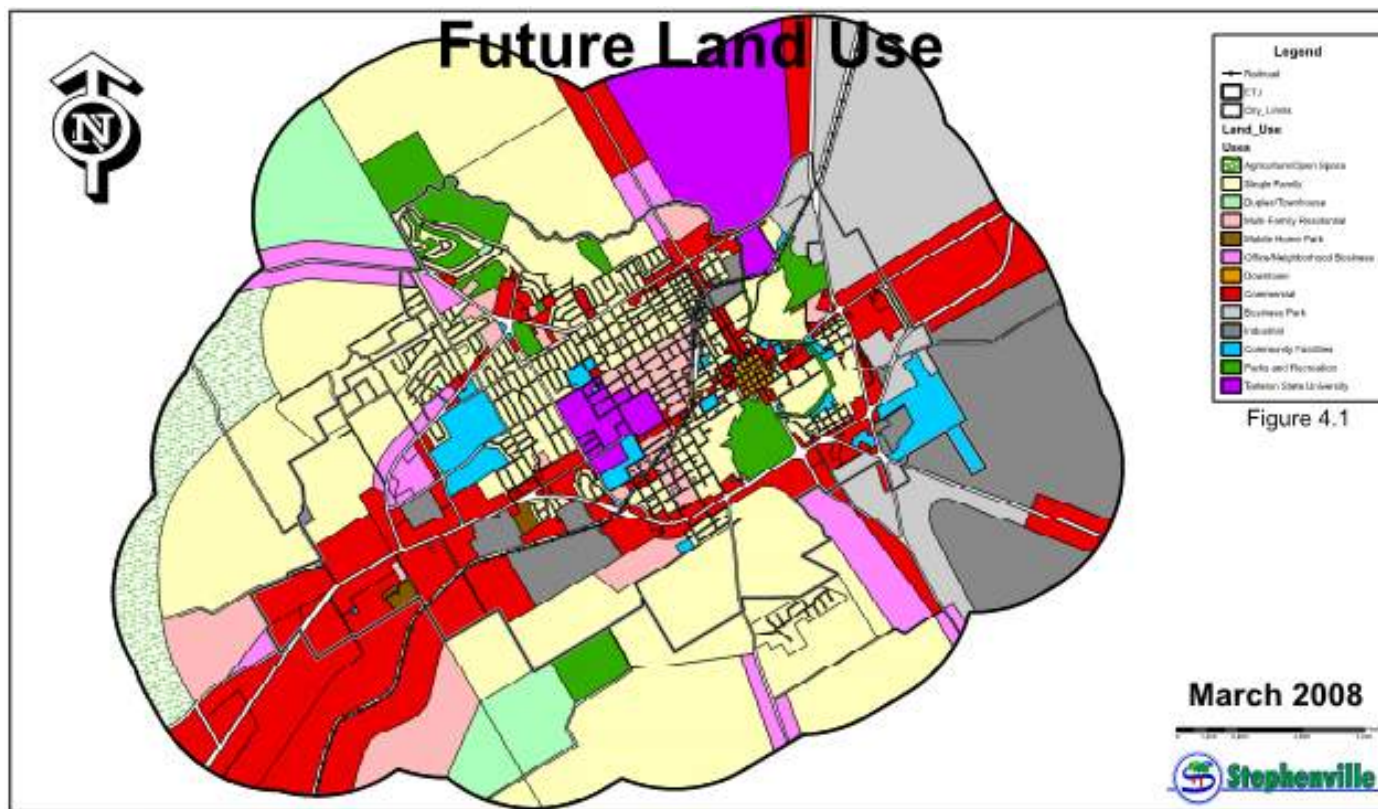
The Future Land Use map and the conceptual existing thoroughfare plan of the adopted Stephenville Comprehensive Plan 2030 were used as the land use basis for the transportation analysis and near term needs. The land uses were combined with the 2015 Stephenville Economic Development Action Plan, Strategic Plan for NCTCOG 2015-2020, and the Tarleton State University 2020 plan for locations of prevailing and planned land uses, residential, commercial and institutional locations and densities. These prevailing land uses were overlaid with the existing thoroughfare network to form an initial, functional basis for transportation network capacity evaluation.

The information gathered generally describes growth as follows:

- Residential growth anticipated to the north and west at both large-lot and traditional subdivision densities, (assumed to range from 1 acre lots to 5 homes/acre), with limited multifamily development, and an overall residential growth rate of between 1% and 3%.
- Ongoing commercial agricultural uses and small-scale personal use agriculture in the ETJ,
- Expansion of retail/commercial development along US 377, west and south, generally,
- Continued redevelopment of the central TSU campus, and gradual development of the TSU agricultural campus to the north, and
- Expansion of the airport runway, and potential for light industrial to the east.

Major employers in Stephenville as of 2012 included: Tarleton State University (1110+ employees), FMC Technologies (800+ employees), Saint-Gobain Abrasives (400+), Stephenville ISD (400+), Walmart (400+) and Schreiber Foods (400+), Western Dairy Transport, Texas Health Harris Methodist, and Tejas Tubular.

Figure 4. Adopted Future Land Use Map, 2008





### Projected Growth and Travel Need

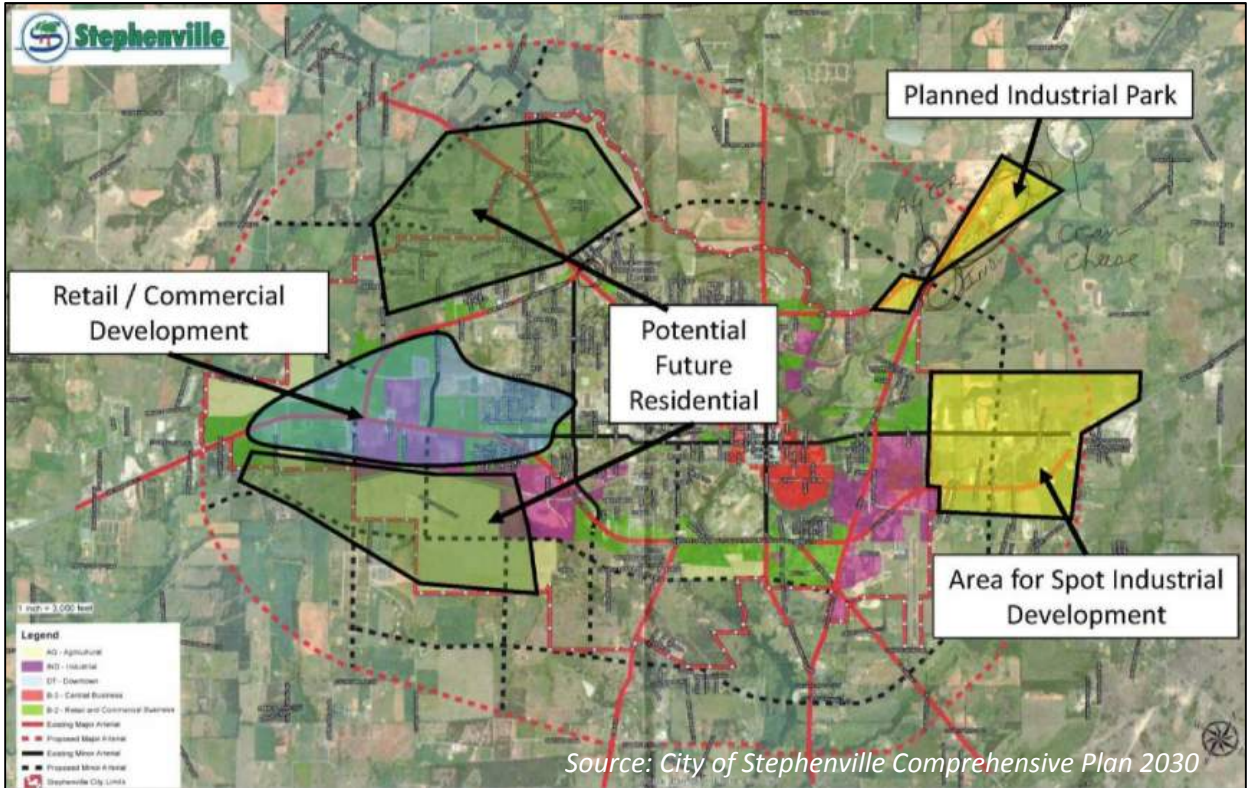


Figure 5. Current Economic Plan Development Areas

The population of Stephenville has grown at a rate of 13.3% between 2010 and 2014, with an estimated 2014 population of close to 20,000 (US Census). Periods of growth offer the opportunity to consider what is needed to support that growth, and the conversation on how a community wants to grow. The growth projections and results of the conversation form the core of the plan recommendation, supported by analysis of the network to support the plan recommendations.

In order to assess the capacity of the transportation network and evaluate the potential to accommodate growth, the existing network was analyzed. For the analysis, existing and future land use plans were combined with traffic projections by TxDOT for major arterials, and combined with update. The results inform recommendations on road classifications, number of lanes in a corridor, and needs for additional network connections. The table below shows a sample of historical average traffic growth, shown as Annual Average Daily traffic (AADT), recent AADT counts, and modeled projections.

A more focused analysis was conducted at six critical intersections for capacity and potential recommendations, for near term capacity consideration to include in the capital improvements plan discussions. Additional recommendations can be found in the next chapter in the section on Candidate Implementation Projects for Prioritization and more on the analysis is provided in the report appendix.

Table 1. Key Roadway Analysis

Key TxDOT Roadway	2007 Average Daily Traffic	2014 Average Average Daily Traffic	Annual Growth	2034 Potential Daily ADT
US 67/US 377 (South Loop, west)	19,700	24,000	2.9%	46,000
US 281 (Morgan Mill)	8,400	8,200	<2.0%	12,000
FM 8 (Lingleville Road)	14,000	13,400	<2.0%	20,000
US Business 377 (Washington Street, downtown)	7,300	6,400	<2.0%	9,500
FM 108 (Graham, downtown)	8,400	8,200	<2.0%	12,000
FM 988 (Northwest Loop, north end)	13,400	10,000	<2.0%	25,000

Based on these growth trends, several key roadways in Stephenville will need additional capacity in the time horizon of the plan – leading to recommendations for expansion of the network, the grid pattern of streets, as well as specific corridors as growth occurs. Specifics include:

- Near-term need for access management for US Business 377, (Washington Street) and US 377 to identify operational changes and detailed schematics in order to maintain acceptable levels of service and better define the pedestrian through-way.
- Near-term need for operational enhancements at intersections to maintain levels of service.
  - US 67/US 377 (South Loop) at FM 988 (Northwest Loop)
  - FM 8 (Lingleville Road) at FM 988 (Northwest Loop)
  - US Business 377 at Lillian
- Near-term need for upgraded intersection control on West Frey Street at Harbin Drive and Wolfe Nursery Road. Need for evaluation of intersection of FM 988 and Northwest loop, and intersection of FM 8 and Ollie and for upgraded intersection controls.
- Near-term need for better pedestrian accommodation on Washington Street between Tarleton State University Campus and Central Business District.
- Mid-term need for additional connections and “legs” to the thoroughfare network, to provide route alternatives. Segments south of the rail line and west of FM 988 appear to be needed in order to support priority development patterns.
- Mid-term need for revisions to operations for FM 988 and Harbin Drive intersection, to address difficulties regarding proximity to intersection with FM 8.
- Mid-term need to expand Harbin Drive and Northwest Loop to maintain levels of service.
- Potential future need for US 377 to be expanded to 6 lanes and addition of a raised median between FM 988 (Northwest Loop) and US Business 377, to maintain acceptable levels of vehicle service.
- Opportunity for active transportation mode alternatives beyond the traditional, walkable town center.
- Opportunity for better defined bike routes to and from Tarleton State University.

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## Thoroughfare Plan

The recommended plan builds on the transportation principles established in the city comprehensive plan and the goals and objectives of the first chapter of this thoroughfare plan, coordination with Erath County, and input obtained throughout the planning process. Key features of this thoroughfare plan update of the comprehensive plan include:

- Building on the prior roadway functional classification system – addition of rural arterial and grid network given public preferences
- Modifying the conceptual alignments – to establish a functional basis for corridor preservation
- Adding network connections and continuity
- Expanding the trail system to connect to existing and planned community assets and provide for transportation choice

### Thoroughfare Network

The thoroughfare plan provides for the long term increased mobility and connectivity needs, and a reduced dependency on the automobile. Thoroughfare plan recommendations are part of a continuity of plan efforts, and as needs change, the plan should be amended to reflect updated information for the preservation of long term community needs. Transportation planning initiatives should be coordinated with other infrastructure investments and priorities within the community and with other agencies to leverage financial resources, for example, coinciding improvements to replacement of utilities, or timing widening projects to occur at the natural end of a pavement's useful lifespan. **Figure 6** illustrates the recommended thoroughfare plan network.

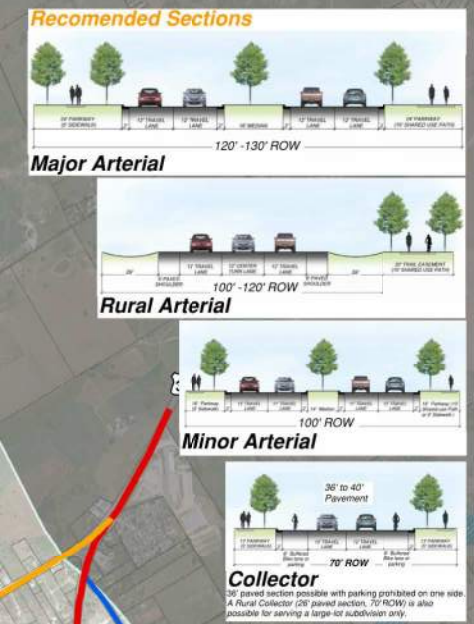
*Intersection of North Loop and North Wolfe Nursery Road*



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- Existing Major Arterial
- Existing Rural Arterial
- Proposed Rural Arterial
- Existing Minor Arterial
- Proposed Minor Arterial
- Existing Collector
- Proposed Collector
- Stephenville City Limits
- Stephenville ETJ
- 1-Percent Flood Risk Zones (FEMA)
- Railroad



For most current map, please see the  
City of Stephenville GIS gallery.

This map shows planning level alignments that have been developed to avoid known conflicts of homes, water features, steep slopes and floodplain. Please note that alignments presented are defined at a planning level. As development occurs, the alignments may be further refined through the subdivision and design processes.

Figure 6. Thoroughfare Plan



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### Street Functional Classifications

Functional street classifications are the hierarchy of streets organized into a network. Functional classifications not only create a framework of mobility and connection for regions and cities, but also provide for minimum design standards according to function. The combination of design elements of the roadway and associated spaces result in certain right-of-way widths needed to accommodate them adequately. The right-of-way widths are then targets for corridor preservation through county, city, and state actions. The following section outlines the targeted details and function of each of the classifications:

#### Major Arterials

The recommended right-of-way for major arterials ranges from 120' to 140'. The right-of-way is intended to accommodate higher volumes and levels of mobility, providing substantial regional access and statewide travel. Where 6 travel lanes are needed, a typical section of 140' is used for the travel lanes and appurtenances, buffer space, and drainage. A right-of-way of 120' allows for 4 travel lanes and associated spaces.

A divided median is key for this classification of roadway, and a median width minimum of 16' is included. A divided median of sufficient width allows area for dedicated left turn lanes at intersections and provides access management for fewer turning conflicts and preservation of traffic flow. In rural areas, the median can be depressed from the roadway which also provides natural drainage. In these cases, the median width should be between 48' and 76' and wider right-of way widths would be required to provide adequate spacing for turning commercial vehicles. Driveway access onto principal arterials should be limited by access management and spacing requirements, and parking along arterial roadways is generally prohibited. Purpose and characteristics include:

- High degree of regional mobility, higher traffic volumes and operational speeds
- Connected to regional arterial plans
- Access is carefully managed
- Curb and gutter section with underground Stormwater utilities and drainage

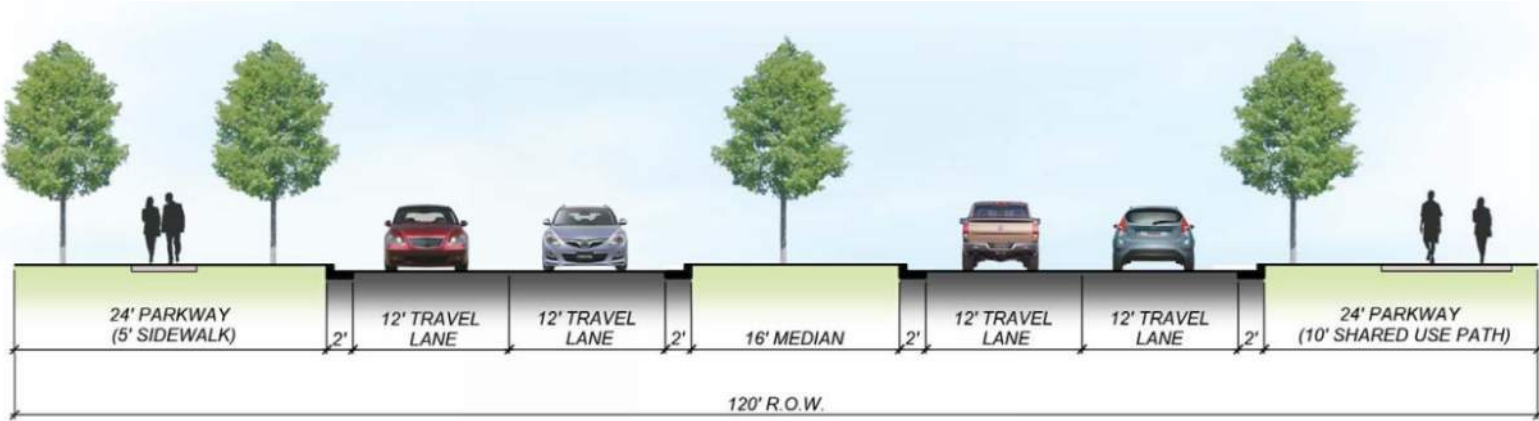


Figure 7. 4-Lane major Arterial Section

- Examples include South Loop (US 377/US 67), West Lingleville Road (FM 8), the Northwest Loop (FM 988), and the East Road (US 281).

Figures 7 and 8 illustrate typical principal arterial sections, for 4 and 6 travel lanes with surfaced medians.

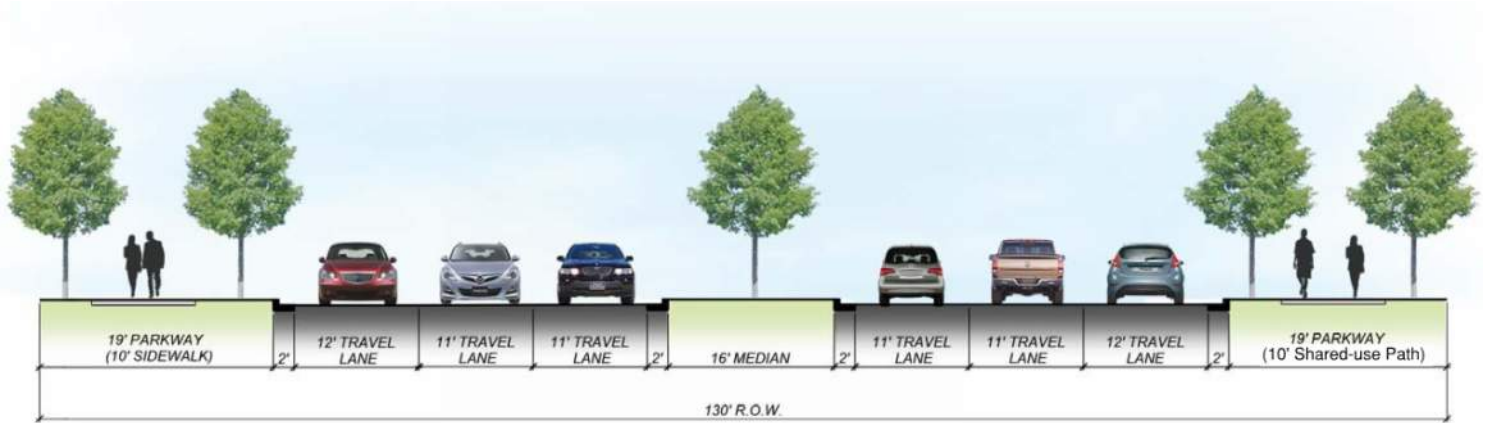


Figure 8. 6-Lane major Arterial Section

### Rural Arterials

Minor Arterial roadways carry traffic across significant segments of the city, connect major arterials to collectors and accommodate moderate volumes. The recommended right-of-way for Minor Arterials is 100' to 120'. Minor Arterials are intended to include a three lane section, with two travel lanes and a median. Travel lanes should be 12' and shoulders between 8' wide to accommodate emergency parking, extended site lines, and bicycles. Wide areas at the edge of paved shoulders provide for drainage and buffer from the roadway. Where sidewalks are provided, they should be between the drainage channel and the edge of the right-of-way. Driveways may be more frequent than major arterials and higher-class facilities, but should still be guided by access management principles. A two-way left-turn lane in the center of the section provides buffer distance from oncoming traffic and left turn opportunities.

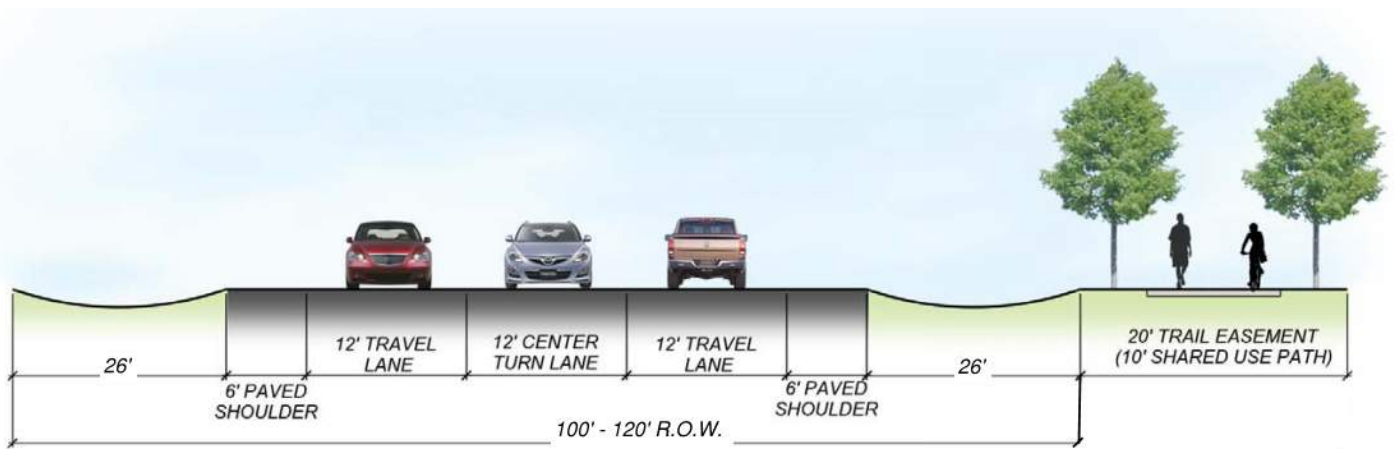


Figure 9. Rural Arterial Section, with adjacent trail easement

The purpose and characteristics of Rural Arterials include:

- Cross-town mobility
- Accommodate medium traffic volumes and operational speeds
- Managed access
- 2-lane, divided with a surfaced median
- Open section drainage

Examples include North Graham Avenue (FM 108) within the City Limits, and FM 2303 and County Road 386 in the City’s ETJ.

### Minor Arterials

The recommended right-of-way for a Minor Arterial in Stephenville is 100’. The arterial is intended to accommodate medium volumes, provide local mobility, and make connections to neighboring communities. Minor arterial roadways are intended for local trips, so design speeds should also be notably lower than major arterials. A right-of-way of 100’ allows for four travel lanes and space to buffer different travel modes. A divided median is also important for this classification of roadway, providing access management for fewer turning conflicts, and allowing space for left turn bays at minor intersections. Additional ROW may be preferred at major intersections. Driveway access to minor arterials should be guided by access management and spacing requirements. Parking along the roadways is generally prohibited. Bicycle accommodation is preferred to be provided on a shared-use path buffered from the roadway, though bike lanes are useful where space and demand permit. The purpose and characteristics of Minor Arterials include:

- Cross-Town mobility
- Accommodates medium traffic volumes and operational speeds
- Access is managed
- 4-lane divided
- Curb and gutter drainage

Examples include Wolfe Nursery Road, Harbin Drive, and Washington Street (US Business 377).

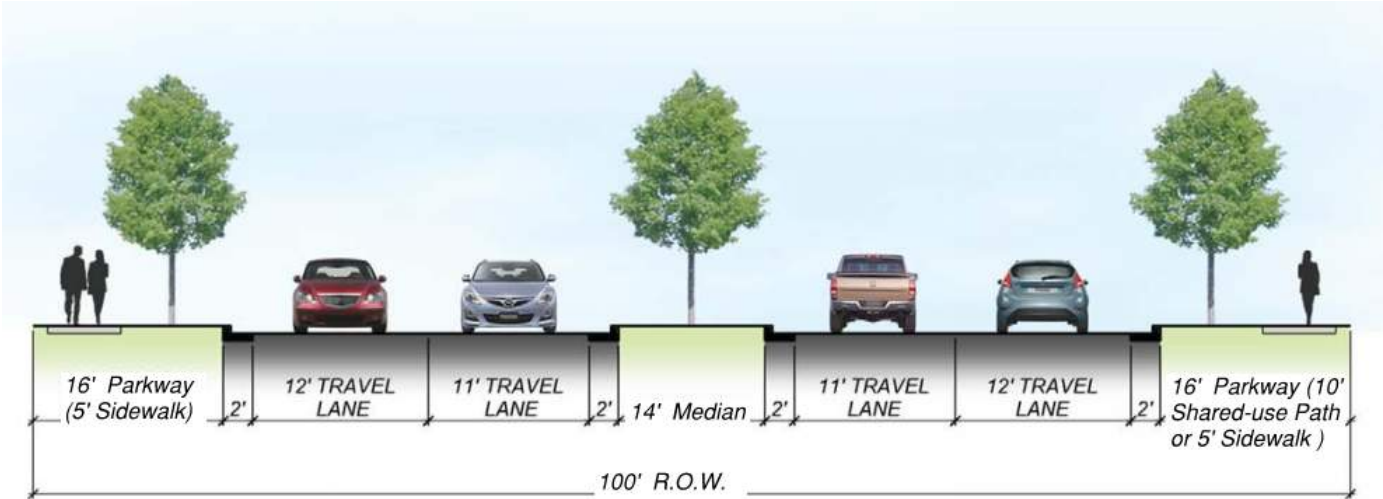


Figure 10. Minor Arterial Section – Example Wolfe Nursery Road

### Collectors

Collector roadways serve to provide access between higher functional class facilities and access to residential areas. Collectors are designed for short trips, lower speeds, and connections between residential and commercial areas. They are differentiated from arterial streets by their length and degree of access to adjacent development and driveway access onto collector roadways is seldom limited.

The recommended right-of-way for Collector roadways is 70'. The pavement width of 40' is wide enough to provide various layouts of lane striping to accommodate adjacent uses – whether it is on-street parking, bike lanes, or a center turn lane, the width is intended to be flexible over time as needs change. A rural Collector alternative with a 28' paved, open section, clear shoulders on either side, and 70' ROW is also possible for serving a large-lot subdivision only. The purpose and characteristics include:

- Collection and distribution of traffic
- Speeds and volumes dependent on adjacent land uses and neighborhoods served
- Access to development and neighborhoods
- Connectivity to arterial and residential collector streets

Examples include Dale Avenue, Byron Street, College Farm Road, and Pecan Hill Drive

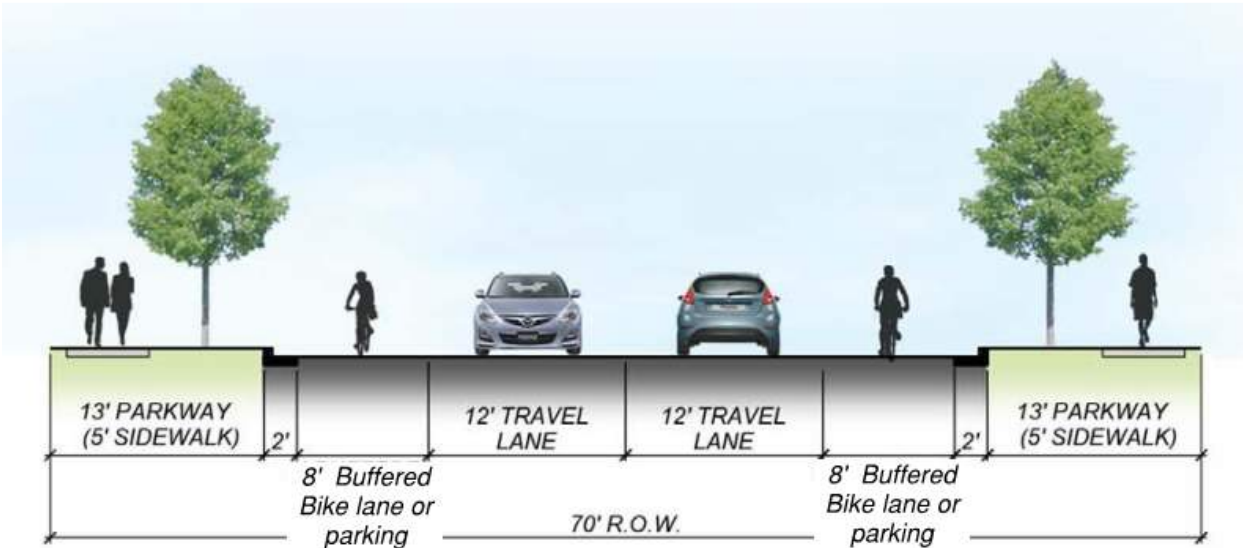


Figure 11. Collector – Example: Dale Avenue

The roadway classification shown in **Table 2** provides summary characteristics and functional classification guidelines across all road types for Stephenville.



Table 2. Roadway Classifications

Type of Roadway	Function	Spacing from other similar roads (Miles)	Direct Land Access	Roadway Intersection Spacing <sup>(3)</sup>	Volume Ranges (Veh./Day)	Speed Limit (MPH)	Parking	Comments
Highway	Traffic Movement; long distance travel.	1-5	Provided by on/off ramping schematics to continuous frontage roads.	1 mile	30,000 to 125,000	55-70	None	Supplements capacity of arterial street system and provides high speed mobility.
Major Arterial	Moderate distance inter-community, intra-metro area, traffic movement. Serves long trip lengths.	½ -1 ½ <sup>(2)</sup>	Restricted – some movements may be prohibited; number and spacing of driveways controlled.	¼ mile	20,000 to 45,000	40-55		Provides higher mobility and speeds. “Backbone” of the street system.
Minor Arterial	Mobility function is primary; access function is secondary. Serves moderate trip lengths.		May be limited to major generators; number and spacing of driveways controlled.	1/8 mile	7,000 to 34,000	30-45		Provides route and spacing continuity with major arterials.
Collector	Collect / distribute traffic between local streets and arterial system. Serves short trip lengths. Provides land access and inter-neighborhood traffic movement.	¼ -½ <sup>(2)</sup>	Safety controls; limited regulation.	300 feet	2,000 to 18,000	30-40	Limited	Through traffic should be discouraged.
Local Street	Land access.	2 lot lengths	Safety control only.	125-200 feet	200 to 1,500	20-30	Permitted	

(1) Spacing determination should also include consideration of (travel within the area or corridor based upon) ultimate anticipated development.  
 (2) Denser spacing needed for commercial and high-density residential districts.  
 (3) Spacing and intersection design should be in accordance with state and local thoroughfare standards.

## Candidate Priority Projects

The thoroughfare network is implemented in segments over time. It is envisioned that the majority of the network will be provided through the development process, by developers at the time of subdivision, using this document as a guide. This is accomplished through the subdivision and requiring dedication of right-of-way, and using the road standards to construct roadways. Some roadways may initially be built with fewer lanes to meet current needs, but the ultimate right-of-way is still preserved to expand the roadway to meet future issues.

This plan effort is also an opportunity to examine solutions that can be implemented to address short- and long-term needs. The next section addresses priority projects that arose through the planning process or were already under way in developing this plan.

### Short Term

- 1. US 377 and US Business 377: Graham Street (FM 108) to Northwest Loop – Access Management Study to identify operational and geometric improvements for traffic operations, and non-auto considerations. Should include multi-use path on north from business district to TSU campus.**

US 377 and US Business 377 between Graham Street (FM 108) and Northwest Loop were found to have the highest volumes per lane, and are also located at the heart of the retail/commercial cluster of Stephenville. This location is positioned between the geographic center of town and the major commercial/retail area. Retail uses also front these sections continuously. Existing development, civic uses, and the rail corridor limit opportunities to expand the grid of streets parallel to this section, which will see increased traffic as the town grows. Therefore, this segment is the highest priority for consideration for geometric and operational improvements. Improvements can include driveway coordination and sidewalk delineation that would enhance the mobility in the corridor, reduce turn conflicts that are opportunities for crashes, and offer the opportunity to make it visually more attractive. The corridor has both high volumes and higher number of crashes compared to other roads in Stephenville. The various segments of this established thoroughfare have very different purposes and needs, and therefore ‘one size’ solution will not fit all. A focused analysis, with stakeholder input and alternatives developed, would result in a roadway more appropriate for its context.

- 2. Northwest Loop at Harbin Drive: evaluate the intersection for potential intersection improvements to reduce delays and associated problems from the close spacing to the FM 8 and North Loop Intersection.**

The intersection of Northwest Loop at Harbin Drive is located less than 350’ from the Northwest Loop and FM 8 intersection. The close spacing limits the function of both intersections and can add to delays. Both intersections should be evaluated for engineering and operational improvements to improve safety and traffic flow. One potential solution to be explored with other alternatives further, could be to implement a roundabout at Northwest Loop at Harbin Drive. A roundabout would eliminate the need for traffic signals and associated

synchronization, as well as reduce annual operation cost. Studies also show that modern roundabouts can reduce intersection fatalities by up to 90%. More information on modern roundabouts is included in the study Appendix.

**3. Northwest Loop at FM8: Northbound channelized right turn and acceleration lane, relocation of southwest corner light pole to allow for lane expansion.**

The intersection of Northwest Loop at FM 8 is currently a key node in the northwest portion of the network. A critical lane movement analysis of the turning movements of the Northwest Loop at FM 8 reveal that the intersection could better accommodate the northbound right movement by extension and expansion of the channelized right turn lane and addition of an eastbound acceleration lane. Implementing these improvements will increase intersection capacity and reduce congestion from continued areas of growth.



*Northwest loop at FM 8*

**4. Northwest Loop at US 377: Southbound channelized right turn acceleration lane.**

The intersection of Northwest Loop at US 377 is currently a key node in the southwestern sector of the community. A lane movement analysis of this intersection indicate that it is nearing capacity. Implementation of a continuous right-turn bay would accommodate southbound right movements to meet growth need. This would be accomplished through extension and expansion of the channelized right turn lane, to include an extended westbound acceleration lane. These improvements would increase the capacity of the intersection, reduce congestion, and allow for enhanced green time at the signal for other movements.

**5. Super 2 highway configuration on US 281 to improve safety and roadway capacity.**

In August, 2016, TxDOT issued requests for bid to re-construct US 281 outside of the city limits as a super-two highway configuration. The configuration adds a passing lane that allows each direction to function as two lanes in that direction intermittently, giving drivers the option to pass slower moving vehicles, but also provides distance from oncoming traffic for a portion of traffic, providing a safer highway configuration than a single lane in each direction without a median.

**6. Washington Street (US Business 377) and Lillian: Potential near-term lane reconfiguration in anticipation of longer-term reconfiguration of intersection by TxDOT and TSU.**

Providing a near-term project to restripe the left turn lane and signal timing modification to direct west bound left-turns to South Lillian via Centennial Lane. Doing so would potentially give more pedestrian crossing time in an area with frequent student crossings accessing the university.

**7. Evaluate peak-period left turn restrictions along Northwest Loop south of Harbin.**

Left turn movements on segments of the northwest loop appear to cause some delay during congested peak morning and evening peak periods – roughly between 7 AM and 9 AM, and 4 PM to 6 PM. The City should work with TxDOT to examine the potential for prohibiting left turns during that period. A longer-term project to re-align the intersection of Northwest Loop and North Dale Avenue would also improve the intersection performance for vehicles at a location that will impede the overall capacity of the roadway in its current configuration.

- 8. Traffic Signal Warrant Studies conducted by traffic engineer for potential traffic signal controls.** The following locations are experiencing increasing use, and may be exceeding the controls that a signed, four-way stop control provides. They should be evaluated for signalized controls, to be implemented through agreement with TxDOT, or solely by the City.
- a. FM 8 and Ollie
  - b. Harbin and W Frey
  - c. W Frey and Wolfe Nursery Road



Figure 12. Near Term Needs.



### Long Term

This section includes specific guidance and concepts to address system needs, including the plan recommendations for an expanded grid network of connections and route alternatives, functional classifications for roadways as they evolve, and non-auto considerations such as the planned trail network.

### *Network Spacing and Corridor Design*

The City of Stephenville has existing roadways reflective of the era in which it was originally developed. Downtown, with its pedestrian centered orientation, has street block spacing every 200 feet, collectors or arterials spaced at less than 1400 feet, and predominantly 50-foot wide rights-of-way. The more auto-oriented commercial area west of Stephenville has street spacing approximately 2400 feet, and right-of-ways on arterials, between 100 feet to 120 feet wide. The Thoroughfare Plan seeks to maintain spacing of arterials and collectors at 1600 feet to 1700 feet spacing, unless the area is serving only large lot residential or less intensive land uses. One disadvantage to this strategy is that larger blocks lead to longer travel times and longer trips, and therefore may discourage network connectivity.

The plan standards include pavement widths that correspond to number of travel lanes and posted speeds of the roadway, and lane widths to allow for higher travel speeds. Standard lane widths are also regularly 11'-12' wide, with some collector streets being wider to allow for on-street parking. Increasingly, recent standards of practice by TxDOT, AASHTO, ITE, NACTO and others allow and encourage narrower lane widths for street applications with lower design speeds. Lanes widths of 11' to as narrow as 10' on roads with designs speeds of 30 MPH, preserve mobility and traffic volumes, but also help to promote lower speeds. Lower speeds, in turn, translate to reduced severity of crashes, reduced crossing times for pedestrians, shorter cross-traffic signal timing, less stormwater runoff, and less pavement to construct and maintain.

### *Thoroughfare Design Considerations*

Planning, design and construction of thoroughfares must comply with the development standards that are contained in the City's Subdivision Ordinance. Requirements for thoroughfare development should include standards and criteria governing the following characteristics of thoroughfares:

***Location and Alignment of Thoroughfares*** – The general location and alignment of thoroughfares must be in conformance with the Thoroughfare Plan. Subdivision plats should provide for dedication of needed right-of-way for thoroughfares within or bordering the subdivision.

Any major changes in thoroughfare alignment that are not consistent with the plan require the approval of the Planning and Zoning Commission and City Council through a public hearing



process. A major change would include any proposal that involves the addition or deletion of established thoroughfare designations, or changes in the planned general alignment of thoroughfares that would affect parcels of land beyond the specific tract in question.

***Rights-of-Way and Pavement Width*** – The pavement width and rights-of-way width for thoroughfares and other public streets should conform to the standards, as specified earlier, unless a waiver is granted. Based on adopted criteria, plats that include or are bordered by an existing thoroughfare with insufficient rights-of-way width shall be required to dedicate land to compensate for any rights-of-way deficiency of that thoroughfare. When a new thoroughfare extension is proposed to connect with an existing thoroughfare that has narrower rights-of-way, a transitional area should be provided.

***Continuation and Projection of Streets*** – Existing streets in adjacent areas should be continued and when an adjacent area is undeveloped, the street layout should provide for future projection and continuation of streets into the undeveloped area. Where adjacent land is undeveloped, stubbed streets should include temporary turnarounds to accommodate fire apparatus.

***Location of Street Intersections*** – New intersections of subdivision streets with existing thoroughfares within or bordering the subdivision should be planned to align with existing intersections, where feasible, to avoid the creation of offset or “jogged” intersections and to provide for continuity of existing streets, especially collectors and higher classes of thoroughfares. Additional guidance can be found in the Access Management section, below.

***Off-Set Intersections*** – Offset or “jogged” street intersections should have a minimum separation of 125 feet between the centerlines of the intersecting streets.

***Angle of Intersections*** – The angle of intersection for street intersections should be as nearly at a right angle as possible. Corner cutbacks or curb radii should be required at the acute corner of the right-of-way line, to provide adequate sight distance at intersections.

***Cul-De-Sac*** – Cul-de-sac streets should have a maximum length of no more than 600 feet measured from the connecting street centerline to centerline of radius point, with a paved turnaround pad of at least 80 feet in diameter and a right-of-way diameter of at least 100 feet in residential areas, and at least 180 feet of pavement within a diameter of 200 feet of right-of-way diameter in commercial and industrial areas. They should generally be discouraged off of major highways as a sole point of access.

***Residential Lots Fronting on Major Arterials*** – Wherever feasible, subdivision layout should avoid the creation of residential lots fronting on major arterials, with direct driveway access to the arterial street. Lots should be accessed from collector or local/residential streets within or bordering the subdivision or an auxiliary street designed to accommodate driveway traffic.

**Geometric Design Standards and Guidelines** – Other requirements and guidelines for the geometric design of thoroughfares and public streets are provided in Subdivision Ordinance. Further guidance can be found in the NCTCOG Public Works Construction Standards Manual, often referred to as the “blue book,” the Institute of Transportation Engineer’s Design for Walkable Urban Thoroughfare guidelines, and the AASHTO Geometric Design of Highways and Streets. Though Erath County is not currently a participating member in the NCTCOG Metropolitan Planning Organization, the resources on roadways can be useful to evolving communities in need of supporting engineering and planning resources.

**Private Streets** – The Planning and Zoning Commission should not approve a plat containing private streets unless the proposal to utilize private streets has been previously approved by the City Council and adequate assurances are provided for maintenance. Private streets should be designed and constructed in conformance with City Standards. The same shall apply for gated communities, if approved. Gates for such communities shall allow for emergency access, without restriction, to authorized emergency vehicles and apparatus.

**Sidewalks** – Within the boundaries of a subdivision, sidewalks should be installed on both sides of arterial, collector and local/residential streets. If the subdivision is large lot zoning, then sidewalks may be considered optional on the local and residential streets.



## Non-Auto Considerations

Though primarily focused on arterials, this plan also includes consideration for bicycles and pedestrians. The bicycle and pedestrian system for Stephenville includes the pedestrian access routes along roadways and shared use paths, lanes shared with bikes on roadways, as well as dedicated bike lanes and bicycle paths. A shared equestrian trail extension of the Bosque River Trail is also included to serve between two key community assets – the Lonestar Arena, and the TSU agriculture campus and arena. The paths for these non-auto modes are not only amenities for recreation, they are functional transportation routes that are intended to offer transportation alternatives.

### Connectivity

A city's walkability is determined by the availability of pedestrian connections and proximity of residential and retail land uses. For example, the traditional center of Stephenville has an exceptionally high level of walkability due to its short blocks and grid pattern of local streets. More recently constructed neighborhoods are typically separated from other uses promoting vehicular use. By creating better connectivity between neighborhoods and other uses with both vehicular and pedestrian facilities, citizens have healthier options for completing daily tasks. With neighborhood support services incorporated within neighborhoods, citizens can walk or bike to a grocery store, restaurant, or convenience store. Alternative options to vehicular use allows for cost savings on gas and improved air quality. Sidewalks should be included throughout neighborhoods and provide connections to parks, schools, amenities and other neighborhoods.



### Bike and Recreation Trail Connections

**Figure 13** highlights the bicycle and recreation facilities recommended by this plan.

- The Bosque River Trail forms a north-south, all weather multi-use trail for recreation and transportation purposes. The trail takes advantage of several existing grade-separated bridges to provide a more continuous and comfortable flow for people on foot and on bike. The transportation plan expands on the City's prior investment of the Bosque River Trail. By connecting this trail with future on-street facilities, the ability to travel to key city assets becomes more comfortable and accessible.





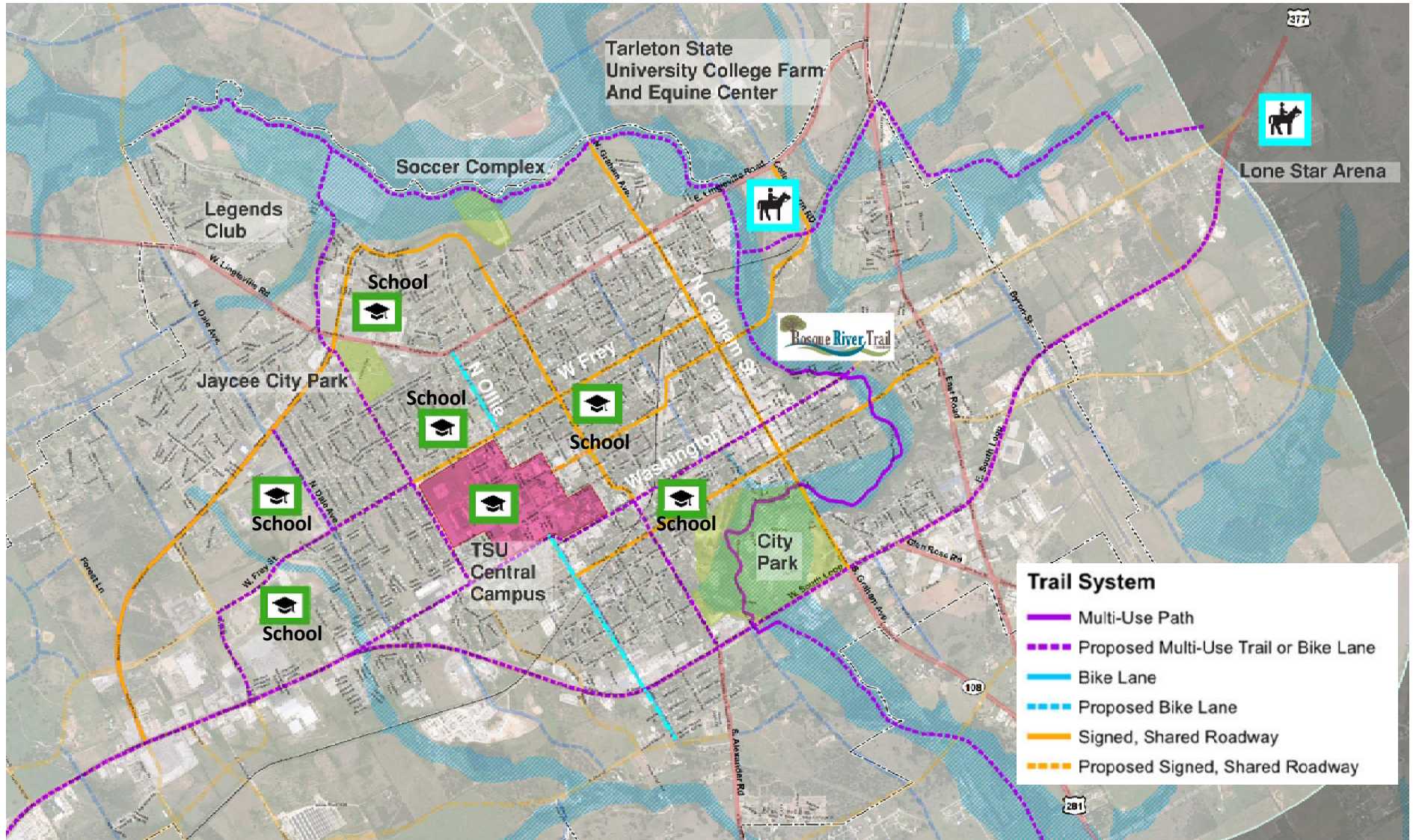


Figure 13. Bike and Recreation Recommendations



- This plan includes a combined-use trail concept to link the TSU arena and Lonestar arena primarily via existing easements northeast of the City. The trail is intended to accommodate equestrians and hikers on a natural surface, and cyclists and hikers on an adjacent, all-weather surface where possible, connecting destination recreational uses. Trails may also be adjacent to roads for some segments. Crossings of major roadways may include taking advantage of existing grade separated crossings and/or Pedestrian Hybrid Beacons or High-Intensity Activated crossWalk beacon (HAWKs).



- The TSU campus has long term plans to become a pedestrian-priority area, and certain corridors already blocked to thru-vehicle traffic would be reconstructed as pedestrian and bike-only corridors.



*Illustration looking west along the future Vanderbilt Street pedestrian mall terminated by a landmark element of the student housing development near Memorial Stadium*

- The core of the future non-auto network for Stephenville is structured around multi-use paths next to roadways. Separating bicycles and pedestrians from higher speed and higher volume traffic can provide an efficient, comfortable alternative for less confident facility users than on-street facilities.



- The existing grid network of neighborhood streets in the center of town can be considered shared roadways, due to their low speeds and low traffic volumes, and are

ideal for short distance and local trips.

- In addition to the multi-use paths beside higher speed and higher traffic volume roads, signed, and shared roadways should include paved road shoulders or bike lanes where space permits. Bicycling on a paved, striped shoulder of sufficient width is an acceptable multi-modal accommodation. Current TxDOT design guidelines designate recommended shoulder widths to accommodate bicycles, for example, along the Northwest Loop (FM 988) and North Graham road (FM 108).



*Complete Streets*

One of the planning concepts Stephenville may consider to incorporate in roadway design on key corridors is a Complete Streets initiative. The focus of a complete streets initiative is to consider all modes during the planning, design, construction, operation and maintenance of the city’s street network, which strengthens economic development and reinforces it. Effective complete streets policies help communities routinely create safe and inviting road networks for everyone, including bicyclists, drivers, transit users, and pedestrians of all ages and abilities. Instituting a complete streets policy ensures that transportation planners and engineers consistently design and operate the entire roadway with all users in mind. For the Complete Streets policy to be effective, a program of supporting policies and procedures need to be put in place in the City which could include a program of land use planning guidelines, project development checklists, established responsibilities for addressing modal issues, and more specific design and operating standards for implementation and maintenance.

For Stephenville, this practice could be best implemented in steps, with perhaps a few initial candidate corridors. For as example of how this policy would apply to–East Washington Street could be to add a shared-use path along the north side of the roadway, separated from traffic by a landscaped buffer. This would allow the roadway to continue to be used by automobiles, but provide a comfortable and attractive alternative for pedestrian and cyclists separate from the narrow existing roadway with a constrained right-of-way. This addition could be provided in an easement shared with adjacent property owners, who could stand to benefit from the improved access, landscaping, and shared treatment to their frontage. Some segments of Washington Street do not currently have sidewalk, nor a defined pedestrian area.



*Washington Street between the Central Business District and TSU campus.*





South Graham Avenue is another corridor for potential complete streets application. In order to better accommodate the functional use of the road in its critical location in the network, a context sensitive approach to improvements should to be taken. This could include an alternative to the typical arterial design section – for example, by adding curb and gutter, broad sidewalks or a shared-use path, and considering pedestrian bulb-outs similar to the central business district - to shorten pedestrian crossing distances of streets. Creating specific parking areas as an extension of the central business district would then allow a functional and visual extension of the central business district and connect to the city park. Providing a separated, comfortable space for cyclists to connect to the city park also provides a linkage for activities, and would form a stronger connection to the trail network. Adding sidewalks would complete the street for all modes.

The City should explore design alternatives for the implementation of a complete streets concept when redesigning key individual corridors in order to meet the multiple needs of those corridors by considering their constraints. Solutions should be developed that balance the needs with the changing character of their use, including adding pedestrian and bike accommodations, stormwater drainage, landscaping, and access management where appropriate.

### Access Management

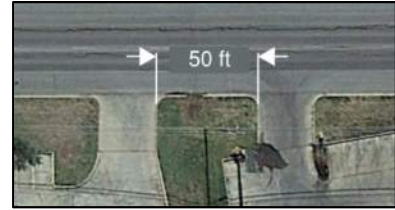
Access management refers to the practice of coordinating access points to a roadway by considering specific design criteria for the location, spacing, design and operation of driveways, median openings, and intersections. The goal of access management is to safely balance access to land development while maintaining efficiency of the transportation system. This is accomplished through influencing, and in some cases controlling, the location, spacing, design, and operation of driveways, median openings, and street connections to a roadway. Over time, land development along some arterials has created duplicative and wider driveways that decrease system efficiency. Washington Street between Harbin Drive and the South Loop (US 377) is one example.

In general, as the mobility of a roadway is increased, access to facilities along the roadway is decreased in order to maintain efficiency of the road and improve traffic safety. The following guidelines include specific details the City can influence to do so.



### Driveway Spacing

Driveway spacing guidelines limit the number of driveways along a roadway by establishing a minimum distance between driveways and non-signalized intersections. Spacing requirements help reduce the probability of crashes as vehicles enter and exit the roadway. The distance between two access points is measured between the nearest edge of pavement of two access points. For example, in the example shown in the figure to the right from Washington Street, two driveways are 50 ft. apart. A balance is found between allowing enough access to serve the adjacent land use, but not too much access so that it degrades the road performance. Distances can be modified depending on the intent of the roadway use, for example higher speed roads and anticipated truck traffic, to provide more time for shifting. The City should consider adopting these guidelines and access management strategies.



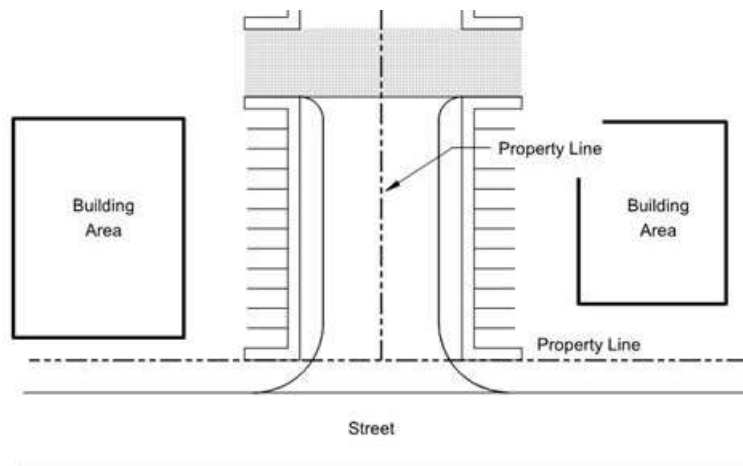
Collector roadways at appropriate spacing should be encouraged to gather the vehicle traffic at access points at appropriate distances. The local City Engineer or TxDOT Area Engineer should be consulted for guidance. Access should be reviewed when new driveway permits are requested, a land use enlargement or change of use is planned, or when significant number of vehicle trips is noted. TxDOT provides the following spacing guidelines for new facilities: for Major Arterials, preferred spacing guidelines appropriate to posted speed limits on a roadway as shown below:

*Table 3. TxDOT Driveway Spacing Guidelines for New Facilities*

Posted Speed (MPH)	Distance Preferred Between Driveways on New State Highways
< 30	200
35	250
40	305
45	360
> 50	425

### Shared and Cross-Access Easements

Coordination between developments can better utilize existing access points. Illustrative examples are shown in **Figures 15 and 16**. These methods are achieved through discussions with property owners, developers, and reflected in platting. They can also be required by the subdivision code.



*Figure 14. Example, Shared Access Easement*

**Non-Traversable Medians**

The median is the space between opposing sides of traffic on a road. Including one that is non-traversable, either through curb or landscaping is one of the simple and most effective access management design tools. Medians improve traffic operation and safety due to the reduction in potential conflict points. Where access is needed, directional median openings can be used to restrict some turn movements while still providing some access.

**Signalized Intersection Spacing**

The distance between traffic signals also influences mobility, with spacing of 1,200 feet between signalized intersections considered good for signal timing progression. In general, for roadways with higher mobility classification, signalized intersections with spacing less than 800 feet should be discouraged.

**Corner Clearance**

Corner clearance is the distance between an intersection and the nearest access point. Corner clearance standards avoid or reduce conflicts between driveway traffic and vehicle queues and turning movements at intersections. Where possible, driveways should not be permitted in the functional area of an intersection which includes turn lanes. Where corner clearance spacing cannot be obtained, access may be permitted at the point farthest from the intersection.

Further considerations could be made to restrict the driveway be designed as right-in, right out, or shared access with the adjacent property.

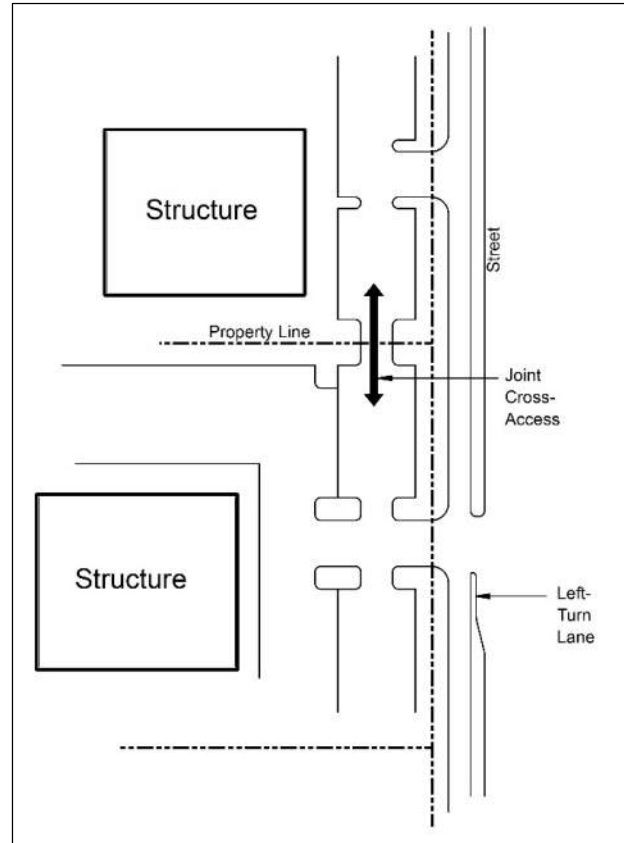
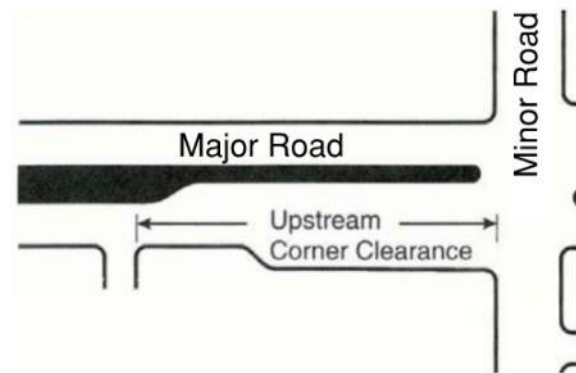


Figure 15. Example, Cross Access Easement

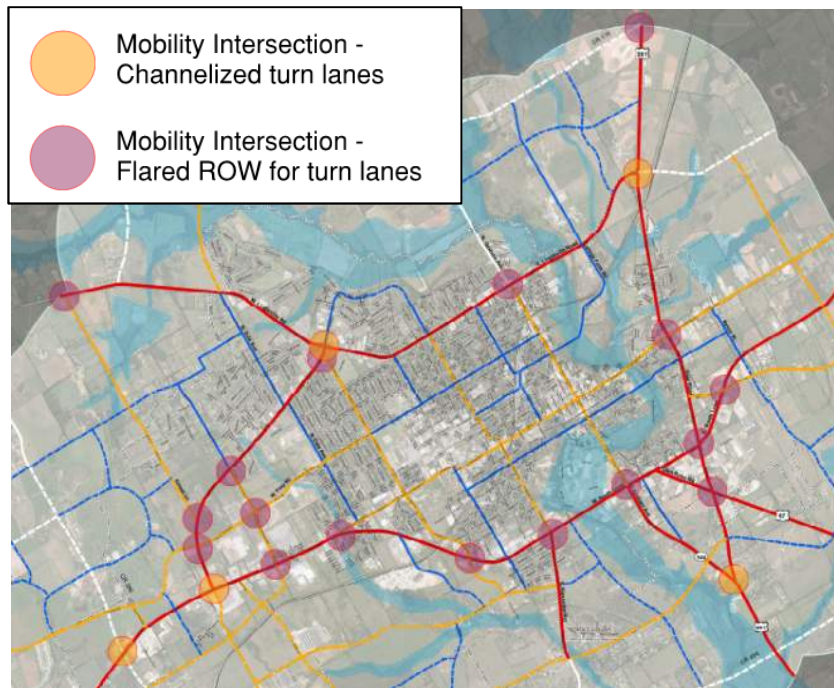


*Key Mobility Intersections*

The ability for the roadway network to operate effectively relies on the ability of intersections to efficiently process traffic. Operational conditions typically break down when insufficient turn lane capacity is available to remove turn movements from the traffic stream. To ensure the ability to provide channelized turn movements, such as a second left-turn or right-turn lane, an additional 22 feet should be provided at key major and minor arterial intersections. To determine the exact dimensional requirements of specific intersections, a traffic analysis should be conducted at the time of facility implementation or coordination/approval with the City Engineer.

As currently defined, divided roadways have the ability to accommodate a separate left-turn lane. By adding 22 feet of width, a second left-turn and separate right-turn bay can be added as needed to an intersection. Travel lanes of 11 feet provide sufficient roadway width for turn movements.

22 intersections have been identified as “critical intersections” and fall primarily on major and minor arterial facilities. At these intersections, the City should require additional right-of-way via the platting process (where possible) to allow for additional turn lanes that may be needed in the future.



*Figure 16. Key Mobility Intersections*

Critical Intersection Right-of -Way Requirements				
Roadway	Major Arterial	Minor Arterial	Major Collector	Minor Collector
Major Arterial	350'	350'	300'	260'
Minor Arterial	300'	300'	260'	260'

*Table 4. Mobility Intersection ROW Guidelines*

**Table 4** identifies necessary distances by roadway class for storage and transition requirements. The distances identified allow for minimum turn-lane storage and lane transitions. In high intensity development areas, a traffic analysis should be conducted to determine appropriate intersection requirements. **Figures 18 and 19** illustrate intersection right-of-way requirements



at critical locations, if not planned for other improvements that have more specific right-of-way needs detailed.

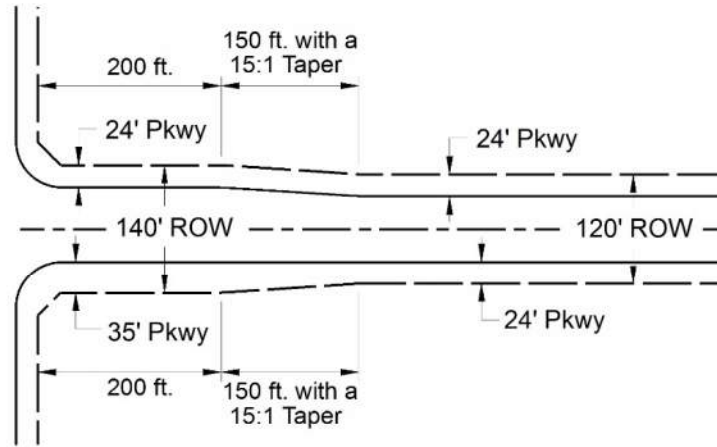


Figure 18. Major Arterial Flared Intersection ROW Dedication guidelines

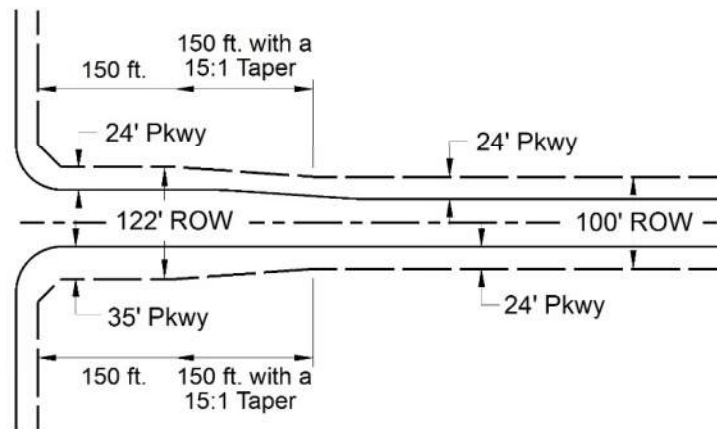


Figure 17. Minor Arterial Flared Intersection ROW Dedication guidelines

### Entryways and Community Gateways

Much like a home, cities have main entrances and intersections that provide visitors with their first impressions and begins to describe the community and its residents. These gateways provide a statement about Stephenville —one that encompasses its history, values and interests.



Gateway signage and landmarks can be designed at a variety of scales to accommodate specific locations, traffic volumes and traffic speeds along a corridor, as well as communicate important information about the area. Major gateways are typically located along highways at major intersections; ideally these would be along edges of changing urban form. Gateways are not necessarily limited to a single sign or element, but can also encompass an entire node or intersection. Gateways provide visitors with a sense of place and give the impression they are entering a special place. Community gateways are a form of branding that can be used to distinguish places, note a threshold, or make lasting impressions on visitors.

Figure 18. Proposed Gateway Locations



## Implementation

Most of the new segments of the Thoroughfare Plan will be implemented through the subdivision process administered by the City of Stephenville at the time development occurs. Some segments of the plan may require public action by the City independently or with coordination with other public agencies. In those cases, there are many specific action items that will require planning for the design of facilities to enhance the quality of the transportation infrastructure in Stephenville.

Some of these projects in the Plan are already process, for example the Super-2 configuration for US 281 is nearing construction. Some generalized cost ranges are included for scale comparison. Steps for implementation and potential actions are as follows:

Action to Be Taken	Responsible Entity
1. Adopt Stephenville Thoroughfare Plan	Stephenville
2. Make amendments to Subdivision Ordinance to allow for thoroughfare plan alignment and corridor preservation through development process	Stephenville
3. Develop CIP: Direct the Planning and Building Services Department to develop a Capital Improvements Plan short and long range list of projects and potential funding sources, including a Capital Improvements Program.	Stephenville
4. Continue to meet with Erath County to coordinate on transportation projects	Stephenville, Erath County
5. Continue to meet with TxDOT to coordinate on project prioritization and determine funding and participation for operations and project implementation	Stephenville, TxDOT
6. Revise Thoroughfare Plan every 5 to 10 years to address evolving need	Stephenville

**Table 5. Recommended Short Range Projects and Programs**

Project	Timeframe	Lead Agency	Funding Opportunity	Est'd Project Cost Range, (2016 Dollars)
1. Access Management Study of Washington Street	1-3 Years	TxDOT	State, CIP	> \$100K
2. Super-2 Highway Configuration on US-281	1-3 Years	TxDOT	State	> \$10M
3. Washington Street (US Business 377) and Lillian: Restriping and extend pedestrian time	1-3 Years	Stephenville, TxDOT	City budget, State, CIP	< \$10K
4. Evaluate peak-period left turn restrictions along Northwest Loop	1-3 Years	Stephenville, TxDOT	City budget, State	< \$10K
5. Conduct traffic signal warrant studies: FM 8 and Ollie, Harbin and W. Frey, and W. Frey and Wolfe Nursery Rd.	1-3 Years	Stephenville, TxDOT	City budget, State	< \$10K
6. Northwest Loop at Harbin Drive: evaluation of the intersection for potential intersection control improvements	1-3 Years	Stephenville, TxDOT	City budget, State, CIP	> \$100K
7. Consider traffic calming measures for North Dale Drive	1-3 Years	Stephenville	City budget, CIP	> \$10K

8.	Design and Build Shared Use Path along Washington Street between Downtown and the TSU Campus	3-5 Years	Stephenville, TxDOT	CIP	> \$500K
9.	Consider traffic signal control program by City or partnership with TxDOT for non-TxDOT intersections	3-5 Years	Stephenville	City budget, CIP	> \$500K
10.	Northbound channelized right turn at the Northwest Loop and FM 8 intersection	3-5 Years	Stephenville, TxDOT	State, CIP	> \$100K
11.	Northwest Loop at US 377: Southbound channelized right turn lane	3-5 Years	Stephenville, TxDOT	State, CIP	> \$100K
12.	Consider restriping North Harbin Street as a 3 lane as part of mill and overlay maintenance work in conjunction with potential roundabout at Northwest loop	3-5 Years	Stephenville, TxDOT	State, CIP	< \$1M

**Administration**

In the administration and enforcement of the Plan, special cases and unique situations will occasionally arise where existing physical conditions and development constraints in certain areas conflict with the need for widening of designated thoroughfares to the planned rights-of-way width and roadway cross section. Such special circumstances require a degree of flexibility and adaptability in the administration and implementation of the plan. Acceptable minimum design criteria and special roadway cross-sections may have to be applied in constrained areas where existing conditions limit the ability to meet desirable guidelines. Where new development occurs, cross sections should be according to the Thoroughfare Plan and Subdivision code. For redevelopment in areas with existing, constrained right-of-way, a unique roadway design determination may be necessary, and is subject to the approval of the City Engineer/Staff, and/or the Planning and Zoning Commission. The standard roadway cross-sections should be used in newly developing areas and whenever possible, in existing developed areas subject to the prevailing right-of-way for the existing thoroughfare.

The following roadways are listed on the City’s Pavement Management Report as needing advanced rehabilitation, but are not yet constructed to planned thoroughfare standards. The coordination of full-reconstruction of the roadway should consider the ultimate planned configuration of the roadway. Full-depth reconstruction should be viewed as an opportunity to implement the ultimate roadway cross section. Rehabilitation involving resurfacing the roadway is also a cost-effective time to consider adding striped bike lanes, signage and sidewalks where called for.

*Minor Arterials*

- a. North Ollie Avenue – Existing right-of-way is constrained by neighborhood residential and not expected to redevelop. Alternate designs for this established roadway could enhance the character of the neighborhood, but still allow safe conveyance of cars, pedestrians and bikes through improvements. Consideration should include adding parallel parking bays to situate parked cars out of travel lanes.
- b. CR 256 – segments of this roadway are classified as collector streets and restricted from expansion by ROW constraints. As the area grows, a connection to Alexander Road is planned. The coordination of reconstructing the roadway should consider the ultimate

configuration of the roadway, including its role as an east-west minor arterial south of the railroad corridor.

#### *Collectors*

- a. N Dale Avenue North of Northwest Loop (Right-of-way constrained)
- b. N Dale Avenue south of Northwest Loop
- c. Frey Street (Right-of-way constrained)
- d. S Lillian, South of Washington (Right-of-way constrained)
- e. Lillian South of 377. (Right-of-way constrained)
- f. East Long Street, just west of US281 (East Road) (Right-of-way constrained)
- g. East Collins Street, College Farm Road (Right-of-way constrained)

#### **Plan Amendment Process**

It will be necessary to periodically consider and adopt amendments to the Thoroughfare Plan to reflect changing conditions and new needs for thoroughfare system improvements and development. A systematic procedure should be followed for making plan amendments, including a schedule for considering changes.

Typically, plan amendment requests may originate from landowners, civic groups, neighborhood associations, developers, other governmental agencies, city staff and other interested parties. Proposed revisions should be analyzed by the City Planning Director, Public Works Director or City/Traffic Engineer, and other City Staff, and the proposed changes and staff recommendations should then be considered by the Planning and Zoning Commission. A public hearing on proposed plan amendments, including advanced notice of such hearing, to obtain input to proposed amendments is undertaken. The burden for proving compelling reasons for and public benefit of any proposed changes should rest with the requesting parties. Decisions and determinations should represent the best interests of the public.

Subject to Planning and Zoning Commission recommendation, the revised Thoroughfare Plan, including any approved recommended plan amendments, should be submitted and considered by the City Council for adoption. The amended plan becomes effective upon adoption by the City Council.



## Conclusion

This Thoroughfare Plan provides a framework for a transportation system to offer choices in how residents travel, and includes recommendations for corridor alignments to preserve mobility and connectivity as the community grows. This plan also serves as a blueprint for transportation investment decisions and includes opportunities to address current and anticipated needs for roadway capacity, right-of-way preservation, and critical network connectivity.



The thoroughfare network cannot be implemented at one time and must be implemented in segments over time. It is envisioned that the majority of the network laid out in this document will be provided through the development process at the time of subdivision, using this document as a guide. But the network will still need to be managed, guided and operated through shared responsibilities and partnerships between the City, county, and regional agencies such as TxDOT.

Using public resources in an efficient and effective manner includes anticipating growth and making reasonable allowances for its coordination. The City will need to improve its network of roads and corridors as the city grows, and balance expansion with maintenance and operation of the existing system in order to preserve the ability to reach desired goods, services and activities. Select expansions to the network will increasingly provide connection opportunities to drive, but also to walk and bike, thus reducing the future fiscal burden on residents to provide city services in areas with certain levels of activity and infrastructure. But care needs to be taken in the implementation, to preserving the community character and seek balance between the need to accommodate growth, yet retain what is distinctive and best suits the Stephenville community.

The planned network, and specifically the near-term projects identified in the study, have been identified based on existing and anticipated needs for the transportation network, and reflect the input received from stakeholders through the plan process. These improvements and additions to the transportation network are recommended as effective solutions for key locations with the highest existing travel volumes and areas with significant concentration of anticipated public activity for the Stephenville community. It is the intent of all who participated in the plan process that it be a positive guide for transportation services to support the community in continued success.



# Appendix

## A - Capacity Trends

A carrying capacity analysis of the transportation network in Stephenville shows that roadways can accommodate further growth in local and through-traffic. Traffic volumes from available TxDOT AADTs were supplemented with off-system saturation counts and turning movement counts taken in late 2015. Since no demographic forecasts were readily available, generally prevailing land use densities and growth patterns based on a concentric model approach were considered to frame growth amount totals contributing to corridors and book-end potential growth rates along the corridor. The link volumes were then extrapolated out 20 years using a growth rates of 2% and 3% and compared to Highway Capacity Manual (HCM2010) volumes thresholds for 2, 4, and 6 lane roadways. A conservative growth rate of 2% was evaluated for most roadways, and is similar to the rates used by TxDOT in statewide analysis. It should be noted that several roadways have shown historic growth rates at less than 2%, or even zero growth rates for the prior years of listed AADT reported, reflecting fluctuations or stable traffic patterns.

Results over all anticipate that the roadways can accommodate growth in traffic volume, assuming continued implementation of the thoroughfare plan network of alternate connectivity and general land use growth and population growth rates assumed in the current land use and economic development plans. Some degradation in mobility may be experienced, and should continue to be monitored and responded to with operational studies and improvements, such as auxiliary turn lanes at intersections, major turn movements, signal installation as warrants allow, and construction of key links to facilitate non-auto travel.

The analysis used a combination of Level of Service (LOS) measure of planned capacity for roadways and corridors and a more precise Critical Lane Movement for key intersections. The LOS methodology is a standard transportation engineering measure maintained by the national Transportation Research Board, and correlates to average capacities of streets with certain characteristics like numbers of lanes and speeds with resultant grades of service levels not unlike those for a school report card.



Segments of Washington Avenue (US Business 377), are currently operating in the LOS D range. The roadways have some limited capacity for additional volumes from development, but are also constricted by limited right-of-way for expansion, and established adjacent land uses.

While some improvements can be made to the segments at intersections to increase efficiency, in order to retain the local character of these streets needing improvements and be sensitive to their contexts, consideration should be made to not widen them, but instead make improvements such as pulling parking spaces outside of the travel-way, implement access management techniques, and encourage alternate modes through the corridor such as biking, walking and local transit – particularly as they serve the TSU campus, and in support of the TSU campus master plan.

As part of the alternatives considered, the prior thoroughfare plan’s concept of a loop roadway was considered, with modifications to avoid existing homes and critical environmental features. The project team subsequently removed the contiguous loop concept from the recommended plan. As a result – the network needed to be reevaluated to consider the possibility that connections south of US 377, and other connections envisioned may not be contiguous. In order to be conservative for establishing number of travel lanes, an average rate of 3% was then evaluated for certain key major thoroughfares with significant commercial land use. Resulting volumes were still anticipated to be in the LOS D range, but some anticipated to be at LOS E or worse. Based on this revised analysis, the segment of US 377 between US Business 377 and FM 988 should retain the option to be expanded to 6 through lanes with a minimum 130-foot wide right-of-way.

The conclusion of this analysis is that, barring unprecedented growth in local or through traffic movements, Stephenville arterial roadways, with planned improvements, should be able to



Figure 19. Future Traffic, 2034



accommodate anticipated growth through approximately 2035. However, localized improvements at key intersections will need to be made in order to maintain design rate flows as growth does occur, including channelized turn movements and periodic reevaluation of signal timing as part of normal operation and maintenance consideration. A key challenge for the City will be implementation of continuous links between the existing major arterials, and sponsorship for construction of the linkages not made through development. Without clear linkages of higher classification to sponsor, partner agencies like TxDOT may need to develop additional plans for projects to implement, which can take long periods of time to plan before implementation. The downside of not having continuous and connected linked corridors and road at the periphery of the city over time is that without alternate routes, increased congestion and delays will likely result on existing linkages.

As a subset of the capacity analysis, a more detailed look at 6 intersections was conducted. For these intersection, traffic turning-movement counts were taken and a planning level, critical lane-movement analysis was done to inform network movement trends and identify potential near-term improvements to maintain capacity. Each of the intersections was first counted with a turning-movement count, noting all turning movements during the peak period. For the analysis, the highest number of conflicting turn movements, or critical lane movements, were compiled and compared to acceptable ranges for a signalized intersection. Where intersections were found to be approaching thresholds for capacity, a recommendation is included for specific capacity improvements or modification suggested. This analysis did not consider operational changes like signal timing, which are generally not considered at the Thoroughfare Plan level. Therefore, additional engineering would be needed for intersections considering increased traffic controls, such as conversion of 4-way stops to signalized intersections. Such recommendations are within the operational controls of the City, County, and TxDOT and not the subject of this plan, though some recommendations for Signal Warrant analysis are recommended as acknowledgement of the issues raised during the plan development.



A roundabout concept may be a potential alternative to a signalized intersection at Northwest Loop and Harbin Drive and should be explored further with a traffic engineering study as it relates to traffic operations at this intersection, as well as the intersection operations of FM 8 and Northwest Loop, which is 250' to the north. One concern voiced through the plan process is that the signalized intersections close proximity is reportedly causing difficulty with traffic progression, and the short distance can also be a challenge for traffic weaving to make certain turn movements.

#### *Dale Avenue and Northwest Loop*

The intersection of Dale Avenue and Northwest Loop is offset by approximately 150'. However, both intersections are signalized, which, over time, will limit the amount of mobility through this intersection. Consideration should be given to a long-term operational solution to address the offset, should operational or safety concerns rise to the point of a public demand for addressing it. Potential solutions not looked at in detail as part of the Thoroughfare Plan, could include a single intersection design. Detailed engineering analysis and further public outreach process would need to be done at the point the project warrants further analysis. Some property impacts may result, depending on the level of solution detailed, but no structure or parking impacts are foreseen at this planning stage.



#### **Modern Roundabouts**

In this report, a modern roundabout is one potential solution recommended for the intersection of Harbin Drive and the Northwest Loop (FM 988) due to its proximity to another signalized intersection. A modern roundabout is a one-way circular intersection engineered to maximize safety and reduce traffic congestion. Because modern roundabouts are a new concept for Stephenville, this section introduces the concept and their characteristics.

Roundabouts feature a “yield at entry” rule, which reduces delay by eliminating unnecessary stopping. Drivers yield to traffic in the roundabout and enter when there is a gap in traffic. Design, pavement markings and signs direct traffic into a one-way, counterclockwise flow. Pedestrians use raised islands and marked



*Illustrative roundabout showing traffic flow lines*

crosswalks, providing safer and shorter crossing distances. Bicyclists can either use the sidewalk or enter the roundabout as a vehicle. Roundabouts are becoming more common in Texas due to their many



benefits. They are safer, more efficient, and more economical than traffic signals. They reduce delay by allowing drivers to yield rather than stop at a light. They can also handle higher traffic volumes, which help vehicles get through more quickly.

Roundabouts have been proven to reduce overall crash rates by approximately 30-40%. Personal injury and fatal injuries have been reduced by over 75-90%. Properly designed roundabouts have also resulted in 65% reduction in delays and a 50% reduction in vehicle stops compared to intersections. The delay savings results in a 30% reduction in fuel consumption for drivers over time, because vehicles are not idling at a red light. The roundabout center island can also provide an opportunity to beautify the location with landscaping, and communities choose to personalize the treatments, making the intersection aesthetically pleasing. Roundabouts also cost less to construct, operate and maintain over the long term, including benefits to users. A typical modern roundabout costs approximately two-thirds that of a signalized intersection over a 30-year period. A modern roundabout design could be an appropriate solution to the delays experienced at certain intersections, and provide a safer, cost effective traffic control design solution.

### Public involvement and alternatives considered

An open house was held on February 9<sup>th</sup>, 2016, to brief the public on progress material that had been developed. Topics included existing conditions, draft goals and objectives, concepts for trail extensions, and working ideas to adjust the alignments of the thoroughfare plan from the adopted Stephenville 2030 Comprehensive Plan. The meeting was well-attended, with nearly 300 participants in two presentation sessions followed by questions and answers. Comments and questions were taken, an exit survey was handed out, and contact information on how to include comments on the material was

**Stephenville Thoroughfare Plan – Survey**

1. What are your top three transportation concerns when you think of getting around Stephenville; getting to and from work or school, etc?  
*① Low quality roads (i.e. long) that stop that should be red lights (intersection of Frey and Berlin) ② More and better sidewalks.*

2. Please rate each of the following as very important (1) to not as important (5) to include in updating street types for Stephenville.

	Very important (1)	(2)	Important (3)	(4)	Not as important (5)
Increased safety for people who drive, walk, or bicycle	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Support of healthy lifestyles (through increased walkability and bikeability)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Better mobility for seniors and persons with disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Connectivity and Access to places we live and work	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Availability of transportation choices (walk, bike, transit)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. What street or intersection in Stephenville would you like to see more of and why?  
*Washington Street needs to be widened.*

4. What street or intersection do you not want to see more of and why?  
 \_\_\_\_\_

General Comments:  
*Need a red light at the intersection of Frey and Berlin to traffic from multiple schools on Frey, Tinsley, and residents in the area really backs up at the intersection.*

Thank you for your time and participation!

Figure 20. Sample completed open house survey.



made available. Comments taken at the session and written feedback were incorporated into the plan recommendations, with alignments adjusted based on specific input details, where applicable. Five written comments were submitted. From feedback, it was apparent there was general lack of knowledge of the pre-existing thoroughfare plan outside of the City. The considerable majority of comments appeared to focus on the concept for a loop roadway, which was vocally discouraged. In general, it was the opinion of the project team that the public comment period following the open house allowed residents to seek more information and understand the details of the proposal, and that a significant number of residents received information and understanding of the overall plan.

The revised alignment of the loop concept from the prior adopted comprehensive plan presented at the public meeting received a generally skeptical reception from stakeholders in the ETJ. Little written feedback was received, with only five comment cards received from the public meeting. Three comments concerned the loop concept. Despite the positive attendance of the meeting (300+ attendees, according to sign in sheets collected by the city), relatively few written surveys were returned. Five comment cards were submitted. However, several questions were asked by residents related to the loop and general concern with the concept was stated.

It was unclear if the concern was due to specific development, or due to concern over individual property rights. There was also some confusion from mistaken comparisons to a neighboring community Dublin's partial controlled access loop. Dublin's Loop is a 200' ROW with controlled access, compared to the rural arterial road with 100' ROW originally proposed as part of the Stephenville Plan. Subsequent to the open house, the team removed the loop road concept from the draft.

Summarizing written comments received – Three were alignment-related where an alternative could be accommodated. One comment was generally critical of the need for the alignment crossing a particular property, which was significantly sized enough that an alternative was not possible. One comment was generally appreciative of the process and information provided.

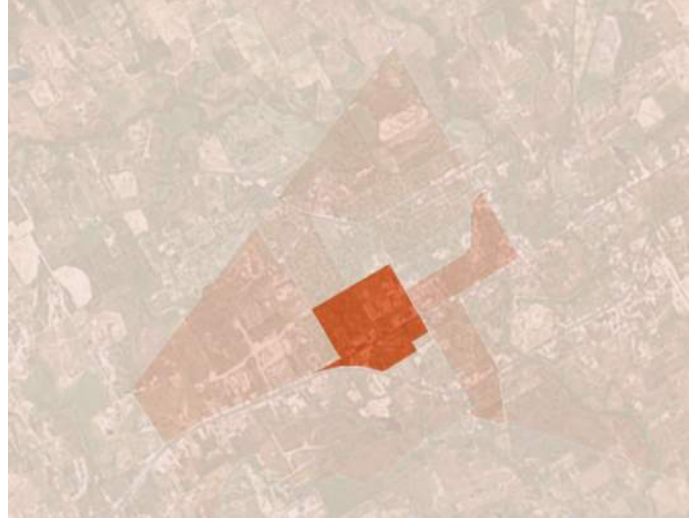
The prior Thoroughfare Plan in the 2008 Comprehensive Plan has been publicly posted the City's website, with alignments and roadway classifications. However, it was discovered through feedback given at the open house that this was generally an unknown to those who attended.

## B - Demographics

The following section includes existing demographics, population and employment characteristics that were considered during the development of this plan include the following figures, which map Census survey data.



*Figure D1. Population Density, Census 2013*



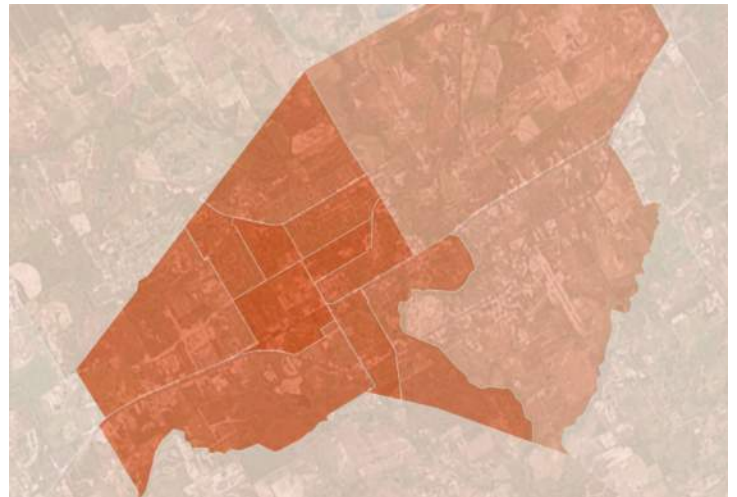
*Figure D2. Employment Density, Census 2013*

Population densities in Stephenville range from 10 people per acre in the center of town (darkest), to 1.3 people per acre west of Dale Drive. Average density for Stephenville is 2.4 persons per acre. There were approximately 11,600 jobs in Stephenville in 2013, ranging from 11.6 jobs per acre in the center of town to averages of 1 job to the acre at the periphery. The average number in Erath County is 0.03 jobs per acre.

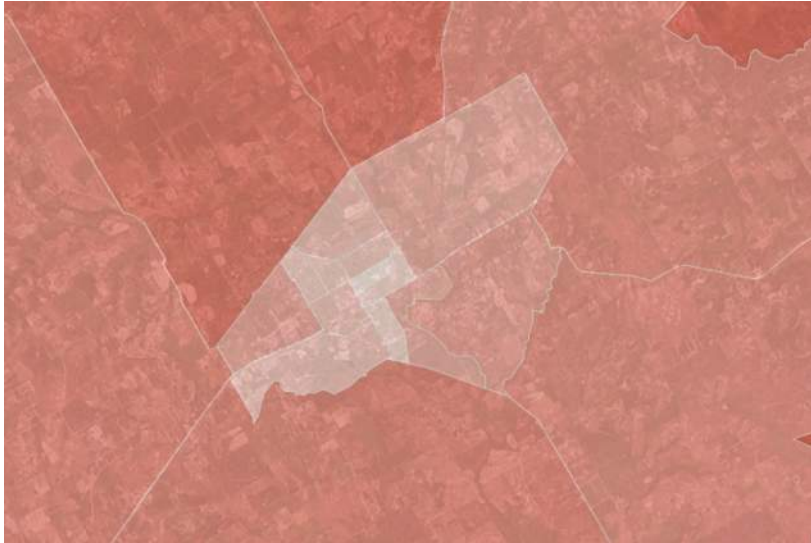
Housing unit densities in Stephenville ranged from 4.4 units to the acre in the center of town (darkest), to 1.6 units to the acre or fewer for most of the City.

Access to economic activity:

The Employment Access Index is a weighted measure developed to estimate both the quantity of and residents' access to the jobs in a region. It is calculated using an inverse-square law to model total access to jobs in the metropolitan area by using the sum of the number of jobs divided by the square of the distance to those jobs.

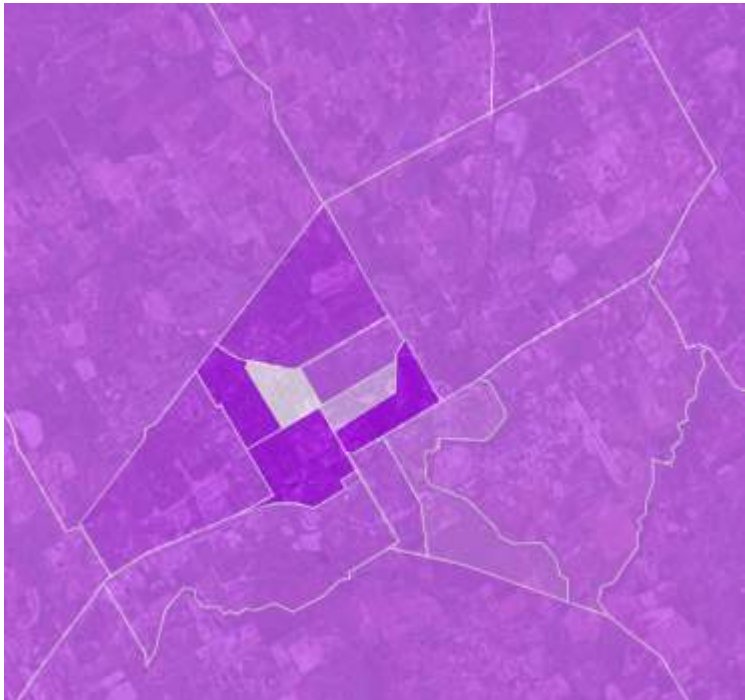


*Figure D3. Access to Economic Activity, Census 2013*



The percent of a family's income spent on transportation ranges from 25% in the center of Stephenville, to 35% at the periphery, representing the cost of longer travel times and few alternative – modes or destinations - for shorter trips. The State average is 25% and the average for Erath County is 32%.

Figure D4. Percent of Income Spent on Transportation, Census 2013



The change in population from 2000 to 2010 shows approximately where development is happening – with an average of 2-3 people per acre being added in Stephenville (areas shaded darker), and 0 to 0.3 being added on average at the periphery. Some areas experienced negative growth in the same time period.

Figure D5. Change in population 2000-2010, by Density, Census 2013



*Figure D6. Population (Blue shaded), and employment (Yellow shaded), Census 2013*

**Figure D6** shows overlapping areas of population density as well as employment density. Darker shaded areas are better for infrastructure investments infrastructure to meet the existing density of possible trips for population and jobs overlap. This area of overlap has potential to serve existing concentrations of residences, jobs and employees. But it may not reflect economic development priorities, which may want to introduce a larger service area or under-represented areas.



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Date: June 2, 2022  
 Project: Stephenville City Park  
 Location: Stephenville TX  
 To: Kelli Votyka

## Custom Dairy Playground Equipment Breakdown-PHASE 1

### 2-5 Play Area

2-5 Playground w/Install: \$116,620.00  
 1320 sf Synthetic Turf: \$24,627.00  
 1320 sf 8" Stone: \$3,814.00  
 5% Buy Board Discount: -\$7,254.00  
**TOTAL: \$137,807.00**

### Swing Area

Single Post Swings w/Install: \$5,711.00  
 1375 sf Synthetic Turf: \$24,145.00  
 1375 sf 8" Stone: \$3,975.00  
 5% Buy Board Discount: -\$1,692.00  
**TOTAL: \$32,140.00**

Freight Budget: \$7,315.00  
 5% Buy Board Discount: -\$366.00  
**TOTAL: \$6,949.00**

**PHASE 1 TOTAL: \$176,896.00**

#### Base Bid Includes:

- Full Submittal Package
- Warranty As Specified – Best in the Business!
- Certified Installation
- 2-5 Play Area
- 2695 sf Synthetic Turf w/Play Pad (Swings and 2-5 Area)
- 2695 sf 8" Stone
- 5% Buy Board Discount
- Freight
- ADA Compliant Play Structures
- Synthetic Turf Surfacing
- 2695 sf 8" Stone

Whirlix Design Inc.  
 1751 International Parkway, Suite 131  
 Richardson, TX 75081



# Stephenville City Park

## LED Proposal





Project Name:	<u>Stephenville City Park</u>
Project City-State:	Stephenville, TX
Quote Date:	7/11/2022
Type of Field(s):	<u>Baseball/Softball</u>
Photometrics Per Design #:	50/30 FC Light Level / 22-5464, 22-5463
Warranty:	10 Year Maintenance <u>FREE</u>

Quantity	Description
6	60 Foot Mounting Height Steel Poles (L)
16	70 Foot Mounting Height Steel Poles (M)
6	6 Fixture Crossarms
6	7 Fixture Crossarms
4	8 Fixture Crossarms
6	9 Fixture Crossarms
164	CLIR 630w LED w/ Visor
164	Prewiring for Poles and Crossarms
2	Standard Wireless Control Hub

**Project Notes:**

- Price includes all materials listed above (excluding adders & deducts).
- Price includes delivery to jobsite.
- Price firm for 45 days.
- Allow 6-8 weeks for delivery.
- Price does NOT include SALES or USE taxes.
- All work to be performed that requires a license, including but not limited to electrical & plumbing will be performed by individuals currently licensed in the proper jurisdiction.

**Warranty Notes:**

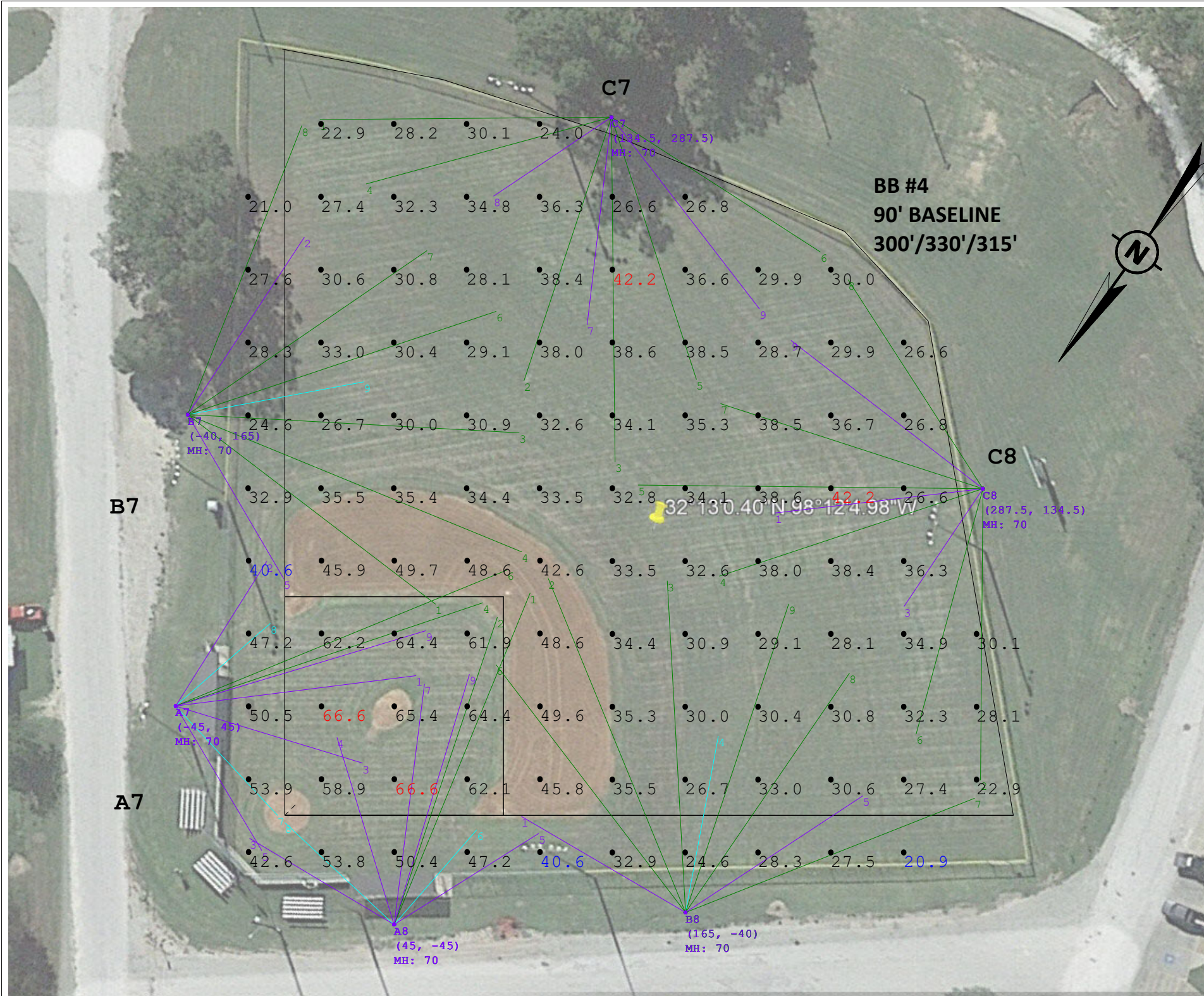
- Seller warrants that Equipment furnished or manufactured by Seller will be free from defects in material and workmanship for a period - of 10 years from date of shipment.
- Seller will replace any defective material for the entire 10 year period.
- Techline will make every effort to maintain any component of our sports lighting system for the entirety of the warranty period.

**TURNKEY Installation Notes:**

- Allow 3-4 weeks for Turnkey Installation.
- Pole locations must also be accessible with standard lift and not obstructed by fencing, buildings, etc. (*special lift & matting charges not included*) **Standard**
- **turnkey install foundations assume 2000psi soil conditions.**
- **(Any other conditions that may be present upon installation (i.e. rock, water, etc.) that cause additional foundation design or modification - (i.e. rebar, casing, etc.) may require additional charges.)**
- ☑ **INCLUDES:**
  - ✓ **Demolition & Disposal of existing sports lighting system / fixtures.**
  - ✓ Installing controls (if supplied) based on 480V 3Ø service being available within 150' of field.
  - ✓ Install individual conduit and wiring for each pole sized accordingly. No more than 3% voltage drop shall be allowed.
  - ✓ All wiring to be copper type THHN.
  - ✓ Auguring pole foundation holes, setting all pole stubs in holes, center/plumb/brace and backfill with 3000psi concrete
  - ✓ Build out pole tops including mounting cross arm assemblies, mount & wire all fixtures in place, crane rental to set all pole tops in -place,
  - ✓ fixture aiming, **commissioning of controls**, control training, and final clean up.
  - ✓ **All permits, fees and inspections associated with the project.**
  - ✓ **All electrical installation to meet National Electric Code requirements.**
  - ✓

**Total Including Turnkey Install = \$659,000.00**





**BB #4**  
**90' BASELINE**  
**300'/330'/315'**

32° 13' 0.40" N 98° 12' 4.98" W

Scale: 1 inch= 50 Ft.

Calculation Summary										
Scene: DEFAULT										
Label	Units	Avg	Max	Min	Max/Min	# Pts	PtSpclr	PtSpctb	CV	UG
#4 INFIELD	Fc	53.20	66.6	40.6	1.64	25	30	30	0.16	1.36
#4 OUTFIELD	Fc	31.43	42.2	20.9	2.02	78	30	30	0.15	1.59

Luminaire Schedule					
Scene: DEFAULT					
Symbol	Qty	Label	LLF	Lum. Watts	Arrangement
□	20	CLIR_630_OM_W	0.950	646	SINGLE
□	28	CLIR_630_OM_M	0.950	646	SINGLE
□	6	CLIR_630_OM_EW	0.950	646	SINGLE

Pole Summary		
Scene: DEFAULT		
Poles	# Lums	MH
A7	9	60'
A8	9	60'
B7	9	60'
B8	9	60'
C7	9	60'
C8	9	60'

Pole Wattage Summary	
Scene: DEFAULT	
Label	Total Watts
A7	5814
A8	5814
B7	5814
B8	5814
C7	5814
C8	5814
TOTAL	34884

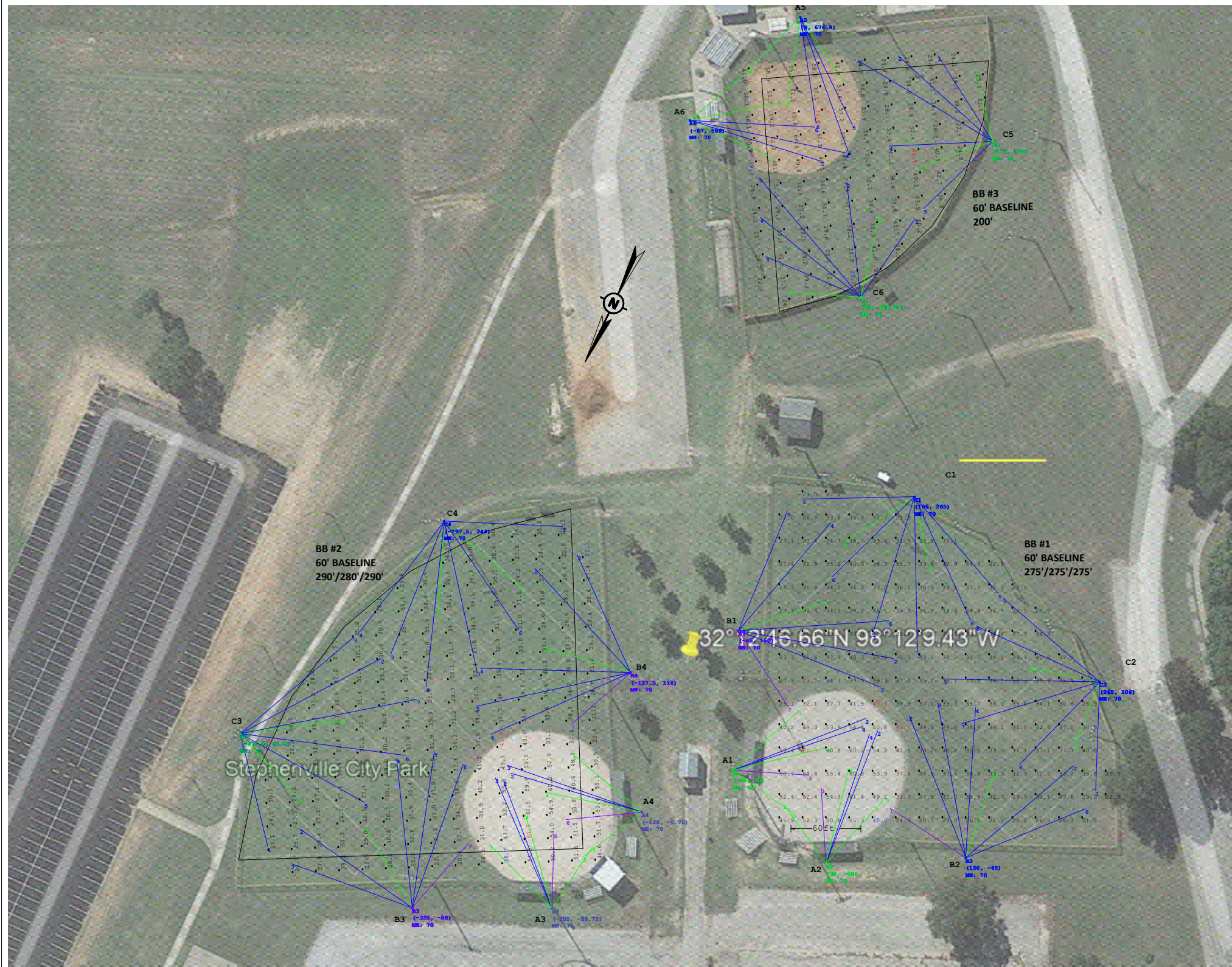


**STEPHENVILLE CITY PARK**  
**STEPHENVILLE, TX**  
**BASEBALL - 50/30 FC**  
**22-5463.AGI**

1. THIS LIGHTING DESIGN IS BASED ON INFORMATION SUPPLIED BY OTHERS. SITE DETAILS PROVIDED HEREON ARE REPRODUCED ONLY AS A REFERENCE AND FIELD CONDITIONS MAY SIGNIFICANTLY AFFECT PREDICTED PERFORMANCE. PRIOR TO INSTALLATION, OBTAIN ALL NECESSARY PERMITS, REGULATIONS, ORDINANCES, AND LOCAL, STATE AND FEDERAL REQUIREMENTS. THE CONTRACTOR AND/OR SPECIFIER IS RESPONSIBLE FOR THE PROJECT. 2. LUMINAIRE DATA IS TESTED TO INDUSTRY STANDARDS UNDER LABORATORY CONDITIONS. OPERATING VOLTAGE AND NORMAL MANUFACTURING TOLERANCES OF LUMINAIRE, BALLAST, AND LUMINAIRE MAY AFFECT FIELD RESULTS. 3. COMPLIANCE TO FACILITY CODE AND OTHER LOCAL REQUIREMENTS IS THE RESPONSIBILITY OF THE OWNER AND/OR THE OWNER'S REPRESENTATIVE.

**DRAWN BY: AMP**  
**Date: 7/5/2022**  
**SCALE: NTS**  
**Page M of 1**  
**22-5463.AGI**





Calculation Summary										
Scene: DEFAULT										
Label	Units	Avg	Max	Min	Max/Min	# Pts	PtSpCt	PtSpCb	CV	UG
#1 INFIELD	Fc	53.23	61.5	40.0	1.54	25	20	20	0.10	1.38
#1 OUTFIELD	Fc	33.32	43.1	19.8	2.18	150	20	20	0.16	1.79
#2 INFIELD	Fc	52.46	60.7	38.7	1.57	25	20	20	0.11	1.42
#2 OUTFIELD	Fc	30.94	41.8	20.1	2.08	156	20	20	0.15	1.49
#3 INFIELD	Fc	54.97	70.8	39.3	1.80	25	20	20	0.15	1.42
#3 OUTFIELD	Fc	33.14	44.1	20.2	2.18	68	20	20	0.19	1.73

Luminaire Schedule					
Scene: DEFAULT					
Symbol	Qty	Label	LLF	Lum. Watts	Arrangement
	34	CLIR_630_OM_W	0.950	646	SINGLE
	68	CLIR_630_OM_M	0.950	646	SINGLE
	8	CLIR_630_OM_EW	0.950	646	SINGLE

Pole Wattage Summary	
Scene: DEFAULT	
Label	Total Watts
A1	3876
A2	3876
A3	3876
A4	3876
A5	3876
A6	3876
B1	4522
B2	4522
B3	4522
B4	4522
C1	5168
C2	5168
C3	5168
C4	5168
C5	4522
C6	4522
TOTAL	71060

Pole Summary		
Scene: DEFAULT		
Poles	# Lums	MH
A1	6	70'
A2	6	70'
A3	6	70'
A4	6	70'
A5	6	70'
A6	6	70'
B1	7	70'
B2	7	70'
B3	7	70'
B4	7	70'
C1	8	70'
C2	8	70'
C3	8	70'
C4	8	70'
C5	7	70'
C6	7	70'



**STEPHENVILLE CITY PARK**  
**STEPHENVILLE, TX**  
**SOFTBALL - 50/30 FC**  
**22-5464.AGI**

1. THIS LIGHTING DESIGN IS BASED ON INFORMATION SUPPLIED BY OTHERS. SITE DETAILS PROVIDED HEREON ARE REPRODUCED ONLY AS A REFERENCE AND FIELD CONDITIONS MAY SIGNIFICANTLY AFFECT PREDICTED PERFORMANCE. PRIOR TO INSTALLATION, OBTAIN ALL NECESSARY PERMITS, REGULATIONS, ORDINANCES, AND LOCAL, STATE AND FEDERAL REQUIREMENTS. THE CONTRACTOR AND/OR SPECIFIER IS RESPONSIBLE FOR THE PROJECT. 2. LUMINAIRE DATA IS TESTED TO INDUSTRY STANDARDS UNDER LABORATORY CONDITIONS. OPERATING VOLTAGE AND NOMINAL MANUFACTURING TOLERANCES OF LUMINAIRE AND LUMINAIRE MAY AFFECT FIELD RESULTS. 3. CONFORMANCE TO FACILITY CODE AND OTHER LOCAL REQUIREMENTS IS THE RESPONSIBILITY OF THE OWNER AND/OR THE OWNER'S REPRESENTATIVE.

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 Date: 7/5/2022  
 SCALE: NTS  
 Page M of 1  
 22-5464.AGI



**CLIR 630w**

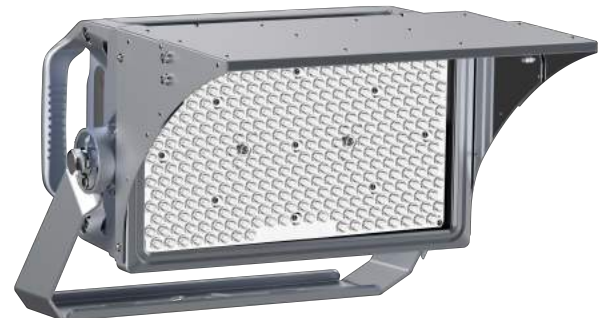
**TECHNICAL DATA**  
**FIXTURE**



**CLIR 630w**

**TECHNICAL DATA**  
**SYSTEM SPECIFICATIONS**

- SYSTEM WATTS: **630w**
- LUMEN OUTPUT: **85,000**
- kW Load: **646 watts**
- EPA: **1.5**
- WEIGHT: **41lbs**
- CLIR Module: **OM**
- BEAM ANGLE: **N, M, W, EW**
- POWER FACTOR: **0.95**
- CCT: **5700K**
- CRI: **>70Ra**
- INPUT VOLTAGE: **208-480v**
- INPUT PROTECTION: **10KV Current Surge**
- DRIVER: **Integral, Remote**
- IP RATING: **IP66, IP68**
- OPERATING TEMP RANGE: **-40°C to +55°C**
- HOUSING MATERIAL: **Aluminum Powder Coated**





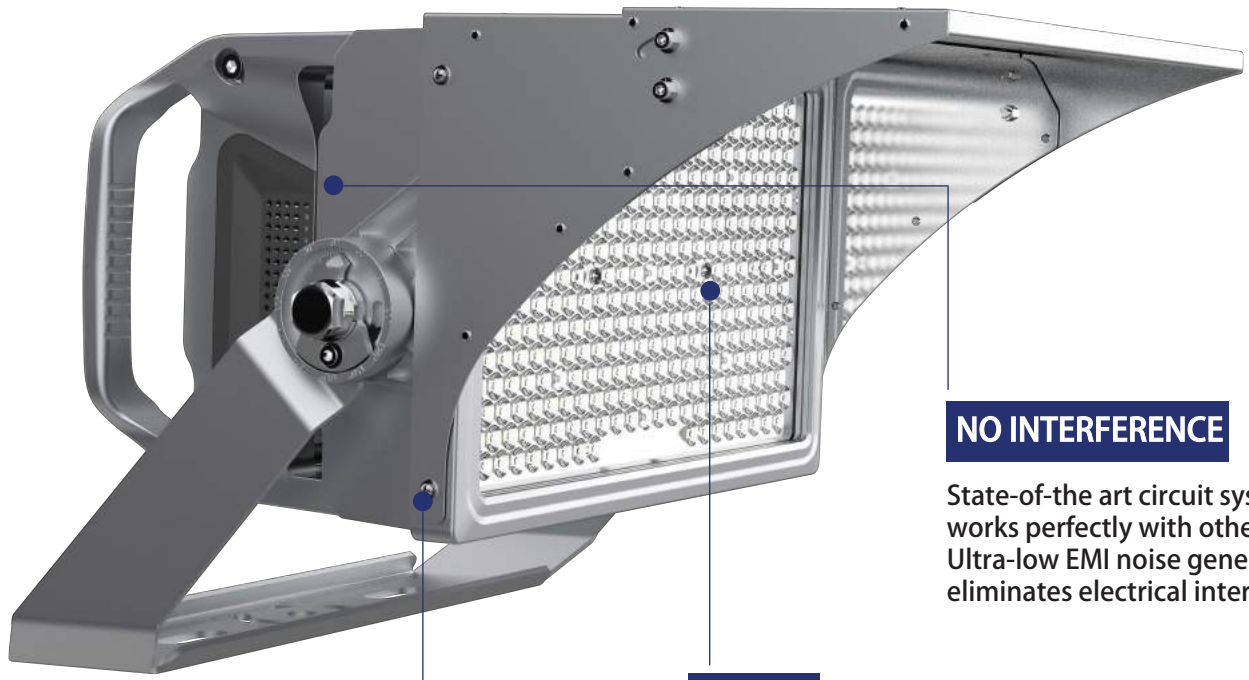
**CLIR 630w**

**TECHNICAL DATA**

**TECHNOLOGY CHANGES PERFORMANCE**

Series	Wattage	Voltage	Optic	Wattage	CCT	Options
CLIR	630W	Standard = 200-480V	N = Narrow M = Medium W = Wide EW = Extra Wide	W	5700K	EV = 20" Extended Visor

EX: CLIR-630W-S-XX-W-5700K



**NO INTERFERENCE**

State-of-the art circuit system which works perfectly with other systems. Ultra-low EMI noise generation eliminates electrical interference.

**OPTICS**

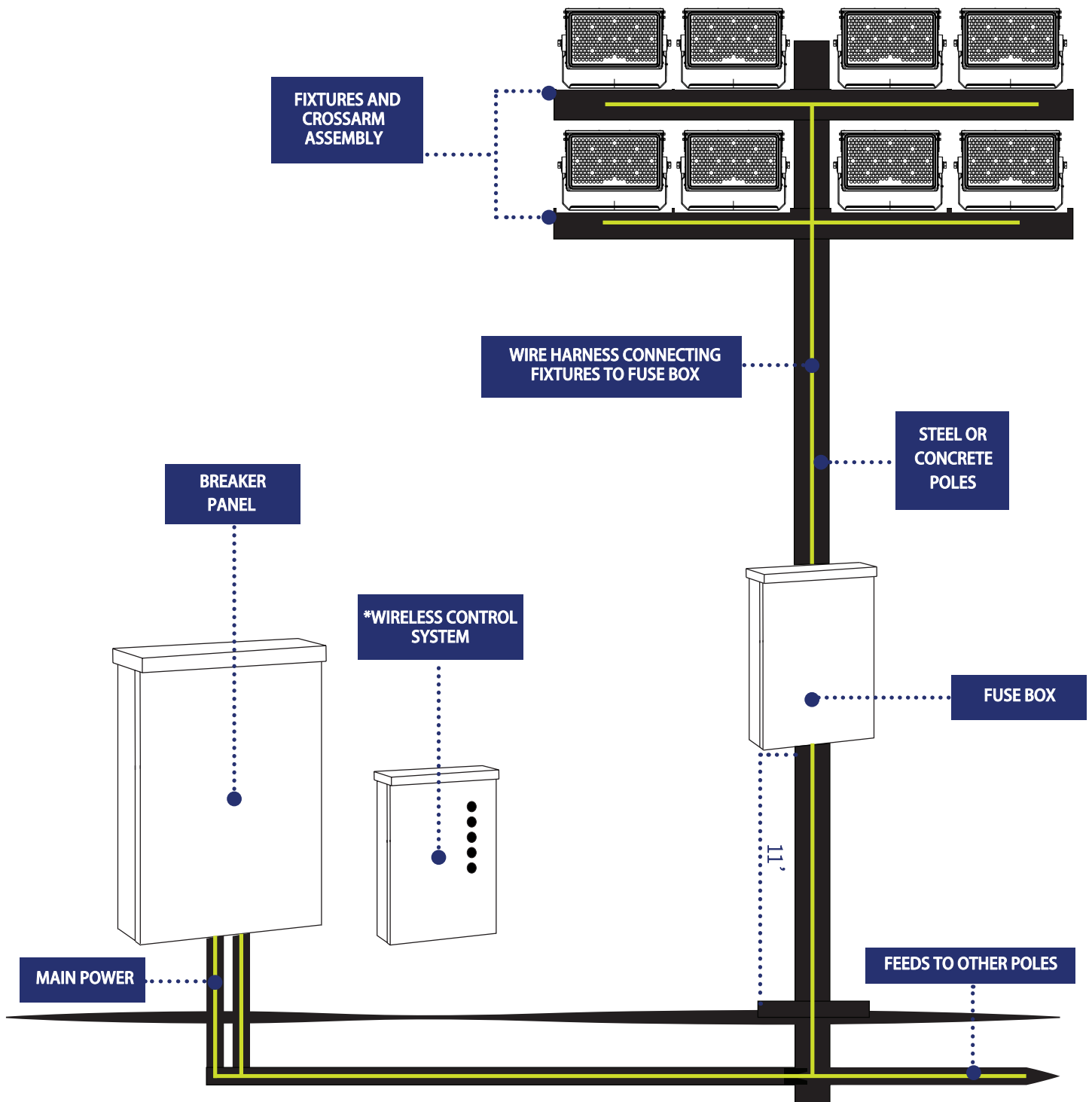
Advanced, free-form, optics designed with unique "multi-scales lenses" to create uniform light distribution and glare-reduction. Advanced materials maximize light output.

**SOLID STATE DESIGN**

Unique "SSD" design, simple, and advanced. Ensures durability of LED chip.  
All parts are individual, rugged and strong.

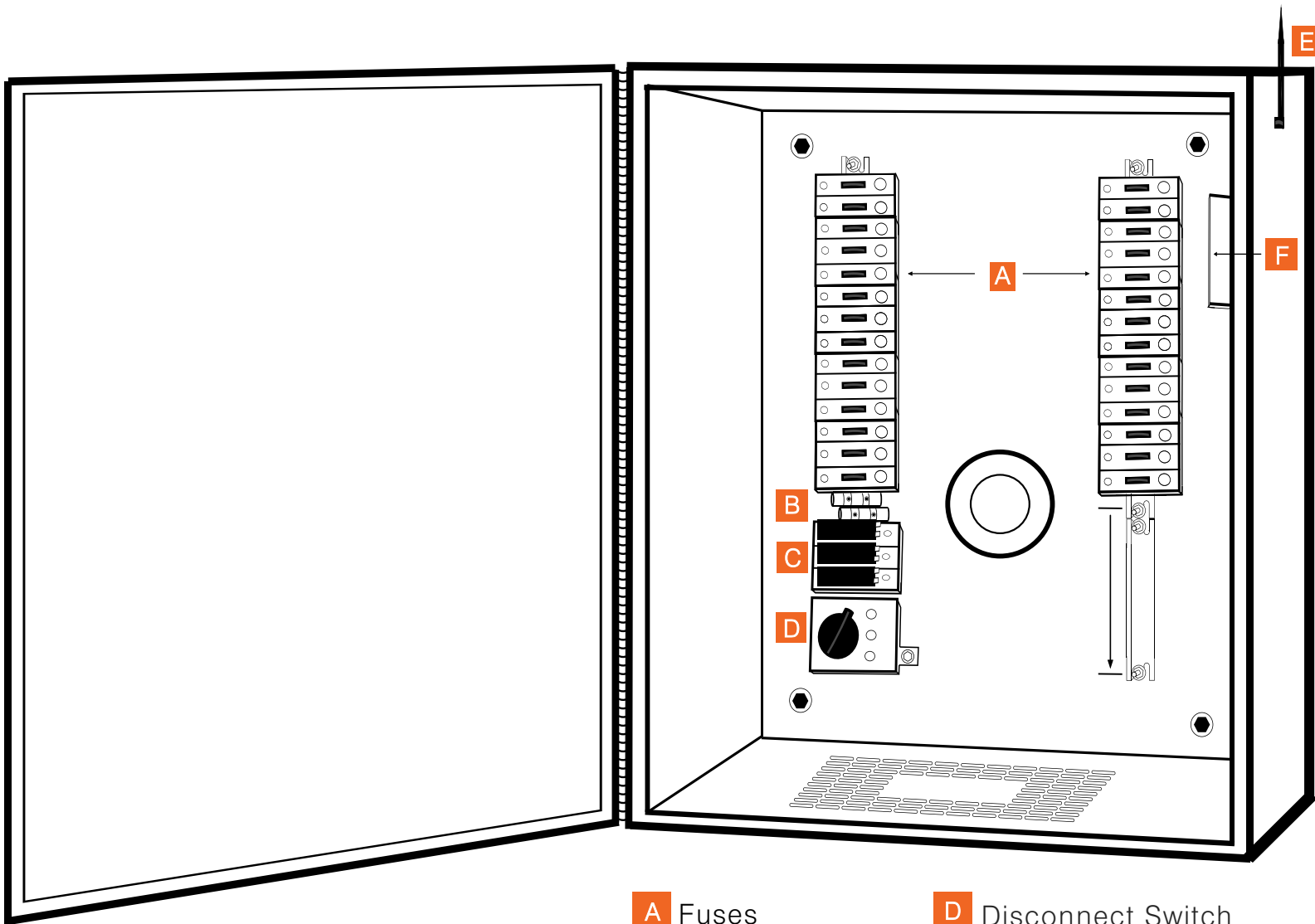
CLIR 630w

**TECHNICAL DATA**  
**SIMPLE SYSTEM DRAWING**



**CLIR 630w**

**TECHNICAL DATA**  
**FUSE BOX**



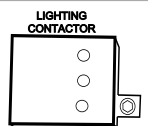
Drawings do not designate fuse size, wiring, NEMA box type, distribution block information, disconnect switch size, ampacity, and surge arrester specification

Drawing depicts a typical example of a Fuse Box (control enclosure)

A customized Fuse Box will be designed for any specific required application

- A** Fuses
- B** Ground Block
- C** Distribution Block
- D** Disconnect Switch
- E** Wireless Antenna
- F** Wireless Relay (Dimming – On/Off)

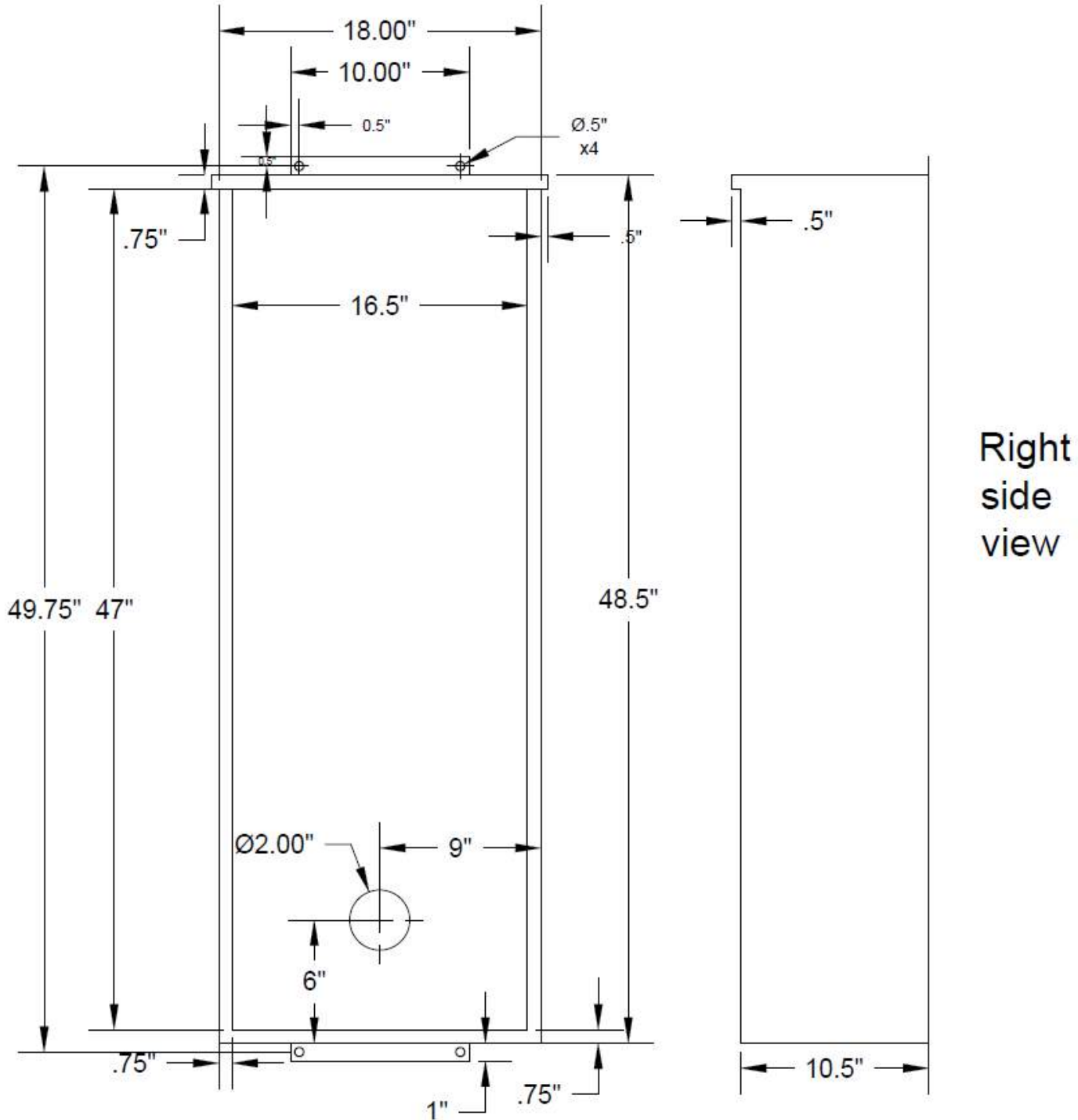
**G** \*Alternate Control Option  
(Simple ON/OFF No Dimming)



Allows Digital Contactor (AirMesh Hub by Synapse) the ability to remotely turn lights ON/OFF. This option DOES NOT allow dimming capability.

**CLIR 630w**

**TECHNICAL DATA**  
**LARGE BOX**



Right  
side  
view

Drawings do not designate fuse size, wiring, NEMA box type, distribution block information, disconnect switch size, ampacity, and surge arrester specification.

## CLIR 630w

## TECHNICAL DATA

### WIRELESS CONTROLLER

(CONTROLLER ACCESSORIES)

### Product Overview

The **Wireless Controller** is a SimplySNAP component that can be installed anywhere you need wireless push-button lighting control, such as municipal ballparks, hockey arenas, basketball facilities, and other multi-use complexes.

The heart of the Wireless Controller is the SS450 site controller, contained in the NEMA 4X enclosure with 5 buttons that allow for controlled manual access to site lighting.

The Wireless Controller makes it easy for electricians to quickly install the SimplySNAP site controller and enables quick and simple access to a switch station that can be programmed to meet the needs of the end-user.

### Features

- Allows for controlled manual access to a SimplySNAP lighting system
- Weather protected — perfect for both indoor and outdoor applications
- Optional, pre-configured 5-button switch to allow for control of all lighting within the facility
- External Ethernet port for connecting to IT network



Product #	Description
CBSSW-450-001 Cellular & Wi-Fi	SS450-based Model w/ 5-button switch

<b>Dimensions</b>	15.5" x 13.5" x 7.7" (393 x 342 x 195 mm)
<b>Input Power</b>	90-120VAC; 8W max, 6kV surge protection
<b>Operating Environment</b>	-20°C to +55°C, IP65
<b>Radio</b>	SNAP 2.4GHz 802.15.4 Wi-Fi 2.4Ghz 802.11 b/g/n
<b>Certifications</b>	FCC/IC; Tested to CAN/CSA C22.2 No. 60950-1/A2:2014 and UL 60950-1/R:2014-10

To learn more, call or visit:  
[synapsewireless.com](http://synapsewireless.com)  
 (877) 982-7888

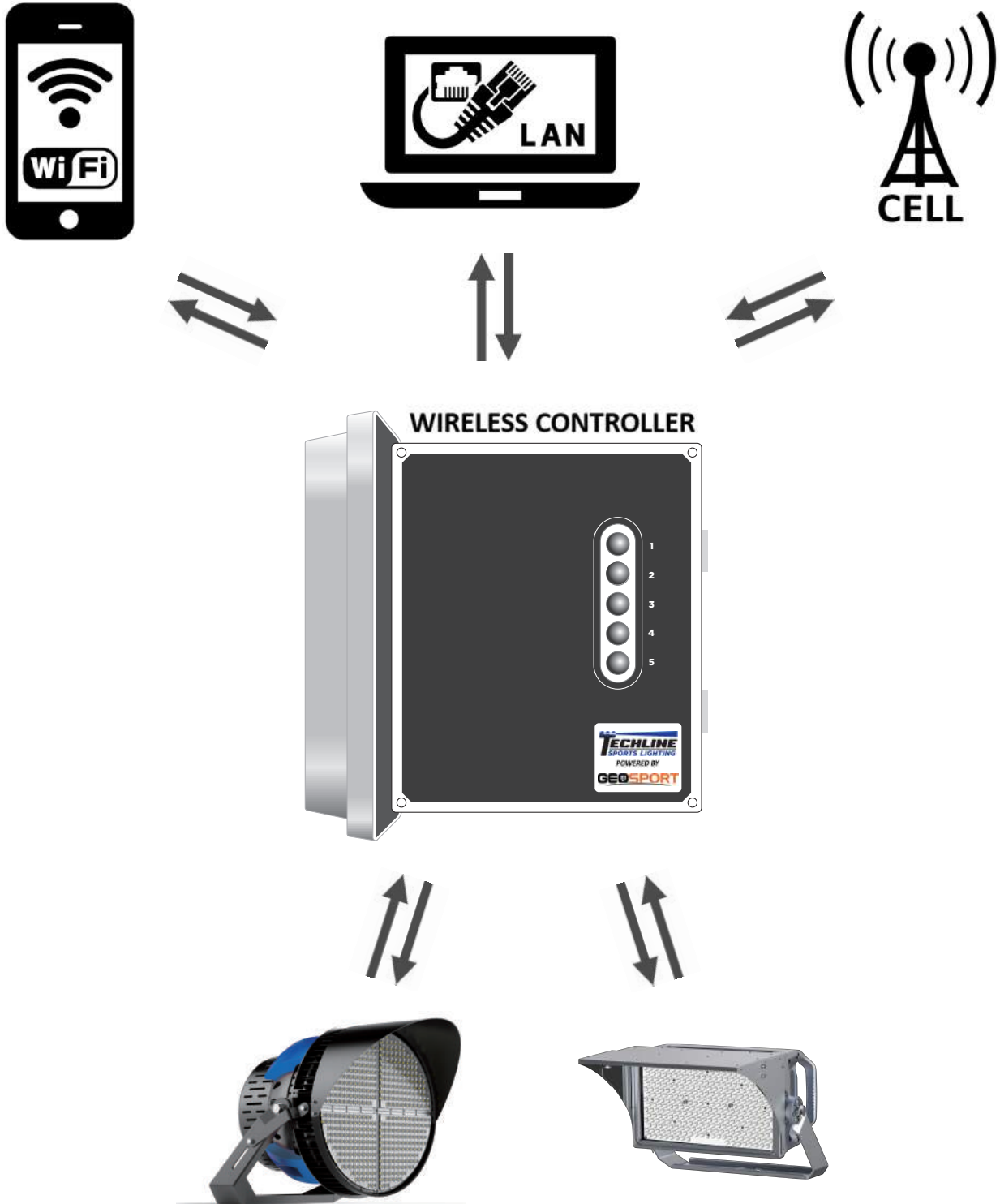


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**CLIR 630w**

**TECHNICAL DATA**  
**WIRELESS CONTROLS**



**WARRANTY****10-YEAR MAINTENANCE FREE WARRANTY****TERMS & CONDITIONS****(1 of 2)**

Service under this Contract is provided by Geo-Surfaces Manufacturing, LLC (GML). Services completed under this Contract shall consist of furnishing labor and parts necessary to restore the operation of the Warranted Product(s) to original design conditions provided such service is necessitated by failure of the Warranted Product(s) during normal usage. This Contract covers Product(s) consisting of GeoSport™ Lighting LED System.

“We”, “us” and “our” mean GML. “You” and “your” mean the Purchaser of the Warranted Product(s). No one has the authority to change this Contract without the prior written approval of GML. GML shall not assume responsibility for their agents or assignees other than as described below. If there is a conflict between the terms of this Contract and information communicated either orally or in writing by one or more of our employees or agents, this Contract shall control.

**1. Special Warranty:** Manufacturer’s standard form in which manufacturer agrees to repair or replace components of luminaires, lamps, and luminaire alignment products and to correct misalignment that occurs subsequent to successful acceptance tests. Manufacturer may exclude lightning damage, hail damage, vandalism, abuse, and unauthorized repairs and alterations from special warranty coverage.

**2. Warranty Period:** Ten (10) year(s) from date of Substantial Completion.

**3. Hours of Usage:** Designs shall be based on the following hours of usage:

**4. Service Availability:** Maintenance service specialists shall be available 8:00am to 5:00pm Central Standard Time, and services shall be performed during these same hours in your local time zone, Monday through Friday (with the exception of national holidays). Hours of operation are subject to change without notice. GML will exercise all reasonable efforts to perform service under this Contract but will not be responsible for delays or failure in performing such services caused by adverse weather conditions, acts of any government, failure of transportation, accidents, riots, war, labor actions or strikes or other causes beyond its control.

**5. Repair Determination:** GML will utilize the monitoring system and any information provided by the customer to determine when the usage of the field is materially impacted. From this information, GML will determine repair and/or replacement of Warranted Product(s) and parts. Repair will be with product(s) of similar kind and quality.

**Your Requirements Under this Contract:** You must meet all electrical and installation requirements as specified by the Manufacturer. In addition, you assure: full cooperation with GML technicians and authorized servicers during diagnosis and repair of the Warranted Product(s); reasonable accessibility of the Warranted Product(s); a non- threatening and safe environment for service. You agree to check and replace fuses as needed. GML provides spare fuses in each A-pole enclosure. GML will replace spare fuses used. You agree to keep your control system online. This means keeping the required control voltage to the control system at all times. Avoiding this practice must be discussed with GML’s Warranty Department.

**6. Service Limitations Not Covered by this Contract:** Maintenance, repair or replacement necessitated by loss or damage resulting from any external causes such as, but not limited to, theft, environmental conditions, negligence, misuse, abuse, improper electrical/power supply, unauthorized repairs by third parties, attachments, damage to cabinetry, equipment modifications, vandalism, animal or insect infestation, physical damage to Warranted Product(s) parts or components, failure of existing structures, supporting electrical systems or any non-GML equipment, or acts of nature (including, but not limited to: earthquake, flood, tornadoes, typhoons, hurricanes or lightning).

**WARRANTY****10-YEAR MAINTENANCE FREE WARRANTY****TERMS & CONDITIONS****(2 of 2)****7. Contract Limitations:**

- a. Exclusions from coverage: in no event will GML be liable for any special, indirect, incidental or resulting damages which include, but are not limited to, any delay in rendering service or loss of use during the repair period of the Warranted Product(s) or while otherwise awaiting parts.
- b. Limitation of liability: to the extent permitted by applicable law, the liability of GML, if any, for any allegedly defective Warranted Product(s) or components shall be limited to repair or replacement of the Warranted Product(s) or components at GML's option. This contract is your sole express warranty with respect to the Warranted Product(s). All implied warranties with respect to the Warranted Product(s) including, but not limited to, implied warranties of merchantability and fitness for a particular purpose, are hereby expressly excluded.
- c. For the purposes of and by your acceptance of this Contract you acknowledge and agree that if a surety bond ("Bond") is provided the warranty and/or maintenance guarantee provided for in this Contract and any corresponding liability on behalf of the issuing surety under the Bond is limited to the first twelve (12) months of said warranty and/or maintenance guarantee coverage period. Any warranty and/or guarantee coverage period in excess of said initial 12-month period does not fall within the scope of the Bond and shall be the sole responsibility of GML.
- d. GML requires reasonable access for a crane or man lift equipment to service the lighting system. GML will not be responsible for damage from operating the vehicle on the property when the equipment is operated in the proper manner over the designated access route.
- e. Obsolescence or Environmental Restrictions: If during any maintenance or other work performed under this Warranty, any of the parts of the Warranted Product(s) are found to be either obsolete, no longer available, or prohibited by any state or federal agency, GML shall replace said parts with comparable parts and materials with equal operating characteristics solely at GML discretion. The cost of replacement of any obsolete cellular related technology shall be borne by you. Prior to completing any such work, GML shall notify you of the cost (if any) you will incur in the replacement of such parts under this section.

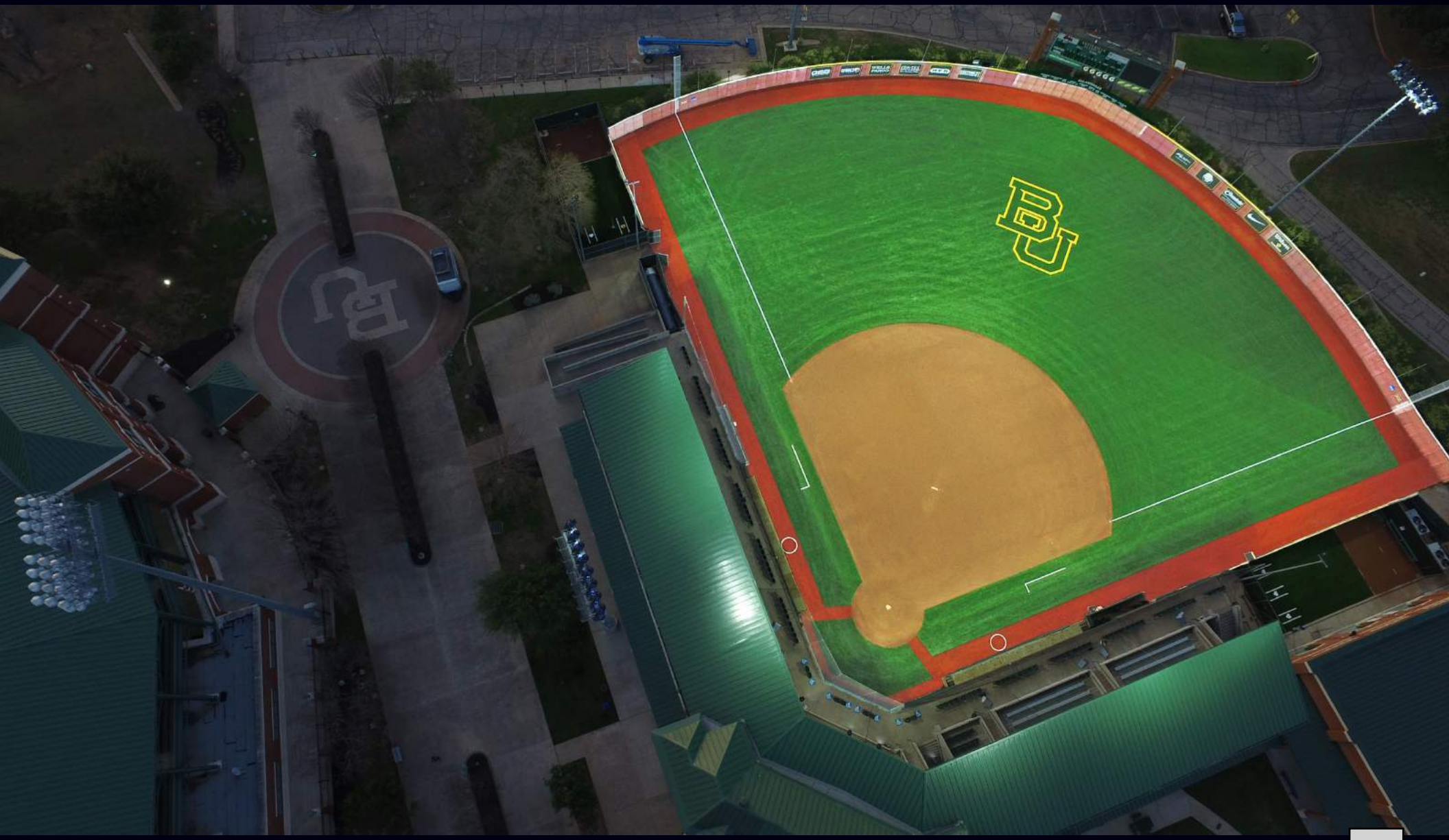
**8. Transfer and Assignment:** Except to owners, you shall not have the right to assign or otherwise transfer your rights and obligations under this Contract except with the prior written consent of GML; however, a successor in interest by merger, operation of law, assignment or purchase or otherwise of your entire business shall acquire all of your interests under this Contract.

**9. Governing Law:** Unless otherwise governed by applicable state law, the Contract shall be interpreted and enforced according to the laws of the State of Louisiana.

**Subrogation:** In the event GML repairs or replaces any Warranted Product(s), parts or components due to any defect for which the manufacturer or its agents or suppliers may be legally responsible, you agree to assign your rights of recovery to GML. You will be reimbursed for any reasonable costs and expenses you may incur in connection with the assignment of your rights. You will be made whole before GML retains any amounts it may recover.

Electrical system must provide quality power withing +/- 3% of nominal voltage and must have surge protection for each sports lighting pole.































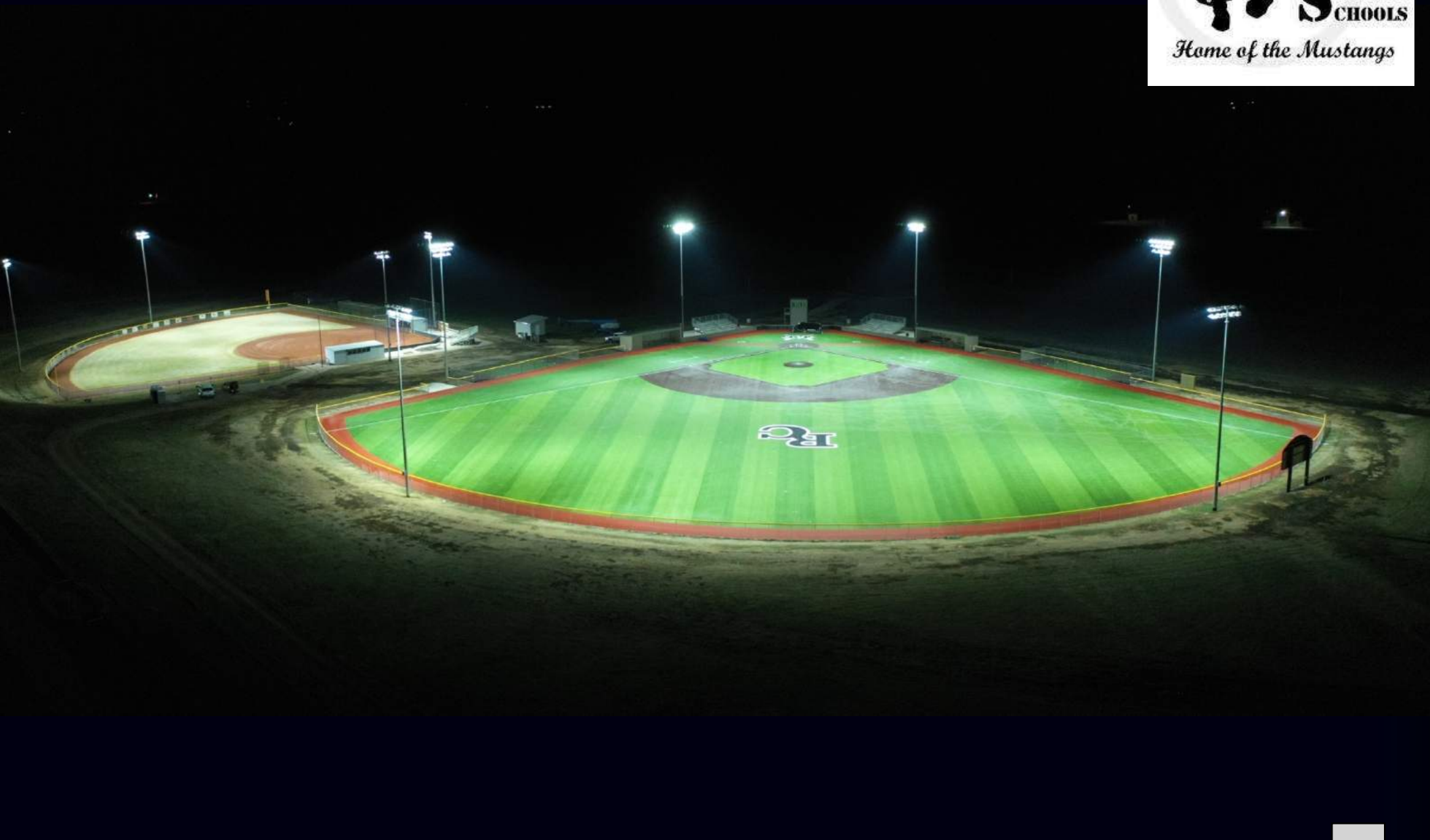
















July 14<sup>th</sup>, 2021

**Stephenville City Park**

Attn: Tom Henry

**Scope of Work**

Project: Baseball Field Construction

Field Project Scope:

1. Excavate area discussed to form proper field layout
2. Rough Grade area discussed for 3<sup>rd</sup> party irrigation
3. Laser grade outfield/infield areas with top soil
4. Installation and laser grade of clay infield
5. Fence installation
6. Bermudagrass sod installation
7. Home plate concrete slab poured to proper form
8. Installation of foul poles and infield equipment (bases etc.)
9. Infield conditioner for infield clay spread evenly
10. Site clean-up

**FIELD PROJECT TOTAL**

**\$415,000**

**Exclusions**

1. Sales Taxes. Customer to provide tax exempt certificate as needed
2. Liquidated Damages
3. Allowances
4. Permits
5. Rock excavation
6. Bleachers
7. Electrical, conduit and boxes
8. Bonds





**Proposal Conditions & Qualifications**

- 9. This proposal assumes PSC shall have clear and reasonable access to the work for equipment and materials.
- 10. PSC understands there may be more than one mobilization for this project.
- 11. This proposal assumes PSC standard wage rate for labor (Davis-Bacon or their Governmental wage scales are not included in the pricing above).
- 12. Due to continuing fluctuations in the cost of materials beyond our control, PSC reserves the right to verify material pricing prior to execution of a contract if a contract is not awarded within 60 days of the date of this proposal.
- 13. Unless specifically stated otherwise, this proposal assumes that all construction testing and third party inspection will be contracted and paid for by the owner or general contractor. PSC will coordinate inspections and make all work available for testing; PSC can provide a separate proposal for this work if desired.

**Insurance Policy Coverages**

Workers Comp: Bodily Injury	\$1,000,000 ea accident
Workers Comp: Disease	\$1,000,000 policy limit
General Liability: General Aggregate	\$2,000,000 policy limit
General Liability: Personal/Advert. Injury	\$1,000,000 policy limit
General Liability: Each Occurrence	\$1,000,000 policy limit
Additional Excess Umbrella	\$5,000,000 policy limit

*Gib Searight*

\_\_\_\_\_  
Gib Searight, Manager, Natural Grass Division  
817-366-6430

\_\_\_\_\_  
Accepted: \_\_\_\_\_ Date: \_\_\_\_\_





# STAFF REPORT

**SUBJECT:** Brick Street Reconstruction Design – Professional Services Proposal  
**MEETING:** Committee Meeting - 19 Jul 2022  
**DEPARTMENT:** Public Works  
**STAFF CONTACT:** Nick Williams

## RECOMMENDATION:

Staff recommends entering into a professional services agreement with Jacob and Martin, LLC. for the design of the brick street reconstruction project on College Street from Graham Avenue to Belknap Avenue and on Belknap Avenue from College Street to Washington Street.

## BACKGROUND:

In 2021, the 100 block of Graham Avenue on the east side of the courthouse was repaved with historic Thurber brick. Implementation of a brick street project was recently discussed again by council for the downtown area. The original Thurber brick paving on the south and west sides the courthouse was overlaid with asphalt in the past.

## PROPOSAL:

The proposed scope of work in the professional services agreement provides detailed plans and specifications for the design of brick pavement improvements on College Street and Belknap Avenue, on the south and west sides respectively adjacent to the courthouse, including roadway and ADA sidewalk improvements, as well as the replacement of existing cast iron water lines and clay sewer lines. Additionally, the agreement provides for materials testing (density and concrete) during the construction phase of the project.

The agreement provides for the design work to be completed within a five (5) month timeframe and provides a liquidated damages clause should the design not be completed on schedule.

Enclosed are exhibits identifying the location of the proposed design work. A copy of the proposal is also attached.

## FISCAL IMPACT SUMMARY:

The agreement proposes to prepare contract documents including construction drawings, specifications, with design layout, surveying, geotechnical work, as well as materials testing for a not-to-exceed sum of \$101,800.

Due to the full demolition and reconstruction of the pavement, including ADA accommodations, utility replacement, and drainage design, the opinion of probable construction cost is between \$900k and \$1 million.

The construction, if approved, is conservatively anticipated to take nine (9) months to complete to best coordinate with downtown businesses, events, and traffic.

Funds for the design cost would be allocated from the FY21-22 annual Pavement Maintenance Budget. \$400,000 of funds in the FY21-22 budget would be rolled into the FY22-23 budget for construction funds. Sufficient funds exist in the current budget to accommodate this strategy. Designed pavement projects in FY21-22, including the Swan, Hyman and S. Dale project, the Bates and Elm project, as well as the Lockhart project are projected to leave sufficient funds for this work.

## ALTERNATIVES:

The following alternatives are provided for consideration:

1. Do not recommend approval of the professional services agreement as presented or
2. Recommend an alternate scope of work.

## ADVANTAGES:

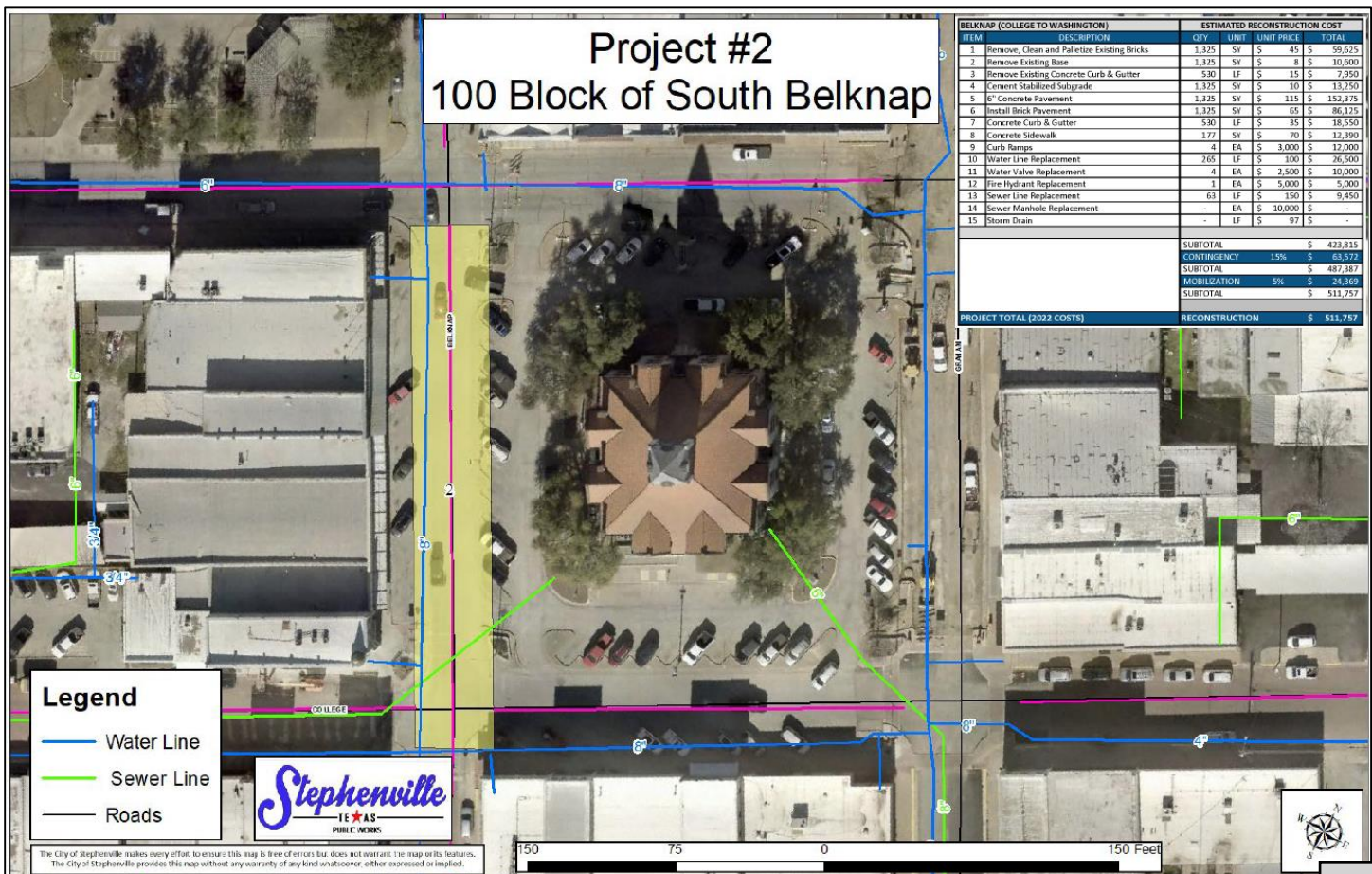
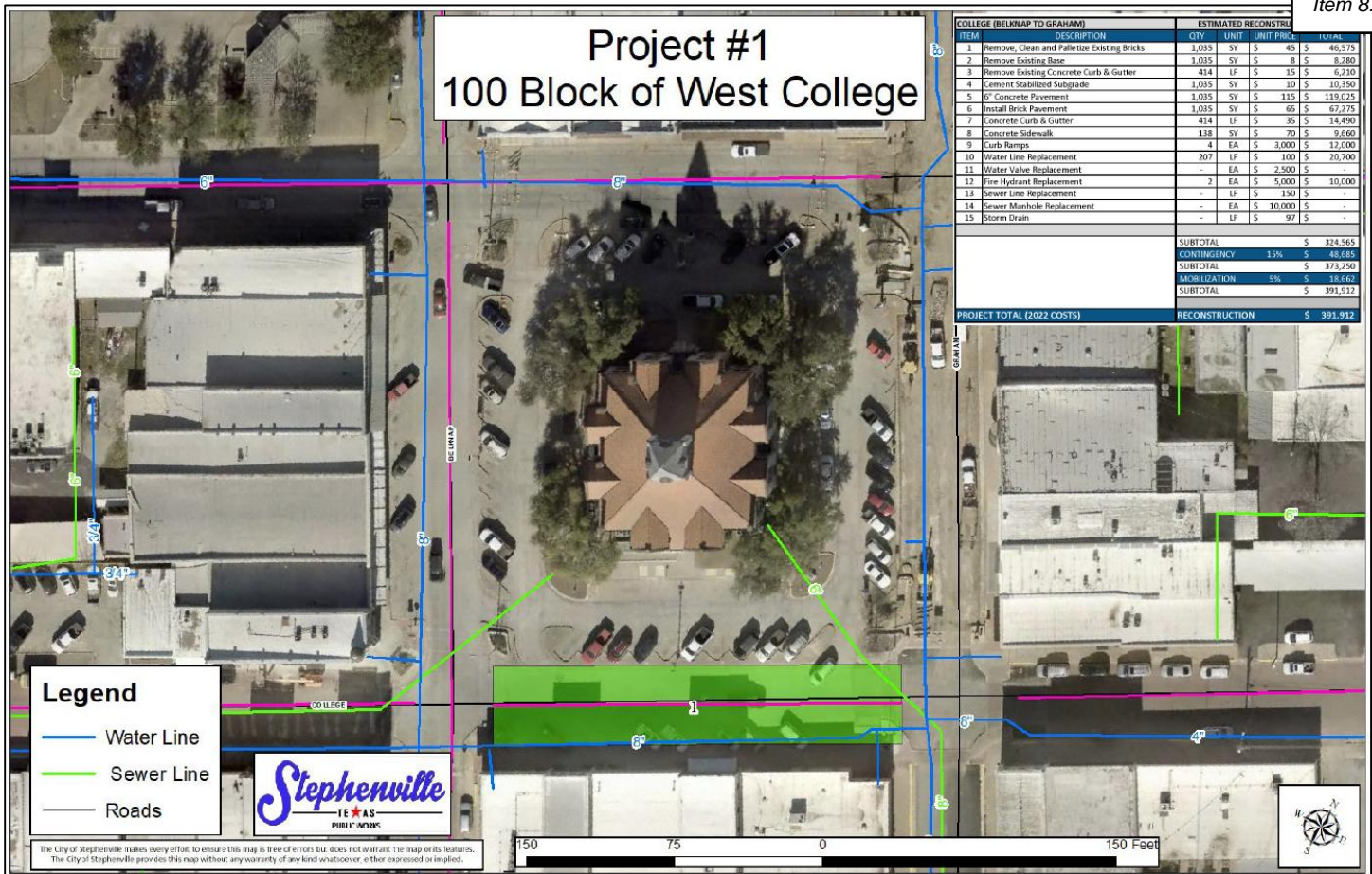
1. Recommending approval allows the design work to commence immediately.
2. Construction phase work requires written pre-approval.

## DISADVANTAGES:

1. Funding has not been specifically identified for this project.

## ATTACHMENTS:

[Brick Street Reconstruction Project – Professional Services Agreement – 2022\\_07-19](#)





**MASTER CONTRACT FOR PROFESSIONAL SERVICES**

**CONTRACT DATE:** \_\_\_\_\_, 20\_\_

**CLIENT:** City of Stephenville

**PROJECT NAME:** Downtown Street and Sidewalk Improvements

**PROJECT LOCATION:** Stephenville, Texas

**PROJECT NUMBER:** 22356

This **CONTRACT** is made and entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the City of Stephenville, whose address is 298 W. Washington, Stephenville, Texas 76401 hereinafter called **CLIENT**, and Jacob & Martin, LLC., whose address is 3465 Curry Lane, Abilene, Texas 79606, hereinafter called **JM**. The **CLIENT** engages **JM** to perform professional services for the Project described above.

**SECTION I - SERVICES**

- A. **JM** shall provide professional services as described in **ATTACHMENT “A”**.
- B. **JM** has assigned Tristan King, E.I.T as the Project Manager for this **CONTRACT** described above.
- C. **JM** will serve as **CLIENT**’s professional engineering representative in those phases of the Project to which this **CONTRACT** applies and will give consultation and advice to **CLIENT** during the performance of **JM**’s services.

**SECTION II - COMPENSATION**

A. The method of payment by **CLIENT** to **JM** for services provided under this **CONTRACT** shall be:

<u>X</u> _____ Lump Sum - Preliminary Engineering Services	Total Amount: \$3,000
<u>X</u> _____ Lump Sum - Basic Engineering Services - Design and Construction	Total Amount: \$72,300
<u>X</u> _____ Time and Expense - Special Engineering Services - Surveying, Testing, Misc. Engineering Expenses	Not to Exceed: \$26,500

The terms, amount and frequency of monthly and/or periodic billing shall be set forth in **ATTACHMENT “A”**. Hourly rates shall be as described in **ATTACHMENT “B”**. The **JM Hourly Rate Schedule** in effect at the time the work is performed shall be used and when a new **JM Hourly Rate Schedule** is published, a copy of the new schedule will be furnished to the client and shall supersede the previous **JM Hourly Rate Schedule** as **ATTACHMENT “B”**. For multiple project services or phases, a breakdown of individual costs and associated scope will be provided in **ATTACHMENT “A”**.

The **ATTACHMENT “B”** Schedule of Rates will be adjusted annually on January 1<sup>st</sup> to reflect equitable changes in the compensation payable to Engineer, reimbursable expenses, and IRS directed mileage rates.

B. For and in consideration of the Basic Services to be rendered by **JM**, the **CLIENT** shall pay, and **JM** shall receive compensation hereinafter set forth for the project. All remittances by the **CLIENT** of such compensation shall either be mailed or delivered to **JM**’s office in Abilene, Taylor County, Texas.

- 1. Payment for the services under the Project listed in the **ATTACHMENT “A”** “Scope of Work” of this Agreement and as set forth herein shall be paid as billed and in accordance with the compensation and financial requirements as set forth in **ATTACHMENT “A”**.

C. Additional Services listed in **ATTACHMENT “A”** shall be paid by the Hour and Expense per **ATTACHMENT “B”**.

### SECTION III - CLIENT'S RESPONSIBILITIES

- A. The **CLIENT** shall designate a Project Manager during the term of this **CONTRACT**. The **CLIENT**'s project manager has the authority to administer this **CONTRACT** and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by the **CLIENT** on any aspect of the work shall be directed to the **CLIENT**'s project manager.
- B. The **CLIENT** shall review submittals by **JM** and provide prompt response to questions and rendering of decisions pertaining thereto to minimize delay in the progress of **JM**'s work. The **CLIENT** will keep **JM** advised concerning the progress of the **CLIENT**'s review of the work. Delays in response by the Project Manager greater than 5 days shall automatically extend by a like number of days any timelines or completion deadlines as set forth in **ATTACHMENT "A"**.
- C. The **CLIENT** shall provide full requirements for the Project.
- D. **CLIENT** shall assist **JM** by placing at **JM**'s disposal all available information pertinent to the Project, including previous reports and any other data relative to the Project's design and construction.
- E. **CLIENT** shall furnish **JM** property, boundary, right-of-way, topographic and utility surveys; core borings, probings and subsurface exploration; hydrographic surveys, laboratory tests and inspections of samples and materials in **CLIENT**'s possession or to which **CLIENT** has reasonable access, all of which **JM** may rely on in providing the services described on **ATTACHMENT "A"**.
- F. **CLIENT** will guarantee access and make all provisions for **JM** to enter onto public and private lands as required for **JM** to perform work under this **CONTRACT**.
- G. Unless included in **JM**'s services as described on **ATTACHMENT "A"**, **CLIENT** shall advertise for proposals from bidders, open the proposals at the appointed time and place, and pay for all incidental costs related hereto.
- H. **CLIENT** will provide any legal, accounting and insurance counseling services required for the Project. **CLIENT** shall provide such insurance or may be required on **ATTACHMENT "C"**, which insurance shall include **JM** as an additional insured and be written with companies authorized to do business in the State of Texas and reasonably approved by **JM**.
- I. **CLIENT** will designate in writing its Project Manager as a person to act as **CLIENT**'s representative with respect to the work to be performed under this **CONTRACT** who will have complete authority to transmit instructions, receive information and interpret and define **CLIENT**'s policies and decisions with respect to materials, equipment, elements and systems pertinent to the services provided by **JM** pursuant to this **CONTRACT**. The decision and directions given by the Project Manager shall be binding on **CLIENT** and **JM** shall have the right to rely on such decision and directions in performing work and services hereunder.
- J. **CLIENT** shall give prompt written notice to **JM** whenever **CLIENT** observes or otherwise becomes aware of any defect in the Project.
- K. Unless included in **JM**'s services as described in **ATTACHMENT "A"**, **CLIENT** shall obtain approval of all governmental authorities having jurisdiction over the Project and obtain approvals and consents from other individuals or bodies as may be necessary for completion of the Project. Delays in obtaining approval beyond those time frames specified in **ATTACHMENT "A"** or as would otherwise be reasonably anticipated shall automatically extend by a like period of time, any timeline or completion deadlines as set out in **ATTACHMENT "A"**.
- L. If the Project involves more than one general contract, or separate construction contracts for different building trades or separate equipment contracts, **CLIENT** will ensure that the general conditions of all contracts are substantially identical and consistent with the terms hereof in all material respects.
- M. When required, **CLIENT** shall provide title searches, legal descriptions, detailed ALTA surveys and environmental assessments to the extent necessary for **CLIENT** to proceed with the Project.

#### SECTION IV – JM’S RESPONSIBILITY

A. **JM** shall diligently and competently render engineering services which shall be reasonably necessary or advisable for the expeditious, economical and sound design of that portion of the Project included in **ATTACHMENT “A”** hereto and for such other preparatory work as is necessary to place such portion of the Project in service, except where such duties are excluded from the terms of this **CONTRACT**.

B. **JM** shall take out and maintain through the contract period minimum insurance as set forth on **ATTACHMENT “C”**.

C. **JM** shall prepare in collaboration with **CLIENT**, a work in progress report schedule.

D. **JM** shall prepare, pursuant to the attachments to this **CONTRACT**, complete and detailed plans and specifications, drawings, maps and other documents as required for the construction of the Project (all of the foregoing being herein sometimes collectively called the “Plans and Specifications”).

E. All Plans and Specifications and other documents required to be prepared or submitted by **JM** under this **CONTRACT** shall conform to industry standards generally acceptable on the date of this **CONTRACT**.

F. **JM** shall provide **CLIENT** a complete and detailed copy of Plans and Specifications, prepared for construction, for the scope of the Project included in **ATTACHMENT “A”** within 150 calendar days from the executed date of this **CONTRACT**.

#### SECTION V – TERMS AND CONDITIONS

A. This **CONTRACT** shall be governed by the laws of the State of Texas.

B. All reports, plans, specifications, computer files and other documents prepared by **JM** as instruments of service shall remain the property of **JM**. **JM** shall retain all common law, statutory and other reserved rights including copyrights.

C. The obligations and duties to be performed by **JM** under this **CONTRACT** shall be performed by persons qualified to perform such duties efficiently. **JM** may, at its option, replace any engineer or other person employed by **JM** in connection with the Project. The term “engineer” as used in this **CONTRACT** shall mean a person properly trained and experienced to perform the services required under the terms of this **CONTRACT** and does not mean that the person performing those duties must be a licensed or a registered professional engineer.

D. **JM** shall comply with all applicable statutes pertaining to engineering and warrants that, as may be required by law or applicable regulations, a professional engineer shall possess a license issued to him or her by the State of Texas, and that such license has not been revoked or suspended and is in full force and effect on the date of this **CONTRACT**.

E. Prior to the time when any payment shall be made to **JM** pursuant to this **CONTRACT**, **JM**, if requested by the **CLIENT**, shall furnish to the **CLIENT**, as a condition precedent to such payment, a certificate to the effect that all salaries or wages earned by the employees of **JM** in connection with the Project have been fully paid by **JM** up to and including a date not more than thirty (30) days prior to the date of such invoice. Before the time when the final payment provided to be made pursuant to this **CONTRACT** shall be made to **JM** by **CLIENT**, **JM** shall also furnish to **CLIENT** as a condition precedent to such payment, a certificate that all of the employees of **JM** have been paid by it for services rendered by them in connection with the Project and that all other obligations which might become a lien upon the Project have been paid.

F. **CLIENT** shall have the right, upon reasonable notice, to inspect and audit all payrolls, records and accounts of **JM** relevant to the work for the purposes of this **CONTRACT** and **JM** agrees to provide all reasonable facilities necessary for such inspection and audit.

G. Compensation payable to **JM** under any of the attachments to this **CONTRACT** shall be in addition to taxes or levies (excluding federal, state and local income taxes), which may be assessed against **JM** by the state or political subdivision directly on services performed or payments for services performed by **JM** pursuant to this **CONTRACT**. Such taxes or levies, which **JM** may be required to collect or pay, shall in turn, be added by **JM** to invoices submitted to **CLIENT**

pursuant to this **CONTRACT**.

H. Interest at the rate of twelve percent (12%) per annum shall be paid by **CLIENT** to **JM** on any unpaid balance due **JM** commencing forty-five (45) days after the due date, provided that the delay in payment beyond the due date shall not have been caused by any condition within the control of **JM**. Such compensation shall be paid ten (10) days after the amount of the interest has been determined. All amounts received by **JM** shall be applied first to accrued unpaid interest and then to outstanding invoices for services and associated expenses.

I. The obligations of **JM** under this **CONTRACT** shall not be assigned without the approval in writing of **CLIENT**.

J. If, after execution of this **CONTRACT**, a service not listed on **ATTACHMENT "A"** is added to this **CONTRACT**, an amendment to this **CONTRACT** will be required, such amendment to be in writing signed by the parties hereto.

K. **JM** shall hold **CLIENT** and **CLIENT's** employees, agents, officers and directors harmless from any and all claims for injuries to persons or damage to property happening by reason of any gross negligence, material default or intentional misconduct on the part of **JM**, its agents, servants or employees during the performance of this **CONTRACT**. This indemnity shall include, but not be limited to, all expenses of litigation, court costs and reasonable attorney's fees. **CLIENT** shall hold **JM** and **JM's** employees, agents, officers and directors harmless from any and all claims for injuries to persons or for damage to property happening by reason of any gross negligence, material default or intentional misconduct on the part of the **CLIENT**, his or its agents, servants, or employees during the performance of this **CONTRACT**. This indemnity shall include, but not be limited to, all expenses of litigation, court costs and reasonable attorney's fees. In no event will **JM** be liable for consequential damages, including loss of profits, loss of investment or other incidental damages incurred from **CLIENT's** investment based on the scope of work to be performed by **JM** under this **CONTRACT**. **JM's** total liability for work performed shall never exceed the amount paid by **CLIENT** for services performed under this **CONTRACT**.

L. If the performance of the **CONTRACT**, or of any obligation hereunder is prevented, restricted or interfered with by reason of fires, breakdown of plant, labor disputes, embargoes, government ordinances or requirements, civil or military authorities, acts of God or the public enemy, acts or omissions of carriers, or other causes beyond the reasonable control of the party whose performance is affected, then the party affected, upon giving prompt notice to the other party, shall be excused from such performance on a day-for-day basis to the extent of such prevention, restriction or interference (and the other party shall likewise be excused from performance of its obligations on the day-for-day basis to the extent such party's obligations relate to the performance so prevented, restricted or interfered with); provided that the party so affected shall use its best efforts to avoid or remove such causes.

M. Liquidated Damages – Failure to meet the timelines for completion of the work identified in the project scope will result in liquidated damages of \$50.00 per consecutive calendar day until the work identified in **ATTACHMENT "A"** "Scope of Work" is submitted. Liquidated damages are only applicable to items under the control of **JM** and will not be enforced due to circumstances out of the control of **JM**.

N. Except for claims or causes of action related to or arising from, the failure of **CLIENT** to pay the fees and compensation as provided hereunder, **CLIENT** and **JM** agree to submit to binding arbitration as a required resolution of any disputes arising under this **CONTRACT**. **JM** and **CLIENT** agree that, prior to submission to binding arbitration, any disputes arising under this **CONTRACT** shall first be submitted to non-binding mediation.

O. **CLIENT** and **JM** acknowledge and agree that each party has invested significant time and resources in the recruitment and training of its employees. Therefore, to the extent permitted by applicable law, both parties agree that during the term of this **CONTRACT**, and for one (1) year thereafter, neither party will directly or indirectly solicit or seek to employ the employees of the other party except by mutual agreement of **CLIENT** and **JM**.

P. On occasion, **JM** engages the specialized services of individual consultants or other companies to participate in a project. When considered necessary, these firms or other consultants will be used with **CLIENT's** approval. Such specialists will be wholly responsible for their work product. Alternatively, at **CLIENT's** request, **JM** will recommend contractor(s) or specialist(s) for **CLIENT** to enter into direct contract(s) with. In that event, invoices for these outside services will be mailed to **CLIENT** for direct payment to the contractor(s). **JM** review and approval of each invoice will be provided on request. Under either alternative, **JM** does not guarantee and is not responsible for the performance of the contractor(s) or the accuracy of their results.

Q. **CLIENT** will furnish right-of-entry on the site for **JM** to conduct the work. **JM** will take reasonable precautions to minimize damage to the land from use of equipment but has not included in the fee the cost for restoration of damage that may result from site operations.

R. Reasonable care will be exercised in locating subsurface structures in the vicinity of proposed subsurface explorations. This will include contact with the local agency coordinating subsurface utility information (i.e., "Call Before You Dig" service) and a review of plans provided by **CLIENT** for the site to be investigated. **JM** shall rely upon any information provided by **CLIENT** or **CLIENT**'s agent or representative. If the locations of underground structures are not known accurately or cannot be confirmed, then there will be a degree of risk to **CLIENT** associated with conducting the work. In the absence of confirmed underground structure locations, **CLIENT** agrees to accept the risk of damage and possible costs associated with repair and restoration of damage resulting from the exploration work and further agrees that **JM** shall not be liable for any such damages and/or costs. In accepting our proposal for services, **CLIENT** acknowledges the inherent risks associated with any subsurface investigation. In performing professional services, **JM** will use that degree of care and skill ordinarily exercised under similar circumstances by members of the profession practicing in the same or similar localities. **JM** makes no express or implied warranty beyond our commitment to conform to this standard of professional practice.

### **SECTION VI – TESTS AND INSPECTIONS**

A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections to the Site to check the quality or quantity of the Work. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.

B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. **CLIENT** elects to assume the responsibilities of the "Resident Project Representative" and shall be solely responsible for monitoring the quality of all work to be performed by various contractors and subcontractors providing services and materials for the Project. **CLIENT** further assumes sole responsibility to arrange for or conduct any necessary or required testing or inspections which may be advisable to ensure that the work performed, and materials provided by any contractors or subcontractors are properly and timely performed and are in accordance with the Project's plans, specifications and project documents.

### **SECTION VII – RESPONSIBILITIES**

Except as expressly provided elsewhere in this **CONTRACT**, **JM**'s work shall not include determining, supervising or implementing the means, methods, techniques, sequences or procedures of construction. **JM** shall not be responsible for evaluating, reporting or affecting job conditions concerning health, safety or welfare unless the scope of work set out on **ATTACHMENT "A"** hereto includes construction site inspection services. **JM**'s work or failure to perform same shall not in any way excuse any contractor, subcontractor or supplier from performance of its work in accordance with the **CONTRACT** documents.



### SECTION VIII – WARRANTY

A. **JM**'s services will be performed, its findings obtained, and its reports prepared in accordance with the scope of work as described in **ATTACHMENT "A"** hereto. In performing its professional services, **JM** will use that degree of care and skill ordinarily exercised under the same or similar circumstances for services of this type. **CLIENT** recognizes that conditions may vary from those observed at specific locations where borings, surveys or other site explorations are made, and that site conditions may change over time. This warranty is in lieu of all other warranties or representations, either express or implied. The warranty granted hereunder shall be limited to one (1) year from the date of completion of the Project and such warranty shall only extend to the services provided by **JM** and shall not cover the workmanship and materials used by any subcontractors or any equipment manufactured by any third party.

B. If **JM** or any of its employees, officers or agents be found to have been negligent in the performance of its work or to have made and breached any express or implied warranty, representation or contract, **CLIENT**, all parties claiming through **CLIENT** and all parties claiming to have in any way relied upon **JM**'s work must bring any actions arising from the same in the State of Texas in a court of competent jurisdiction. Venue for any action brought pursuant to this paragraph shall lie in Erath County, Texas.

C. The foregoing notwithstanding, **JM** shall not be liable for consequential and/or exemplary damages. No action or claim, whether in tort, contract or otherwise, may be brought against **JM**, arising from or related to this **CONTRACT** after the expiration date under the statute of limitations provided for such action under Texas law.

### SECTION IX - TERMINATION

Either party to this **CONTRACT** may terminate the **CONTRACT** by giving to the other party ten (10) days written notice. Upon delivery of this notice by the **CLIENT** to **JM**, and upon expiration of the ten (10) day period, **JM** shall discontinue all services in connection with the performance of this **CONTRACT** and shall proceed to promptly cancel all existing orders and contracts insofar as such orders or contracts are chargeable to this **CONTRACT**. As soon as practical after the receipt of a notice of termination, **JM** shall submit a statement showing in detail the services performed under this **CONTRACT** to the date of termination. **CLIENT** shall then pay **JM** to the date of termination. **CLIENT** shall then pay **JM** promptly that proportion of the prescribed charges which the services actually performed bear to the total services called for under this **CONTRACT**, less payments on account which have been previously made. Copies of all completed or partially completed designs, plans and specifications prepared under this **CONTRACT** shall be delivered to **CLIENT** when and if this **CONTRACT** is terminated.

### SECTION X - NOTICES

All notices required by this **CONTRACT** shall be sent by United States Postal Service, Federal Express or hand delivery to the addresses on Page 1 of this **CONTRACT**.

### SECTION XI – CONFLICT OF INTEREST

**JM** agrees to disclose any financial or economic interest in or with the Project Property, or any property affected by the Project, existing prior to the execution of this **CONTRACT**. Further, **JM** agrees to disclose any financial or economic interest in or with the Project Property, or any property affected by the Project, if **JM** gains such interest during the course of this **CONTRACT**. If **JM** gains financial or economic interest in the Project Property during the course of this **CONTRACT**, **CLIENT** may in its sole discretion, terminate this **CONTRACT**. **JM** shall not engage the services of any present or former employee of **CLIENT** who was involved as a decision-maker in the selection or approval processes, or who negotiated or approved billings or contract modifications for this **CONTRACT**. **JM** agrees that it will not perform services on this Project for the general contractor, any subcontractor or any supplier of or for this Project. **JM** will not negotiate or make any agreement with the contractor, any subcontractor or any supplier with regard to any of the work under this Project or any services, equipment or facilities to be used on this Project.

**SECTION XII – COVENANT AGAINST CONTINGENT FEES**

**JM** affirms that it has not employed or retained any company or person, other than a bona fide employee working for **JM**, to solicit or secure this **CONTRACT**, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift or any other consideration contingent upon or resulting from the award or making of this **CONTRACT**. For a breach or violation of this section, **CLIENT** may terminate this **CONTRACT** without liability, or in its discretion may deduct from the **CONTRACT** a price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

**SECTION XIII – ADDITIONAL SERVICES**

Additional services which are outside the scope of **ATTACHMENT “A”** to this **CONTRACT** shall not be performed by **JM** without prior written authorization from **CLIENT**. Additional services, when authorized by and additional contract or an amendment to this **CONTRACT** shall be compensated for by a fee mutually agreed upon in writing between **CLIENT** and **JM**.

**SECTION XIV – SUCCESSORS AND ASSIGNS**

This **CONTRACT** shall not be assignable except pursuant to the written consent of **CLIENT** and **JM**. If assigned, this **CONTRACT** shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this **CONTRACT** to be duly executed and agree that this **CONTRACT** will be effective on the date first shown, said date being the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF STEPHENVILLE**

By: \_\_\_\_\_

Doug Svien  
Printed Name

Mayor  
Title

**JM** warrants that the person who is signing this **CONTRACT** on behalf of **JM** is authorized to do so and to execute all other documents necessary to carry out the terms of this **CONTRACT**.

**JACOB AND MARTIN, LLC**

By: \_\_\_\_\_

Kirt Harle, P.E.  
Printed Name

Vice President  
Title

**ATTACHMENT A  
TO MASTER CONTRACT FOR PROFESSIONAL SERVICES**

**SCOPE OF WORK**

**A. Description of Projects**

The project scope includes engineering services for design and construction administration of proposed street and sidewalk improvements for City of Stephenville as follows:

1. College Street:

- Street reconstruction with brick pavers from Graham to Belknap
- 8” water line replacement
- Fire hydrants
- Sidewalk replacement
- Curb and gutter
- ADA curb ramps
- Associated incidentals

2. Belknap Avenue:

- Street reconstruction with brick pavers from College to Washington
- 8” water line replacement
- 6” sewer line replacement
- Fire hydrants
- Sidewalk replacement
- Curb and gutter
- ADA curb ramps
- Associated incidentals

**B. Preliminary Engineering Services**

The preliminary engineering (pre-design) phase includes materials engineering services to determine geotechnical data as necessary for pavement design and subgrade stabilization recommendations and requirements.

**C. Basic Engineering Services**

**1. Design Phase**

- a. The Engineer shall establish the scope of the project and advise the Owner of any investigations or any special surveys or testing which, in the opinion of the Engineer, may be required for proper execution of the project and arrange with the Owner for the conduction of such investigations and tests.
- b. Perform required topographic and legal surveying for infrastructure

- improvements (under separate compensation).
- c. Prepare detailed specifications, contract drawings and plans for bidding and constructing infrastructure improvements.
- d. Assist City with permitting as required.
- e. Prepare a detailed cost estimate(s), which shall include summaries of bid items and quantities, prior to bidding.
- f. Furnish Bidding Documents to City for staff, administration, and legal review.
- g. Finalize Contract Documents incorporating City's comments.

## **2. Bidding and Award Phase**

- a. Assist City in the advertisement for bids.
- b. Conduct pre-bid meeting.
- c. Answer bidder's questions and issue addenda (if necessary).
- d. Assist the City in the opening and tabulation of bids for construction of the project and make recommendations to the City for award of Contract.
- e. Assist in the preparation of executed Contract Documents for the construction of the project.

## **3. Construction Phase\***

- a. Coordinate Pre-Construction Conference.
- b. Make periodic visits to the site to observe the progress and quality of the executed work and to determine in general if the work is proceeding in accordance with the Contract Documents.
- c. Consult and advise the City, issue all instructions to the Contractor requested by the City, and prepare routine field orders and/or change orders as required.
- d. Review samples, catalog data, schedules, shop drawings, laboratory, shop and mill tests of material and equipment, and other data which the Contractor is required to submit, only for conformance with the design concept of the project and compliance with the information given by the Contract Documents.
- e. Provide construction staking for infrastructure improvements (under separate compensation).
- f. Review and recommend Contractor's payment requests.
- g. Coordinate questions and information with the City's resident inspector.
- h. Conduct in company with the City a site visit following substantial completion notice and prepare punch list.
- i. Conduct in company with the City a final inspection of the project for conformance with the design concept of the project and compliance with the Contract Documents and approve in writing final payment to the Contractor.
- j. Review contract drawings with the assistance of Owner and Contractor to show the work as actually constructed. Furnish two (2) sets of Record Drawings and a digital copy of the Record Drawings to the City.

**D. Additional Engineering Services**

1. Miscellaneous time and expense reimbursable expenses (shipping, travel, lodging, etc.).
2. Provide topographic, legal surveying and construction staking for proposed improvements.
3. Provide materials testing services for compaction testing and concrete testing.

**E. Compensation Payment Schedule**

Compensation for Preliminary Engineering Services as described in the Scope of Services shall be at a lump sum price of \$3,000.00.

Compensation for Basic Engineering Services (Design) as described in the Scope of Services shall be at a lump sum price of \$54,200.00. 70% (\$37,940) of the lump sum fee shall be invoiced at the completion of the design and approval of the construction drawings by the City. 10% (\$5,420) of the lump sum fee shall be invoiced after completion of bid advertisement. The final 20% (\$10,840) of the lump sum fee shall be invoiced after award of the contracts by the City.

Compensation for Basic Engineering Services (Construction) as described in the Scope of Services shall be at a lump sum price of \$18,100.00. 80% (\$14,480) shall be invoiced on a monthly basis as the project progresses through construction. The final 20% (\$3,620) shall be invoiced after final completion and closeout of the project.\*

Compensation for Additional Engineering Services as described above shall be invoiced monthly following completion of the services and on a time and expense basis per the attached rate schedule. The estimated time & expense for the Additional Engineering Services are as follows:

- Topographic Surveying: \$8,500
- Legal Surveying: \$5,000
- Construction Surveying: \$5,000\*
- Materials Testing: \$7,500\*
- Reimbursable Expenses: \$500

Fees do not include any required outside review, inspection, or filing fees. Time and expense items including mileage, vehicle, lodging, meal and other incidentals will be charged at the standard rates attached.

\*The construction phase of this project shall only commence upon written authorization from the City of Stephenville. If the construction phase of this agreement is not authorized in FY2022-2023, the rates for the construction phase (construction engineering, surveying and materials testing) of the project may be re-negotiated and must be agreed upon by both parties.



ATTACHMENT B

INTEGRITY  
EXCELLENCE  
TRUST

TO AGREEMENT FOR PROFESSIONAL SERVICES  
FEES FOR PROFESSIONAL SERVICES

Principal	\$	220.00
Licensed Architect-1		175.00
Licensed Architect-2		140.00
Licensed Interior Designer		110.00
Architectural Associate		100.00
Registered Professional Engineer-1		185.00
Registered Professional Engineer-2		150.00
Engineer-in-Training (E.I.T.)		120.00
Engineering Technician-1		110.00
Engineering Technician-2		100.00
Engineering / Architectural Intern		60.00
Environmental Scientist		120.00
Environmental Technician		70.00
GIS Technician-1		110.00
GIS Technician-2		80.00
CAD Draftsman-1		100.00
CAD Draftsman-2		85.00
Senior Land Man		90.00
Registered Professional Land Surveyor		160.00
Surveyor-in-Training (S.I.T.)		110.00
Resident Project Representative-1		95.00
General Overtime (Weekends, Holidays or before 8 am or after 5 pm)		115.00
Resident Project Representative-2		80.00
General Overtime (Weekends, Holidays or before 8 am or after 5 pm)		100.00
Licensed Water/Wastewater Operator		90.00
Clerical-1		75.00
Clerical-2		60.00

FIELD WORK

1-Man Crew or Technician	\$	100.00
2-Man Crew		150.00
3-Man Crew		175.00
GPS Equipment		70.00
Robotic Total Station		55.00
Vehicle Charge (per day) plus IRS rate per mile		50.00

A FACTOR OF 1.1 SHALL BE APPLIED TO THE FOLLOWING

1. Actual cost of subsistence and lodging
2. Actual cost of postage and shipping fees
3. Actual cost of materials required for the project used in surveying, drafting and associated activities
4. Actual cost of special tests and services of special consultants, if required

Effective 1/1/2022



info@jacobmartin.com  
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3465 Curry Lane  
Abilene, TX 79606  
325.695.1070

1508 Santa Fe, Suite 203  
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817.594.9880

4920 S. Loop 289, Suite 104  
Lubbock, TX 79414  
806.368.6375



INTEGRITY  
EXCELLENCE  
TRUST

### CONSTRUCTION MATERIALS ENGINEERING AND TESTING FEES

#### SERVICE TIME

Registered Professional Engineer	\$	185.00
Materials Technician Service Time		68.00
General Overtime (Weekends, Holidays or before 8 am or after 5 pm)		95.00
Pier Observation, Hot Mix, Reinforcing Steel		85.00
Overtime (Weekends, Holidays or before 8 am or after 5 pm)		100.00

#### CONCRETE

Concrete Cylinder Compressive Strength Tests		30.00
Client Made Cylinder		37.00
Entrained Air Content Test		35.00
Slump Tests, when cylinders are not made		25.00
Concrete Mix Design		850.00
Concrete Design Confirmation Cylinder		35.00

#### SOILS

Atterberg Limits (Liquid Limit, Plastic Limit & P.I.)		82.00
Field Compaction Test		32.00
Moisture-Density Curve (Proctor)		295.00
Washed Sieve Analysis (Soil)		72.00
Washed Sieve Analysis (Base Material)		77.00
Unit Weight		47.00
Absorption		47.00
Decantation		47.00
Moisture Content		47.00

#### ASPHALT

Rice Theoretical Specific Gravity	\$	90.00
Field Density, Hot Mix (Nuclear Method)		37.00

Local Vehicle Charge (within 20 miles of Abilene) - \$30.00 per trip to the project  
 Travel from and return to office at IRS rate per mile, plus service time at above rates  
 Travel Charges (outside 20 miles of Abilene) – Round trip mileage at IRS current rate, plus

#### A FACTOR OF 1.1 SHALL BE APPLIED TO THE FOLLOWING

1. Actual cost of subsistence and lodging
2. Actual cost of postage and shipping fees
3. Actual cost of materials required for the project used in surveying, drafting and associated activities
4. Actual cost of special tests and services of special consultants, if required

Effective 01/01/2022



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**ATTACHMENT C  
TO MASTER CONTRACT FOR PROFESSIONAL SERVICES**

**INSURANCE**

A. Types of Insurance. The types of insurance required in this **CONTRACT** are those indicated by initials below. If no initials appear on any of the Items 1 through 6, insurance described in Items 1 through 4 shall be required.

	<u>Type</u>	<u>Amount</u>
1.	Workers compensation (employer’s liability statutory)	\$500,000.00 (per occurrence)
2.	Commercial (public) liability including but not limited to: premises / operations Independent Contractors Product / Completed operations Contractual liability Insuring above indemnity Explosion collapse and underground (where such exposures exist)	\$500,000.00 combined single limit for bodily injury and property damage (per occurrence)
3.	Business automobile liability to include coverage for: Owned / leased autos Non-owned autos Hired or rental vehicles	\$500,000.00 combined single limit for bodily injury and property damage (per occurrence)
4.	Liability (per occurrence)	\$500,000.00 combined single limit
5.	See addendum to this Attachment for special coverages and/or revisions	
6.	No insurance required	

B. General Requirements. **JM** agrees to purchase and maintain the type and amounts of insurance required above throughout the term of the **CONTRACT**. **JM** is solely responsible for providing the required Certificates of Insurance. The Certificates of Insurance shall:

1. Name **CLIENT** as an additional insured with respect to the operations for which this **CONTRACT** is made except for professional liability and workers compensation.
2. Provide for thirty (30) day advanced written notice of cancellation or material change.
3. The required insurance must be issued by a company or companies of sound and adequate financial responsibility and authorized to do business in the State of Texas. All policies are subject to examination and approval by **CLIENT**.
4. The required insurance naming **CLIENT** as additional insured must be primary insurance and not contributing with any other insurance available to **CLIENT** under any third party liability policy.
5. **JM** must provide **CLIENT** with the required Certificates of Insurance or a certified copy of the required Certificates of Insurance on or before **CLIENT** executes the notice to proceed with any work under the **CONTRACT**. Thereafter, **JM** must furnish new Certificates of Insurance or certified copies of the same before the expiration date.