RICHLAND HILLS CITY COUNCIL
REGULAR MEETING AGENDA
MARCH 24, 2025
CITY HALL, 3200 DIANA DRIVE

The Work Session and Regular Session are open to the public. If Executive Session is required, it will be held in the Council Conference Room, and is closed to the public. Please note that although the Council will generally consider the items on the agenda in the order shown below, they may elect to re-order items in order to accommodate the needs of the Council, city staff, presenters, or the public generally. Therefore, members of the public interested in any agenda item are encouraged to be in attendance at the start of the meeting.

CITY COUNCIL WORK SESSION – 5:30 PM

1. **Executive Session**: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). **Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.**
    1. <u>Section 551.071 Consultation with the City Attorney</u>

2. Glenview Drive Project Update

3. Discuss items listed on tonight's City Council agenda. No action will be taken and each item will be considered during the Regular Session.

CITY COUNCIL REGULAR SESSION – 7:00 PM

CALL TO ORDER

INVOCATION AND PLEDGES OF ALLEGIANCE

1. PRESENTATIONS

A. Business Spotlight: Holistic Candles

B. Community Newsletter Naming Recognition

C. Employee Service Awards
- Firefighter/Paramedic Anthony Dryer – 5 years
- Firefighter/Paramedic Cory Graham – 5 years

D. Fire Department Badge Pinning
- Fire Captain Ricardo "Rocky" Martinez

E. Child Abuse Prevention Month Proclamation

F. Citizen Appearances/Public Comments

Citizens in attendance at the meeting who have signed a card to speak to the City Council will also be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the presentation is on the agenda, the city staff and City Council members are prevented from discussion of the subject and may respond only with statements of factual information or existing city policy. Citizens will have three (3) minutes to address City Council. Public comment will not be taken on items that the Council has previously considered in a public hearing.

2. CONSENT AGENDA

All items listed below are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of the items unless a Councilmember or citizen so requests, in which event the item will be removed from the consent agenda and considered in its normal sequence. Approval of the consent agenda authorizes the City Manager to implement each item in accordance with staff recommendations.

A. Approve minutes from the March 10, 2025 City Council Regular Meeting

B. Approve agreement with Texadia Systems for audio-visual upgrades at The Link Event & Recreation Center in the amount of $83,328 and authorize City Manager to sign agreement

C. Approve Interlocal Agreement with Tarrant County to resurface Oak Park Drive from Ash Park Drive to Elm Park and authorize City Manager to sign agreement

3. PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

A. None

4. ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

A. None

5. CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

A. None

6. OTHER ITEMS FOR CONSIDERATION

A. Consider acceptance of Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2024

7. REPORTS & DISCUSSIONS

A. Street Improvement Projects

B. February Department Reports

8. COMMUNITY INTEREST ITEMS

This is a standing item on the agenda of every regular meeting of the City Council. (The Texas Open Meetings Act effective September 1, 2009, provides that "*a quorum of the city council may receive from municipal staff, and a member of the governing body may make, a report regarding items of community interest during a council meeting without having given notice of the subject of the report, provided no action is taken or discussed.*" The Open Meetings Act does not allow Council to discuss an item concerning pending City Council business unless it is specifically, appropriately posted on the agenda.) An "item of community interest" includes the following:

- information regarding holiday schedules;
- honorary recognitions of city officials, employees, or other citizens;
- reminders about upcoming events sponsored by the city or other entity that is scheduled to be attended by a city official or city employee; and
- announcements involving imminent public health and safety threats to the city

9. EXECUTIVE SESSION

Executive Session: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). **Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.**

1. Section 551.087: Deliberation regarding Economic Development Negotiations

Reconvene into open session for possible action resulting from any items posted and legally discussed in Executive Session.

10. ADJOURNMENT

CERTIFICATE

I hereby certify that the above agenda was posted on this the 21st day of March 2025 by 5:30 p.m., on the official bulletin board at the Richland Hills City Hall, 3200 Diana Drive, Richland Hills, Texas, pursuant to the Texas Government Code, Chapter 551.

Lindsay Rawlinson

Lindsay Rawlinson
City Secretary

CITY OF RICHLAND HILLS, TEXAS

ACCESSIBILITY STATEMENT

The Facility is wheelchair accessible. If you plan to attend this public meeting and have a disability that requires special arrangements, please notify the City Secretary 48 hours in advance at (817) 616-3811 and reasonable accommodations will be made to assist you.

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: March 24, 2025

Subject: Glenview Drive Project Update

Agenda Item:

Glenview Drive Project Update

Background Information:

On November 11, 2024, the Richland Hills City Council approved a professional services agreement with Kimley-Horn and Associates, Inc. for preliminary engineering and planning services for the Glenview Drive project. The agreement included completion of a traffic impact study, preparation of conceptual layout options, and feasibility and cost estimates for reconstructing the roadway to meet the City's long-term goals for the corridor. The scope also includes preparation of visual renderings and conducting public meetings with residents and stakeholders.

The Kimley-Horn project team has completed the traffic impact study and conducted interviews with corridor stakeholders. During the upcoming workshop, they will present their findings, including traffic analysis results and key takeaways from stakeholder discussions. Residents are encouraged to attend, listen to the results, and provide feedback.

Following the workshop, City staff and the project team will conduct additional analysis and address stakeholder questions and comments. The findings and recommendations will be presented at a future City Council meeting for further discussion and guidance.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Action Requested

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: JP Ducay, Director of Planning and Development Services

Date: March 24, 2025

Subject: Business Spotlight

Agenda Item:

Business Spotlight: Holistic Candles

Background Information:

Holistic Candles is located at 7410 Boulevard 26 (Suite 103). They received their Certificate of Occupancy on March 17, 2025. A representative from Holistic Candles will be in attendance to introduce their business.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: March 24, 2025

Subject: Newsletter Naming Recognition – Athena Campbell

Agenda Item:

Community Newsletter Naming Recognition

Background Information:

The City of Richland Hills recently held a contest from December 9 through 23, 2024, inviting residents to submit creative ideas for naming the City's official community newsletter. After reviewing numerous thoughtful entries, the City was proud to announce Athena Campbell's entry, Richland Hills Hometown Highlights, as the contest winner. Her winning name will now be featured on the quarterly newsletter, which keeps residents informed about important updates, events and local news. The City of Richland Hills extends its gratitude to everyone who participated and contributed their ideas, helping to shape this important community resource.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

Recognition of Athena Campbell for her winning name entry

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: C. Russell Shelley, Fire Chief

Date: March 24, 2025

Subject: Employee Service Award

Agenda Item:

Presentation of 5-year Service Award to Firefighter/Paramedic Anthony Dryer

Background Information:

Anthony “Tony” Dryer, a native of the state of Alabama started his career in emergency services as an EMT and Security Officer with the Gaylord Texan Hotel in 2015. He completed his Firefighter certification in 2019 while serving as a volunteer firefighter in Argyle and River Oaks. He became a full time Firefighter/EMT in 2019 with the River Oaks Fire Department. Tony started his career in Richland Hills as a part time employee in early 2020. He left River Oaks to work full time in Richland Hills in January 2022. He completed his Paramedic training in May 2024.

Tony holds the following certifications:

- TCFP Intermediate Firefighter
- Intermediate Fire Inspector
- Haz-mat Technician
- Driver Operator
- Paramedic

In his free time, Tony enjoys Alabama Crimson Tide football, travelling to visit family, and cooking great food!

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

Presentation of 5-year Service Award to Firefighter/Paramedic Anthony Dryer

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: C. Russell Shelley, Fire Chief

Date: March 24, 2025

Subject: Employee Service Award

Agenda Item:

Presentation of 5-year Service Award to Firefighter/Paramedic Cory Graham

Background Information:

Cory began his career at Denison Fire Rescue in 2005 after graduating from the Fire Academy at Collin College. During his time in Denison, he became a paramedic (2009), served as a member of the technical/high angle rescue team, and received the Firefighter of the Year award. He was promoted to Engineer later in his career with Denison.

Cory joined the Richland Hills Fire Department in March 2020. He received the EMS Provider of the Year award in 2023, and he plays a vital role in training new and existing department members as a Field Training Officer. In 2024, Cory and his crew received both a Stork and Lifesaving awards. He plays a key role in our Citizens Fire Academy and excels at providing the highest level of customer service by constantly seeking opportunities to positively impact those we serve. In addition to that, he currently serves as the President of the Richland Hills Professional Firefighters Association.

Cory holds the following certifications:

- TCFP Master Firefighter
- Master Fire Inspector
- Haz-mat Technician
- Driver Operator
- Instructor II
- Fire Officer II
- Paramedic
- EMS instructor

Cory and his wife Tarah have two sons, Hudson 5, and Wesley 8. In his spare time, Cory is a DIY gearhead, and he has a strong interest in vintage cars, trucks, and motorcycles. Cory and Tarah, an RHFD Citizen's Fire Academy Alumni, also serve as volunteer firefighters with the Weston Fire Department.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

Presentation of 5-year Service Award to Firefighter/Paramedic Cory Graham

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Russell Shelley, Fire Chief

Date: March 24, 2025

Subject: Fire Captain Badge Pinning

Agenda Item:

Fire Department Badge Pinning – Fire Captain Ricardo “Rocky” Martinez

Background Information:

Rocky was born and raised in Washington state. He and his family moved to Texas in July 2022 and now reside near Haslet. He began his career in the fire service as a volunteer in 2000 and became a career firefighter in July 2003, shortly after his return from the Iraq War with the US Marine Corps. Rocky was deployed to Iraq a second time in 2005 before concluding his nearly nine year contract with the US Marine Corps in 2006.

During his tenure in the fire service, he has held the positions of Firefighter, Driver/Operator, Hazmat Team Leader, Terrorism Liaison Officer, Lieutenant, and now Captain. He has instructed courses in Hazardous Materials Awareness and Operations, Terrorism Awareness, Radiation Awareness, Vehicle Extrication, CPR/First Aid, and he also served as a Citizen Emergency Response Team (CERT) Instructor.

Rocky currently holds the following certifications:

- Master Firefighter
- Master Fire Inspector
- Fire Officer 2
- Fire Instructor 2
- Driver/Operator
- Hazmat Technician
- Licensed Paramedic.

Rocky has an Associate's degree in Fire Science and is currently finishing his bachelor's degree in Homeland Security. Rocky began his tenure at Richland Hills Fire Department as a part-time firefighter in 2022 and later accepted a position with the Longview Fire Department in December 2023. He joined Richland Hills Fire Department full time in February 2024, shortly after obtaining his paramedic certification.

Rocky is excited to be part of the Richland Hills Fire Department, and he looks forward to sharing his experience and knowledge with the team.

Rocky's wife will be pinning his badge.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

Badge pinning of Fire Captain Ricardo "Rocky" Martinez

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: March 24, 2025

Subject: Presentation of Child Abuse Prevention Month Proclamation

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Agenda Item:

Presentation of Child Abuse Prevention Month Proclamation

Background Information:

In recognition of "Child Abuse Prevention Month", Mayor Bergthold will present a Proclamation to Emma Garcia and Virginia Davison with Alliance for Children.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Child Abuse Prevention Month Proclamation

Council Action Requested:

Presentation of Child Abuse Prevention Month Proclamation

Proclamation

Richland Hills

WHEREAS, children are our future and our greatest resource; and

WHEREAS, every child deserves a nurturing family and safe environment to grow into a healthy, productive member of the community; and

WHEREAS, child abuse is one of our nation's most serious public health problems and threatens the safety of our community; and

WHEREAS, in Tarrant County, 4,719 children were confirmed as victims of child abuse or neglect in 2024; and

WHEREAS, Alliance For Children provided trauma-informed services to 3,025 children in 2024;

WHEREAS, finding solutions to prevent child abuse is a community responsibility and depends on the involvement of all citizens; and

WHEREAS, effective child abuse prevention, investigation and treatment programs succeed because of partnerships among public and private agencies, schools, religious organizations, medical services, and the business community.

NOW, THEREFORE, BE IT RESOLVED, that I, Curtis Bergthold, Mayor of the City of Richland Hills, Texas do hereby proclaim the month of April 2025 as Child Abuse Prevention Month in the City of Richland Hills, Texas and urge all citizens to work together to help reduce child abuse and neglect significantly in the years to come.

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Mayor Curtis Bergthold
City of Richland Hills

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Lindsay Rawlinson, City Secretary

Date: March 24, 2025

Subject: Minutes from the March 10, 2025 Regular City Council Meeting

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Agenda Item:

Approval of minutes from the March 10, 2025 City Council Regular Meeting

Background Information:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

March 10, 2025 Draft Minutes

Council Action Requested:

Motion to approve the minutes from the March 10, 2025 City Council Regular Meeting

RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
MARCH 10, 2025
MINUTES

Roll Call:

Council present	Council absent
Curtis Bergthold, Mayor	
Douglas Knowlton, Mayor Pro Tem	
Travis Malone, Place 2	
Theresa Bledsoe, Place 3	
John Skier, Place 4	
G.W. Estep, Place 5	
Roland Goveas, Place 6	

Staff present
Candice Edmondson, City Manager
Lindsay Rawlinson, City Secretary
Elizabeth Yelverton, City Attorney

CITY COUNCIL WORK SESSION – 6:30 PM

1. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.087, 418.183(f) and 418.106(d) & (e). Executive Session may be held, under these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.

None.

2. 75th Anniversary Committee Update

75th Anniversary Committee member Jennifer Hartzke provided a brief overview of the upcoming quarterly events related to the City's 75th Anniversary including the Mayor's Bike Tour scheduled to be held Saturday, March 15, 2025, a City Scavenger Hunt taking place March 16 through March 23, 2025, and the Birdville Cemetery Tour that will be held Saturday, May 10, 2025. The objective of the events is to celebrate and shine a light on the history, community and people of Richland Hills and the culminating celebration will be held September 27, 2025.

3. Popplewell Speed Study

City Engineer David Burkett introduced Stephen Moore with Halff who presented the results of a speed study conducted along Popplewell Street between State Highway 26

(Boulevard 26) and State Highway 183 (Baker Boulevard.) Halff collected 24-hour traffic volume and speed data at three locations along Popplewell Street on Wednesday and Thursday, November 13 and 14, 2024. Halff collected speed data at the three study locations manually, using a radar gun, on Tuesday, December 3, and Thursday, December 5, 2024.

Mr. Moore advised that the intersection of Popplewell Street and Hovenkamp Avenue meets the criteria to allow additional traffic calming measures and recommended additional speed limit signs, striping pedestrian sidewalk crossings, and the installation of new stop signs.

Mike Witt, 7200 Hovenkamp Avenue, Richland Hills, advised that he lives at this intersection and asked why the study was not conducted during peak traffic times.

Mr. Moore stated that the goal of the study was to measure how fast vehicles travel and not the number of vehicles traveling this corridor.

4. Discuss items listed on tonight's City Council agenda. No action will be taken and each item will be considered during the Regular Session.

None.

Mayor Bergthold adjourned the work session at 6:47 p.m.

REGULAR SESSION – Mayor Bergthold Called to Order – Time 7:01 p.m.

INVOCATION AND PLEDGES OF ALLEGIANCE – Mayor Curtis Bergthold

PRESENTATIONS

1A. 2024 Employee Awards Recognition

City Manager Candice Edmondson announced the recipients of the 2024 Employee Awards based on the City's core values.

Service	Alicia Johnson Senior Administrative Assistant
Teamwork	Stephanie Garcia Customer Service Specialist
Respect	Gene Arnold Public Works Technician
Integrity	Adison Turner Police Officer

Vision	Eliza Margenau Municipal Court Supervisor
Empowerment	Alexis Hernandez Recreation Coordinator

Mayor's Award
Kay Fisk
Community Compliance Manager

1B. Employee Service Award

Mayor Bergthold announced the employee service award and expressed congratulations to the following employee on reaching an employment milestone with the City of Richland Hills:

5 Years of Service
Library Assistant Sharon Morris

1C. Government Finance Professionals Week Proclamation

Mayor Bergthold read a proclamation declaring March 17 – 21, 2025, as "Government Finance Professionals Week" in Richland Hills. He presented the proclamation to Finance Director Erika McComis.

1D. Citizen Appearances/Public Comments

Mary Sullivan, 2724 Spruce Park Drive, Richland Hills, expressed concern regarding the Glenview Corridor project and the debt required for the project.

CONSENT AGENDA

2A. Approved minutes from the February 20, 2025 City Council State of the City Meeting and the February 24, 2025 City Council Regular Meeting

2B. Approved Resolution 610-25 participating in the National Wildlife Federation's Mayor's Monarch Pledge

Motion: Motion was made by Councilmember Malone and seconded by Councilmember Goveas to approve the consent agenda.

Motion carried by a vote of 7-0.

PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

3A. Fiscal Year 2026 Budget Public Forum

City Manager Candace Edmondson advised that the FY 2026 budget process will begin in April and, before that process begins, City Council and staff are seeking citizen input on projects or initiatives that should be considered as budget priorities for the next fiscal year.

Mary Sullivan, 2724 Spruce Park Drive, Richland Hills, inquired about installing a beautification and landscaping along Baker Boulevard, The Link, and near SH 121 to provide a greater entrance to the City.

Jenny Clark, 6973 Hardisty, Richland Hills, inquired about several issues including the need for greater residential lighting, installing a sound barrier along SH 121, moving utility lines along Glenview Drive, and parking issues along Dreeben.

Joyce Fiaccone, 3800 Labadie Drive, Richland Hills, expressed concern regarding flooding issues in Creek Trail Park, installing lighting along the Hike and Bike Trail, and expressed her preference to keep ambulance services in the City.

Vicki Hamilton, 7905 Leslie Drive, Richland Hills, expressed concern regarding cleaning the creek in Creek Trail Park and expressed her preference to keep ambulance services in the City.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

4. None.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5A. Approved award of bid for parking lot and site improvements at Rosebud Park to C. Green Scaping, LP in the amount of $293,599

Director of Parks and Recreation Eric Valdez presented the item to the City Council and advised that as part of the Fiscal Year 2024 budget process, the Richland Hills Development Corporation (RHDC) and City Council approved funding for a new parking lot and a restroom/pavilion structure at both Kate Baker Park and Rosebud Park. While most improvements at Kate Baker Park were completed in Fall 2024, the restroom/pavilion structure remains unfinished.

The restroom/pavilion structures for both parks were purchased from Romtec in 2023 and are currently stored at the City's Public Works yard. At the time of purchase, the City paid half of the total cost, with the remaining funds carried forward into the Fiscal Year 2025 budget to complete the installations. City staff is now coordinating with Romtec representatives to schedule simultaneous construction of both restroom/pavilion structures.

Parkhill completed design and engineering of the parking lot and site improvements at Rosebud Park in December 2024. A Request for Bids was issued on January 10, 2025 and bid proposals were opened on February 21, 2025. Six responsive bids were received with C. Green Scaping, LP submitting the lowest responsive bid in the amount of $266,908.10.

The FY 2025 RHDC Budget includes $618,442 for improvements at Rosebud Park including the parking lot and site enhancements under C. Green Scaping's contract, and the installation and final payment for the Romtec restroom/pavilion structure.

Staff also recommends a 10 percent owner's contingency fee of $26,690.90 be added to the contract to cover unforeseen construction costs. Any unused contingency funds will be returned to the RHDC Budget.

Discussion ensued regarding new parking spaces and the need for the contingency funds.

Mary Sullivan, 2724 Spruce Park Drive, Richland Hills, expressed concern regarding homelessness in the area and the need for the new bathrooms to be monitored.

Mr. Valdez advised that the Parks and Public Works Departments will monitor the bathrooms to help ensure they are safe.

Motion: Motion was made by Councilmember Skier and seconded by Councilmember Malone to approve the bid award to C. Green Scaping, LP for parking lot and site improvements at Rosebud Park, in the amount of $266,908.10, with an owner's contingency fee of $26,690.90, for a total project cost of $293,599.

The vote was as follows:

For: Mayor Bergthold, Mayor Pro Tem Knowlton, Councilmembers Malone, Skier, Estep and Goveas

Against: Councilmember Bledsoe

Motion carried by a vote of 6-1.

<u>OTHER ITEMS FOR CONSIDERATION</u>

6. None.

REPORTS & DISCUSSIONS

7A. Business Survey Results

Director of Planning and Development Services JP Ducay presented the results of the business survey conducted between September 4, 2024 and December 18, 2024. A total of 56 responses were collected and 47 surveys were completed from a population of 228 businesses which is a nearly 25 percent response rate.

Mr. Ducay advised that Richland Hills business owners tend to agree that the city is heading in the right direction (84%), although 16% feel it's going the wrong direction. Additionally, most people feel the city has either stayed the same (45%) or improved (50%) in the past 3 years.

Discussion ensued regarding the progress made in the last five years and how the City is working with the business community.

COMMUNITY INTEREST ITEMS

8. Councilmember Estep advised of several upcoming events:

- Now through August 2025, Summer Camp Connect Registration, The Link;
- Tuesday, March 11, 2025, Richland Hills Literary Club, Public Library, 6:30 p.m.;
- Thursday, March 13, 2025,
  - Senior Lunch Bunch and Bingo, The Link, 12:00 to 2:00 p.m.;
  - Tarrant County Food Pantry, Richland Hills Baptist Church, 5:30 to 7:00 p.m.;
- Saturday, March 15, 2025, Mayor’s Bike Ride;
- Sunday, March 16 through Sunday, March 23, 2025, Citywide Scavenger Hunt;
- Monday, March 17 through Friday, March 21, 2025, Spring Break Camp, The Link;
- Saturday, March 22, 2025, Budget Workshop, Council Chambers, 9:00 a.m.;
- Monday, April 7, 2025, City Council meeting normally would be held on April 14, 2025 will be held one week earlier;
- Saturday, April 12, 2025,
  - Easter Celebration, The Link Plaza, 10:00 a.m. to 12:00 p.m.;
  - 75th Anniversary Community Photo, The Link Plaza, 11:00 a.m;
- Every Thursday, Coffee Talk, Public Library, 10:00 to 11:30 a.m.;
- Richland Hills Oral History project, Public Library

Councilmember Malone advised that Birdville Independent School District schools will be on Spring Break March 17 through 21, 2025.

EXECUTIVE SESSION

9. **Executive Session:** Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, Sec. 551.073, Sec. 551.074, Sec. 551.076, Sec. 551.087 and Sec. 418.0183 (f) and 418.106 (d) & (e) of the Texas Government Code (Texas Disaster Act).

None.

ADJOURNMENT

10. There being no further business to come before the City Council, Mayor Bergthold declared the meeting adjourned at 8:19 p.m.

ATTEST: **APPROVED:**

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Lindsay Rawlinson, City Secretary

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Curtis Bergthold, Mayor

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Eric Valdez, Director of Parks and Recreation

Date: March 24, 2025

Subject: Texadia Systems Agreement – Link Audio-Visual Upgrades

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Agenda Item:

Approve agreement with Texadia Systems for audio-visual upgrades at The Link Event & Recreation Center in the amount of $83,328 and authorize City Manager to sign agreement

Background Information:

In November 2025, City staff began working with Texadia Systems to assess and propose updates to the audio-visual (A/V) systems in Community Rooms A, B, and C, as well as upgrades to the facility's background music (BGM) system and west patio speakers. The proposed enhancements aim to improve functionality, sound quality, and user control for meetings, events, and general facility use.

As part of this project, Texadia will replace the existing displays, encoders, decoders, and control panels in each Community Room. Each room will receive a new 75" display, updated wall plate encoders and decoders, and QSC 7” touchscreen control panels to streamline A/V control. A QSC digital signal processor (DSP) will be installed to manage audio distribution, integrating with the existing wireless microphones and assisted listening components. New ceiling speakers and amplifiers will also be installed to enhance audio quality.

Updates also include improved connectivity to the west patio speakers, adding volume control for outdoor audio, and a centralized BGM system with new amplifiers and control panels to serve multiple zones throughout the facility, including the gym, fitness studio, lobby, and children’s area.

These upgrades will significantly improve the audio and visual experience for community members and staff, enhancing the customer experience for a wide range of programming and events held within the facility.

Financial Considerations:

Texadia Systems provided a proposal in the amount of $83,327.02 for the audio-visual upgrades. The FY 2025 Hotel Occupancy Tax Fund includes $90,000 for A/V improvements at The Link.

Texadia Systems is a TIPS cooperative purchasing vendor (Contract #230105). As a TIPS vendor, Texadia has been thoroughly vetted and their contract meets city and state purchasing requirements.

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Texadia Systems Proposal and Agreement

Council Action Requested:

Motion to approve agreement with Texadia Systems for audio-visual upgrades at The Link Event & Recreation Center in the amount of $83,328 utilizing TIPS Contract #230105 and authorize City Manager to sign agreement

S Y S T E M   D E S I G N   P R O P O S A L

City of Richland Hills

6700 Baker Blvd.
Richland Hills, TX 76118 USA
817-616-3780

The LINK Rec Center AV Updates - Rev4 - CITY -0043

Revision: 2
Modified: 3/18/2025

Presented By:
Texadia Systems
4355 Excel Pkwy
Suite 600
Addison, TX 75001 United States
(214) 956-5820
www.texadiasystems.com

COMPANY PROFILE

Texadia Systems is a full-service audiovisual systems integrator headquartered in Dallas, Texas. We specialize in the design, installation, and service of collaborative technologies such as:

- Video Wall and LED Display Solutions
- Video and Audio-Conferencing Systems
- Interactive Display Technologies
- Room Control Systems with Remote Management Features
- Sound Masking and Commercial Paging Solutions
- Lighting and Shade Control Integration
- Digital Signage Solutions
- Room Scheduling Technologies
- Remote Internet Managed Service and Support Systems
- Data and Structure Wiring/Cabling
- Onsite Service and Support Agreements
- Surveillance Systems

From corporate boardrooms and collaborations spaces, restaurant, and hotel solutions, to luxury residential technologies; Texadia Systems takes a consultative approach to understanding our client's needs.

Why Choose Texadia?

Our design, sales, and management team members are recognized as leaders in our industry. Equipped with over 250 years of collective AV project experience; we can design, build, and support solutions that enable best of class collaboration. Our proven design approach and detailed proposal presentation helps the customer to better understand the technologies available today and how it can increase productivity and efficiencies within their business.

Key Highlights

- Top 100 Fastest growing AV integrators in America
- Over 250 years of combined experience within our staff
- Service oriented – quick response time and excellent communication skills
- Innovative approach to technology design and integration
- A team that includes top industry experts
- Members of Avixa, BICSI, CEDIA, & OSHA
- Certified partnership with the industry's top technology manufacturers
- Commitment to professionalism, dependability, and customer satisfaction

Our Approach is Simple – We Listen.

The key to our proven success is taking the time to fully understand your needs so that we can deliver an end-to-end technology solution that achieves the best possible outcome for your needs. Communication is one of core strengths that sets Texadia Systems apart as a premier AV technology company in Dallas.

SCOPE OF WORK

A. **Introduction**

The following proposed solution is based upon our understanding of your requirements as communicated during our previous meetings and conversations. All pricing, design details, and installation information contained in this proposal is confidential and proprietary to Texadia Systems. Pricing is valid for 30 days from date of quote.

B. Existing Equipment

Texadia will repurpose existing, owner furnished equipment(OFE) where applicable. It is assumed that all OFE is in proper working order and will perform as it should.

C. Scope of Work

Texadia Systems shall provide and install the following systems based on the needs discussed:

Texadia Systems TIPS Contract Number 230105

Community Rooms A, B, C and Head End

- Texadia will furnish and install three(3) 75" displays; one in each room, using a Chief tilt wall mount. The displays will replace the current display in the rooms.

- Texadia will furnish and install three(3) Visionary wall plate encoders; one in each room to replace the current encoders. The encoders convert the HDMI, Bluetooth and analog audio sources to network A/V data for easy distribution to the displays.

- Texadia will furnish and install one(1) Visionary decoder behind each new display. Room C will have an additional decoder for the existing projector. The decoder converts the network A/V data back to HDMI for input to the display.

- Texadia will furnish and install one(1) QSC digital signal processor(DSP)/control processor in the head end to manage the audio distribution to the rooms based on their combined scenario. The existing wireless microphones and assisted listening components will be reused and connected to the new DSP.
  - The control portion of the processor will facilitate the addition of room A/V controls at the new touch screen control panels in each room. Room C will have additional controls for the existing projector and motorized projection screen.

- Texadia will furnish and install three(3) QSC 7" touch screen control panels; one in each room. The panels will control power, audio / video distribution and volume to each room based on the room combine scenario.

- Texadia will furnish and install one(1) QSC 4 channel power amplifier in the head end to power the new ceiling speakers in each room.

- Texadia will furnish and install twelve(12) JBL ceiling speakers; 4 in each room, to reproduce audio from the existing wireless microphones and presentations.

Added in REV4 03-04-25

- Texadia will furnish and install one(1) Shure 4 channel wirless microphone receiver in the head end to allow up to four(4) of the Council Chambers wireless boundary microphones to be used in the Community Rooms as needed.

Added in REV4 02-28-25
Lobby TV

- Texadia will furnish and install one(1) Viewsonic 75" TV using a Chief tilting wall mount.

- Texadia will furnish and install one(1) Visionary decoder behind the existing display. The decoder will allow any encoded signal to be displayed on the lobby TV.

West Patio Speakers

- Texadia will furnish and install one(1) Biamp 70V volume control to adjust volume for the existing west patio speakers. The link between Community Room C ceiling speakers and the west patio speakers will be rewired to incorporate the volume controls for the patio speakers only.

Background Music System(BGM)

- Texadia will furnish and install one(1) QSC 7" touch screen control panel at the main desk to control the BGM routing and volume controls. The programming for the BGM will include a web page for browser control and will be hosted by the new audio and control processor in the Community rooms equipment closet.

- Owner is responsible for network connections between all a/v closets and the owner's network.

- Texadia will furnish and install three(3) QSC power amplifiers to replace the current BGM amplifiers. The new amplifiers will be wired to the existing BGM speakers throughout the facility in their respective zones.
  Existing Speaker Zones:
- GYM
- TREADMILL AREA
- FAMILY CHANGING
- FITNESS STUDIO
- LOBBY
- COMBINABLE SPACE
- CHILDREN’S ROOM
- MEN AND WOMEN’S ROOM

PROJECT CONDITIONS

1. **SITE CONDITIONS**

   a. The customer shall provide a clear and accessible area to work. Texadia will work with customer directly to schedule the installation times. However, any installation time lost due to the inability to work as planned, may be subject to additional charges or fees to the customer.

   b. Prior to electronic equipment being installed, the customer shall provide a facility that is relatively dust-free, air-conditioned, and secure.

   c. The customer shall have a representative available throughout the installation to make decisions on behalf of the customer. This ensures that communication between Texadia and the customer is accurate and responsive in the event that a question may arise.

2. **ELECTRICAL AND CONDUIT**

   a. The customer is responsible for the installation of electrical outlets, conduits, raceways, floor cores, unless otherwise noted in the proposal. All electrical wiring, conduits, junction boxes, and supporting materials required for a completed electrical system must meet all applicable state and local building codes. The work must be performed by a licensed electrical contractor.

      i. All wall mounted pull-boxes shall be deep boxes, unless otherwise noted.

      ii. All empty conduits shall be furnished with pull string. In the event that pull strings are not provided, the customer may incur additional labor charges.

      iii. All AV related electrical outlets shall be 120VAC duplex outlets, unless otherwise noted. Rack locations shall require at least (2) 20 amp circuits each, unless otherwise noted.

3. **CONSTRUCTION RELATED**

   a. The customer is responsible for providing any required support for equipment provided by Texadia. This shall include ply-wood backing behind displays and structural support for ceiling mounted devices, unless otherwise stated in the proposal.

   b. The customer is responsible for any structural or decorative modifications to walls, ceilings, etc. that may be required to accommodate new equipment. This would include ceiling grid or wall modifications for new projection screens, wall recesses for displays or LED walls.

   c. Scaffolding or lifts that are provided by the customer for use by Texadia must meet OSHA safety standards. In the event that customer furnished scaffolding or lifts are unacceptable, Texadia may choose to provide this equipment at an additional cost.

   d. The customer is responsible for modifications to customer provided furniture such as conference tables, credenzas, etc. unless otherwise noted in the proposal. Texadia shall provide the customer with cut-out templates, drawings, and specifications of the devices to be installed or mounted into furniture.

PROJECT CONDITIONS

4. OWNER FURNISHED EQUIPMENT (OFE)

a. Any OFE is solely for the convenience of the customer and shall not be included in Texadia's workmanship warranty.

b. In the event that OFE does not function properly, Texadia shall notify the customer to determine if the OFE is to be repaired, replaced, or not used at all. The customer will authorize any additional costs associated with these changes prior to commencement of the work.

c. Texadia shall take reasonable care of handling OFE and shall install it according to industry standard practices; however, Texadia take no responsibility for the operation, performance, and appearance of OFE before, during, and after its integration into the new system. Texadia reserves the right to accept or reject OFE based on the equipment's poor condition, service record, or outdated software/firmware. Texadia will not accept OFE that is purchased by the customer to replace equipment that is specified in this proposal.

5. TRAINING AND DOCUMENTATION

a. Texadia shall provide a training session after or near the completion of the installation. All system users and interested persons should attend at this time so that all questions can be answered during the training.

b. Upon completion of the project, Texadia shall provide the customer with product warranty information, operating manuals, and as-built drawings. These documents shall be delivered as digital copies. Printed, "hard copies" of these documents are available at an additional cost to the customer.

6. INSTALLATION SCHEDULE

a. Texadia shall prepare system drawings, purchase the equipment, assemble the equipment in our shop, program control and DSP software as required, and do full in-shop testing, prior to the onsite installation takes place. This process takes approximately two (2) to four (4) weeks from the agreement execution.

b. All electrical work and floor/wall finishes must be completed before Texadia can perform the final equipment installation.

c. The customer must approve device colors, touch panel graphics/layout, and equipment locations prior to onsite installation. Any changes made after installation begins, may be subject to a change order.

PROPOSAL

The LINK Rec Center AV Updates - Rev4 - CITY -0043

City of Richland Hills
6700 Baker Blvd.
Richland Hills, TX 76118 USA
817-616-3780

Revision: 2
Modified: 3/18/2025

Presented By:

Texadia Systems
4355 Excel Pkwy
Suite 600
Addison, TX 75001 United States
(214) 956-5820
www.texadiasystems.com

Community Rooms: Room A

A/V

4	**JBL CONTROL 47HC** Premium High Ceiling 6.5" In-Ceiling Speaker	$1,279.36
1	**Qsc TSC-70-G3** Wall Mount High Definition Touch Screen Controller	$1,428.75
1	**ViewSonic CDE7512** 75" Display, 3840 x 2160 Resolution, 330 cd/m2 Brightness, 16/7 operation rating, built-in Wi-Fi. 1 CHIEF FHB5037 600MM VERTICAL M8 NO OFFSET 1 CHIEF LTM1U Fusion® Micro-Adjustable Tilt Wall Mount	$1,633.55 *
1	**Visionary Solutions D5200** A/V Decoder, 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; Expansion Ethernet Port; POE+; Upgradeable to AES67/Dante	$993.75
1	**Visionary Solutions DuetE5-WP-WHITE** A/V Encoder (Wall Plate), 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; POE; AES67/Dante	$1,368.75
	A/V Total	**$6,704.16**

Community Rooms: Room A Total **$6,704.16**

* Price Includes Accessories

Community Rooms: Room B

	A/V	
4	**JBL CONTROL 47HC** Premium High Ceiling 6.5" In-Ceiling Speaker	$1,279.36
1	**Qsc TSC-70-G3** Wall Mount High Definition Touch Screen Controller	$1,428.75
1	**ViewSonic CDE7512** 75" Display, 3840 x 2160 Resolution, 330 cd/m2 Brightness, 16/7 operation rating, built-in Wi-Fi. 1 CHIEF FHB5037 — 600MM VERTICAL M8 NO OFFSET 1 CHIEF LTM1U — Fusion® Micro-Adjustable Tilt Wall Mount	$1,633.55 *
1	**Visionary Solutions D5200** A/V Decoder, 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; Expansion Ethernet Port; POE+; Upgradeable to AES67/Dante	$993.75
1	**Visionary Solutions DuetE5-WP-WHITE** A/V Encoder (Wall Plate), 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; POE; AES67/Dante	$1,368.75
	A/V Total	**$6,704.16**

Community Rooms: Room B Total	$6,704.16

* Price Includes Accessories

Community Rooms: Room C

A/V

4	**JBL CONTROL 47HC** Premium High Ceiling 6.5" In-Ceiling Speaker	$1,279.36
1	**Qsc TSC-70-G3** Wall Mount High Definition Touch Screen Controller	$1,428.75
1	**ViewSonic CDE7512** 75" Display, 3840 x 2160 Resolution, 330 cd/m2 Brightness, 16/7 operation rating, built-in Wi-Fi. 1 CHIEF FHB5037 600MM VERTICAL M8 NO OFFSET 1 CHIEF LTM1U Fusion® Micro-Adjustable Tilt Wall Mount	$1,633.55 *
2	**Visionary Solutions D5200** A/V Decoder, 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; Expansion Ethernet Port; POE+; Upgradeable to AES67/Dante	$1,987.50
1	**Visionary Solutions DuetE5-WP-WHITE** A/V Encoder (Wall Plate), 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; POE; AES67/Dante	$1,368.75
	A/V Total	**$7,697.91**

Community Rooms: Room C Total	**$7,697.91**

* Price Includes Accessories

Community Rooms: Head End

A/V

1	**Netgear GSM4248PX-100NAS** 40x1G PoE+ 960W and 8xSFP+ Managed Switch (Americas)	$3,073.74 *
	1 Netgear AXM761-10000S SFP+ Transceiver, 10GBase-SR for multimode 50/125m OM3 or OM4 fiber	
1	**Qsc CX-Q2K4-NA** 4-Channel 500W/CH Q-SYS Network Amplifier, Lo-Z, 70V, 100V direct drive, FlexAmp™, Mic/line Inputs, 100-240V.	$2,089.41
1	**Qsc Q-SYS CORE 110F V2** Flex channel digital signal processor	$4,230.63 *
	1 Qsc QIO-GP8x8 Q-SYS Peripheral Providing Control Expansion With 8 Logic Inputs And 8 Logic Outputs	
	1 Qsc SLDAN-32-P Q-SYS Software-based Dante 32x32 Channel License, Perpetual.	
	1 Qsc SL-QUD-110-P Q-SYS Core 110 UCI Deployment Software License, Perpetual	
1	**Shure ULXD4Q=-G50** Quad digital wireless microphone receiver, include Dante interface	$5,363.33
	A/V Total	**$14,757.11**

Community Rooms: Head End Total	**$14,757.11**

* Price Includes Accessories

Project

A/V

1	**Texadia Systems Misc. Materials- HOLD DO NOT INVOICE** Misc. Installation Materials	$0.00
1	**Texadia Systems Shipping & Handling**	$0.00
	A/V Total	**$0.00**

Project Total	**$0.00**

Lobby TV

Unassigned

1	**ViewSonic CDE7512** 75" Display, 3840 x 2160 Resolution, 330 cd/m2 Brightness, 16/7 operation rating, built-in Wi-Fi.	$1,633.55 *
	1 CHIEF FHB5037 600MM VERTICAL M8 NO OFFSET	
	1 CHIEF LTM1U Fusion® Micro-Adjustable Tilt Wall Mount	
	Unassigned Total	**$1,633.55**

A/V

1	**Visionary Solutions D5200** A/V Decoder, 4K60 4:4:4 UHD over IP cinema quality ultra-low latency visually lossless switch matrix routable, with built-in video wall functionality; Expansion Ethernet Port; POE+; Upgradeable to AES67/Dante	$993.72
	A/V Total	**$993.72**

Lobby TV Total	**$2,627.27**

* Price Includes Accessories

West Patio Speakers

A/V		
1	**Biamp Systems D-VOL120** 70 Volt, 120 Watt Decora Volume Control w/24V Prioirty Relays	$79.59
4	**Owner Furnished Equipment OFE-SPEAKERS** [OFE] - Owner Provided Ceiling/Surface Mounted Loudspeakers w/ mounting hardware	$0.00
	A/V Total	**$79.59**
West Patio Speakers Total		**$79.59**

Background Music System

A/V		
2	**Qsc CX-Q2K4-NA** 4-Channel 500W/CH Q-SYS Network Amplifier, Lo-Z, 70V, 100V direct drive, FlexAmp™, Mic/line Inputs, 100-240V.	$4,178.82
1	**Qsc TSC-70-G3** Wall Mount High Definition Touch Screen Controller 1 Qsc TSC-710t-G3 Table top mounting accessory for TSC-70W-G3 and TSC-101W-G3.	$1,770.00 *
	A/V Total	**$5,948.82**
Background Music System Total		**$5,948.82**

Project Subtotal:	**$44,519.02**

* Price Includes Accessories

PROJECT SUMMARY

Equipment:	$44,519.02
Shipping:	$1,335.62
Miscellaneous Materials:	$2,225.97
Labor:	$35,246.41
Grand Total:	**$83,327.02**

Client: **Sheena McEachran** **Date:**

Contractor: **Texadia Systems** **Date:**

Terms & Conditions

The LINK Rec Center AV Updates - Rev4 - CITY -0043

Revision: 2
Modified: 3/18/2025

Client:

City of Richland Hills
6700 Baker Blvd.
Richland Hills, TX 76118 USA
817-616-3780

Contractor:

Texadia Systems
4355 Excel Pkwy
Suite 600
Addison, TX 75001 United States
(214) 956-5820
www.texadiasystems.com

Payment Schedule	Amount	Due Date
60% Deposit (Due Upon Receipt)	$49,996.21	
40% Monthly Progress Billing (Net 30)	$33,330.81	

TERMS AND CONDITIONS

The agreement ("Agreement") between Texadia Systems, LLC ("Company") and Customer, as identified in the signature block below, is valid and binding once signed by Customer or when Customer otherwise accepts a proposal or Statement of Work from Company. The Agreement consists of the following terms and conditions, the Statement of Work, all general provisions, special provisions, specifications, drawings, addenda, change orders, written interpretations, and written orders for changes in work and scope.

1. **Scope of Work.** Company agrees to provide to Customer, and Customer agrees to purchase from Company, the specific products, hardware, software and devices (hereinafter, "Products") and the specific services (hereinafter, "Services") in the attached Statement of Work. The Products and Services are jointly defined as the "Project." Company will not provide, and does not represent that it will provide, any work, Products or Services other than those specifically included in the attached Statement of Work. If Company undertakes any additional work at Customer's request other than that specified in the Statement of Work, Customer must pay Company for all such services and products on a time and materials basis, consistent with the terms below.

2. **Scope Changes.** Any changes to the Statement of Work, including additions or deletions to the Statement of Work are binding only if in a written change order accepted in writing by Company ("Change Order"). Company will provide Customer in writing the amount of additional costs or cost reductions resulting from changes ordered within twenty-one (21) calendar days unless Customer waivers this requirement in writing. Customer must pay all Change Orders in full upon Company's written acceptance of the Change Order.

3. **Pricing.** Company is performing Services and providing Products on a fixed fee basis only if the fixed prices for the Project are specifically set forth in the attached Statement of Work. Customer otherwise agrees to pay Company for the Services and Products on a time and materials basis, unless expressly specified in the Statement of Work, that is, Customer must remit a total payment in the amount of all time expended by Company multiplied by the respective hourly rates for the individuals providing the Services, in addition to the price for all Products. Company will invoice Customer monthly for all work performed on a time and materials basis. Any estimates provided to Customer are not binding but merely a rough calculate or judgment of the costs stated therein. Any estimates do not supersede these terms and conditions that require Customer to pay Company for the Products and Services on a time and materials basis. Company can provide a list of its current hourly rates by personnel, and the costs of any materials or Products if Customer requests in writing. The costs associated with any related work or materials, including, but not limited to electrical, drywall, painting, cabinets are not included unless specifically documented in the Statement of Work. Company is not responsible for any underground trenching or laying or supplying of conduit for outside wiring.

- **Changes to Tariffs, Pricing and Shipping**
  - Pricing, tariffs, and shipping terms are subject to change based on market conditions, government regulations, or other factors beyond our control. Any adjustments to pricing, tariffs, duties, or shipping costs that occur after the issuance of a quote or purchase agreement may result in additional charges. These changes will be communicated at the time of procurement, and all additional costs must be borne by the buyer. We reserve the right to update shipping methods and associated costs to ensure compliance with current regulations and logistical requirements.

4. **Payment.** Unless otherwise specific in the Statement of Work, Customer must pay Company net thirty (30) days from the invoice date. All deposits are due upon receipt of invoice. Notwithstanding the foregoing, final payment is due payable no later than the Project's Completion Date (as defined below).

5. **Delivery**. Unless expressly specified in the Statement of Work, Company does not make any representations or warranties as to when the Products will be received or installed or when any Services begin or be completed. Products will not be ordered until the Company receives the equipment deposit set forth in the Statement of Work. Notwithstanding the foregoing, Company is not responsible for any delays caused by any circumstance outside of its control, including delays in receiving Products, delays caused by other construction, Customer's change in the scope of work, fire, labor disputes, acts of God, or the failure to meet or comply with the attached Project Conditions.

6. **Completion Date**. Upon the Project's completion, Company will deliver to Customer a close-out document setting forth Company's explanation that the Project is complete as detailed in the Statement of Work. If Customer disputes the Project's completion, Customer must provide written notice to Company within fourteen (14) calendar days from the close-out document's date listing each item that Customer contends is not fully functional or not complete (hereinafter, "Punch List"). Absent timely delivery of a Punch List, the Project is deemed complete fourteen (14) calendar days from the close-out documents date (hereinafter, "Completion Date"). If Customer delivers a Punch List, Company will remedy all items delineated in the Punch List within thirty (30) calendar days provided such items were included in the Statement of Work and any written change orders thereto. Any item not listed on the Punch List is deemed to be completed and accepted by the Customer. If the Punch List items exceed the Project's scope, Company has no obligation to perform any such work absent a separate Maintenance Agreement or other written document signed by both parties specifying the scope of work and payment for that work (including any warranty work). If the Company undertakes work on the Punch List items, Company will deliver a second close-out document consistent with the procedures set forth above.

7. **Demonstration**. Upon or shortly after the Completion Date, Company will perform for and with Customer a hands-on demonstration of the Project's functionality and instructions for operating the Project's systems. If a demonstration occurs, the Project is deemed complete.

8. **Warranties**. All warranties from the original manufacturer of any Product transfer to Customer no later than the Completion Date. Warranties for all products start from the date Company invoices Customer for that product. Company warrants all installation labor for ninety (90) days following such labor. Company, otherwise, does not make any representations or warranties regarding the Products or Services unless expressly stated in these Terms and Conditions or the Statement of Work. Company has no obligation or liability to Customer or any other person for loss of profits, loss of use or incidental, special, or consequential damages, whether based on contract, tort, strict liability or any other theory or form of action arising out of or in connection with the Products or Services or any failure or delay in connection with the Products or Services. Customer's payment confirms Customer's full satisfaction and acceptance of the Products and Services.

9. **Cancellation Policy:** Once a project has been approved by Customer, procurement and other processes begin. Customers would be responsible for any products and services that are procured and completed up through the date of cancellation. Products procured would be invoiced and owned by the customer. Customers wanting to possibly return products could incur restocking fees and vary by manufacturer policy. Restocking fees would include shipping costs to return to manufacturer along with designated restock fee by manufacturer. Custom built or designed products once procured and in production would need to be paid for in full and unable to return, which in turn would become the property of the customer. If you need to cancel a project, product or services, please contact your project manager and/or account representative as early as possible to mitigate additional costs. Minimum time for cancellation is 15 days' notice. Each project cancellation is evaluated individually according to the stage of project completion and procurement. We will work with customers and do everything we can to help mitigate additional costs.

10. **Drawings.** All drawings and documentation are contingent on Company's receipt of a retainer or deposit. Because a proposal requires system design and engineering by a professional systems integrator, only one version of the proposal will be prepared without a retainer. If the proposal is for system design & documentation services only, Customer must remit a minimum $2,000.00 Design Retainer to Company before work begins. This Design Retainer will include a detailed equipment list with pricing, as well as one block-diagram drawing of the system. The Design Retainer is earned upon receipt to cover design and engineering time and is non-refundable.

11. **Intellectual Property.** If Company develops or creates intellectual property for the Project, such as software, program coding, or program installation or alterations ("IP") Company owns the IP until such time as the Customer pays Company in full for the Project. Company may, but is not required, to implement password and other security protections on any of the Products to the protect the IP. Company is required to provide those password and other security protections to Customer only upon Customers full payment to Company for the Project. Customer is not authorized to license or transfer the IP prior to full payment to the Company for the Project.

12. **Specific Job Contingencies.**

12.1. Customer acknowledges and agrees that the Company's physical inspection of the site(s) on which the Project is to be implemented may alter the scope of work and pricing related thereto. If such alternations occur, Company will provide Customer with an updated Statement of Work prior to performing any further Services or installing further Products. Absent a subsequent written document signed by the Company, Customer is still responsible for payment to Company for all Services and Products on a time and materials basis unless otherwise stated in the Statement of Work or any change order.

12.2. Customer acknowledges and agrees that Company cannot accurately inspect or analyze all damages caused by any power and system interruption incidences. Company will remedy any power surge issues on a case-by-case, and component-by-component basis only, as additional issue will arise to power-damaged equipment once components are repaired or replaced on a Project. Absent a subsequent written document signed by the Company, Customer is responsible for payment to Company for all Services and Products on a time and materials basis for all power and system interruption incidents.

12.3. If Project is of a retrofit/remodel nature on an existing structure, and scope of work exceeds time estimated to complete because of unforeseen circumstances, Customer agrees to pay, and understands that they will be charged hourly rate per man, per hour, or time and a half if overtime incurred, for all extra labor and Services involved in completing the Project.

12.4. Company reserves the right to substitute proposed Products if the product is obsolete, discontinued, or unavailable with a comparable model of equal or greater value upon Customer approval. If a Product is substituted, Customer must pay Company for the price of the new Product. Company is not responsible in any manner for any Product's obsolescence, discontinuation, or unavailability.

13. **Miscellaneous Terms.**

13.1. If Customer authorizes to Company to provide services at Customer's home or business location(s) ("Premises), including when Customer is not physically present at the Premises, Customer is also authorizing Company's agents, employees, representatives, and contractors, and third parties from which Company arranges service, and each of them, (collectively, "Providers") to perform services at the Premises. In the event of such authorization, Customer indemnifies and holds harmless Company and Providers, jointly and severally, from and against all claims, liabilities and obligations of every kind and description, contingent or otherwise, arising out of or related to any services or work performed at the Premises, including any damages or theft, alleged or otherwise, to the Premises, its contents, or property at the Premises.

13.2. Customer's execution of this Agreement authorizes Company to immediately begin all work. Customer's failure to remit payment in full under the foregoing terms constitutes a material breach of this Agreement and otherwise eliminates Company's obligation to perform or complete the Services or provide the Products.

13.3. Any amounts not paid in full within the time periods set forth above will accrue interest at the rate of 18% per annum or the highest maximum rate permitted by law, whichever is less.

13.4. Company reserves the right to charge a credit card transaction fee of the lesser of three percent (3%) or the merchant card transaction fee incurred by Company on all credit card payments.

13.5. This Agreement and its rights and obligations may not be assigned by either party without the other party's advance, written consent.

13.6. The failure by either party to enforce at any time any of the provisions of this Agreement, or to exercise any election or option provided herein, shall in no way be construed as a waiver of such provisions or options, nor in any way to affect the validity of this Agreement or any part thereof, or the right of either party thereafter to enforce every such provision.

13.7. This Agreement constitutes the entire agreement and understanding between the parties concerning the subject matter hereof and supersedes all prior agreements, negotiations, and understandings of the parties with respect thereto. There are no oral agreements between the parties. This Agreement is not amended, modified, or novated absent a subsequent written document signed by all parties.

13.8. Customer's acceptance of any proposal, scope of work, or Statement of Work, including allowing Company to begin any work on the Project constitutes Customer's acceptance of this Agreement. This Agreement may be accepted electronically by online notification, or other electronic entry or notation indicating Customer's assent to the Agreement.

13.9. The parties acknowledge that the transaction that is the subject matter of this agreement bears a reasonable relation to the State of Texas and agree that in the event of any dispute or disagreement between them relating to this Agreement, the law of the State of Texas shall govern their rights and duties under this Agreement. This Agreement is expressly performable in Dallas County, Texas, including payment in Dallas County, Texas, and venue arising from any dispute relating to this Agreement and the parties lies exclusively in Dallas County, Texas.

13.10. If Company initiates any legal action to enforce this Agreement, including legal action to collect any fees owed by Customer, Company is entitled to recover its attorneys' fees and court costs from Customer, in addition to any other relief to which it may be entitled.

Company:

Texadia Systems, LLC

By: ____

Its: ____

Customer (as defined in the Agreement):

____

Printed Name: ____

Address: ____

Phone: ____

Email: ____

____ ______________

Client: Sheena McEachran **Date:**

____ ______________

Contractor: Texadia Systems **Date:**

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Kip Dernovich, Director of Public Works and Capital Projects

Date: March 24, 2025

Subject: Oak Park Drive ILA

Agenda Item:

Approve Interlocal Agreement with Tarrant County to resurface Oak Park Drive from Ash Park Drive to Elm Park and authorize City Manager to sign agreement

Background Information:

The Texas Government Code (791.001 – 791.029) allows counties and cities to enter into shared cost agreements for the rehabilitation of primary and secondary feeder roads for the benefit of the public.

The proposed Interlocal Agreement is for the reconstruction of Oak Park Drive from Ash Park Drive to Elm Park. The agreement stipulates the County will provide labor and equipment needed to assist the City in completing the project. The City will furnish and pay for actual cost of materials (milling, asphalt, etc.) as well as half of the fuel used by Tarrant County during the construction process. The City also agrees to adjust all utilities, manholes and valve boxes at the project site. Engineering, surveying, and any laboratory testing necessary for the project is also the responsibility of the City.

Reconstruction of Oak Park Drive was approved as an FY 2025 Street Improvements Fund project. Tarrant County anticipates starting reconstruction by May 2025 (May 12 – 16, 2025).

Financial Considerations:

Tarrant County estimates the City’s portion of the cost to resurface Oak Park Drive will be $36,475.11. Funding is available in the FY 2025 Street Improvements Fund.

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Interlocal Agreement with Tarrant County
Tarrant County Cost Estimate

Council Action Requested:

Motion to approve Interlocal Agreement with Tarrant County to resurface Oak Park Drive from Ash Park Drive to Elm Park and authorize City Manager to sign agreement

THE STATE OF TEXAS

INTERLOCAL AGREEMENT

COUNTY OF TARRANT

This Interlocal Agreement is between Tarrant County, Texas ("COUNTY"), and the City of Richland Hills("CITY").

WHEREAS the CITY is requesting the COUNTY's assistance to:

- Resurface **Oak Park Drive** located within the City of Richland Hills and Tarrant County Commissioner Precinct #3 from Elm Park to Ash Park (Approximately 1,188 linear feet).

Collectively, hereinafter referred to as the "**Project**".

WHEREAS the Interlocal Cooperation Act contained in Chapter 791 of the Texas Government Code provides legal authority for the parties to enter into this Agreement; and

WHEREAS, during the performance of the governmental functions and the payment for the performance of those governmental functions under this Agreement, the parties will make the performance and payment from current revenues legally available to that party; and

WHEREAS the Commissioners Court of the COUNTY and the City Council of the CITY each make the following findings:

a. This Agreement serves the common interests of both parties.
b. This Agreement will benefit the public.
c. The division of costs fairly compensates both parties to this Agreement; and
d. The CITY and the COUNTY have authorized their representative to sign this Agreement.

e. Both parties acknowledge that they are each a "governmental entity" and not a "business entity" as those terms are defined in Tex. Gov't Code § 2252.908, and therefore, no disclosure of interested parties pursuant to Tex. Gov't Code Section 2252.908 is required.

NOW, THEREFORE, the COUNTY and the CITY agree as follows:

TERMS AND CONDITIONS

1. COUNTY RESPONSIBILITY

The COUNTY will furnish the labor and equipment to assist the CITY in completing the Project:

- Resurface **Oak Park Drive** located within the City of Richland Hills and Tarrant County Commissioner Precinct #3 from Elm Park to Ash Park (Approximately 1,188 linear feet).

2. CITY RESPONSIBILITY

2.1 The CITY will furnish and pay for the actual cost of the materials, including any delivery or freight cost. The CITY will provide a purchase order and will be billed directly by the material supplier. The COUNTY may accumulate and bill the CITY for incidental material cost.

2.2 The CITY will pay for one-half of the COUNTY's fuel used to construct this Project. The COUNTY will invoice the CITY for the fuel consumed at the conclusion of the Project.

2.3 The CITY will be responsible for all traffic control necessary to safely construct this project. This responsibility includes all advance notices, signage, barricades, pilot vehicles, and flagmen necessary to control traffic in and around the construction site. The CITY will be responsible for and provide portable message boards to supplement traffic control as needed.

2.4 The CITY will remove the existing surface and make any necessary roadway repairs and preparations prior to the COUNTY starting work.

2.5 The CITY will adjust all utilities, manholes and valve boxes for this Project.

2.6 The CITY will provide the COUNTY with a hydrant meter and all the water necessary for construction of the Project at no cost to the COUNTY.

2.7 The CITY will provide or pay for any engineering, survey, and laboratory testing required for this Project.

2.8 The CITY will furnish a site for dumping all spoils and waste materials generated during construction of this Project.

2.9 The CITY will provide the material to backfill the pavement edges for this project.

2.10 If required, the CITY will be responsible for the design and development of a Storm Water Pollution Prevention Plan (SWPPP). The CITY further agrees to pay for all cost (including sub-contractor materials, labor, and equipment) associated with the implementation of the plan. The COUNTY will be responsible for maintenance of the plan during the duration of the Project. Documentation and record keeping of the SWPPP will be the responsibility of the CITY.

3. PROCEDURES DURING PROJECT

COUNTY retains the right to inspect and reject all materials provided for this Project.

If the CITY has a complaint regarding the construction of the project, the CITY must complain in writing to the COUNTY no later than 30 days of the date of project completion.

4. NO WAIVER OF IMMUNITY

This Agreement does not waive COUNTY rights under a legal theory of sovereign immunity. This Agreement does not waive CITY rights under a legal theory of sovereign immunity.

5. OPTIONAL SERVICES

5.1 If requested by the CITY, the COUNTY will apply permanent striping coordinated through the Transportation Department. Application of striping by the COUNTY is limited to Project roadways. If the CITY desires permanent striping applied to any roadways or portions of roadways not covered by this Agreement, the CITY will need to enter into a separate agreement with the COUNTY for the provision of those services.

6. TIME PERIOD FOR COMPLETION

The CITY will give the COUNTY notice to proceed at the appropriate time. However, the COUNTY is under no duty to commence construction at any time.

7. THIRD PARTY

This contract shall not be interpreted to inure to the benefit of a third party not a party to this contract. This contract may not be interpreted to waive any statutory or common law defense, immunity, including governmental and sovereign immunity, or any limitation of liability, responsibility, or damage of any party to this contract, party's agent, or party's employee, otherwise provided by law.

8. JOINT VENTURE & AGENCY

The relationship between the parties to this Agreement does not create a partnership or joint venture between the parties. This Agreement does not appoint any party as agent for the other party.

9. EFFECTIVE DATE

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed.

10. TERMINATION

This Agreement will automatically terminate on either December 31, 2025, or on the date the project is completed, whichever occurs first. Notwithstanding the foregoing, or any other language to the contrary, either party may terminate this Agreement without cause upon thirty (30) days' written notice to the other party prior to the intended date of termination. In the event of termination by either party, neither party shall have any further obligations to the other party under this

Agreement, except that the CITY remains liable to the COUNTY for any outstanding invoice for materials that the COUNTY provides for the project, if any.

11. COMPLIANCE WITH LAWS

In providing the services required by this Agreement, COUNTY and CITY must observe and comply with all applicable federal, state, and local statutes, ordinances, rules, and regulations, including without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and non-discrimination laws and regulations. COUNTY and CITY shall be responsible for ensuring its compliance with any laws and regulations applicable to its business, including maintaining any necessary licenses and permits.

12. EXECUTION OF AGREEMENT

This agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this agreement, and all of which, when taken together, shall be deemed to constitute one and the same agreement. The exchange of copies of this agreement and of signature pages by electronic transmission shall constitute effective execution and delivery of this agreement as to the parties and may be used in lieu of the original agreement for all purposes. Signatures of the parties transmitted or executed electronically shall be deemed to be their original signatures for any purpose whatsoever.

TARRANT COUNTY, TEXAS

____
Tim O'Hare
County Judge

Date: ______________________

____
Matt Krause
Commissioner, Precinct 3

Date: ______________________

APPROVED AS TO FORM*

____
Criminal District Attorney's Office*

* By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead, those parties should seek contract review from independent counsel.

CITY OF RICHLAND HILLS

____
Candice Edmondson
City Manager

Date: ______________________

____
Kip Dernovich
Director of Public Works

Date: ______________________

Attest:

____

APPROVED AS TO FORM AND LEGALITY

____
City Attorney

NOTICE TO PROCEED

The City of Richland Hills hereby notifies the County that the County may proceed with this project, as specified in the attached Agreement, on or after

____

(Month/Date/Year)

____

Authorized City Official
City of Richland Hills

Resurface Oak Park Drive located within the City of Richland Hills and Tarrant County Commissioner Precinct #3 from Elm Park to Ash Park (Approximately 1,188 linear feet)

Oak Park Drive

(City of Richland Hills)

9/11/2024
J. Stubblefield

Limits: **From Elm Park to Ash Park**

Existing Conditions: Road has deteriorated asphalt with lots of cracking and alligatored areas showing signs of sub grade failures

Scope of Work: The City will remove 2" of existing roadway then, the County will lay 2 inches of HMAC Ty"D" surface, clean job site.

Project Size:

Roadway Length (lf):	1,188	lf			
Stabilization Width (ft) :	27	ft	Stab Area :	3,564	sy
Binder Width (ft):	27	ft	Binder Area:		sy
Surface Width (ft):	27	ft	Surface Area:	3,564	sy
Additional Areas (sy):		sy			

Estimate:											
Roadway Materials:											
	Sq Yds	Rate/SY		Cost		Estimate		Final		$ Estimate	$ Final
Tack Coats	3,564	0.10	gal/sy	$ 2.76	$/gal	356	gal		gal	$ 983.66	$ -
HMAC "D" pick up	0	0.110	tn/sy	$ 70.00	$/tn	0	tn		tn	$ -	$ -
HMAC "D" (2")	3,564	0.110	tn/sy	$ 78.83	$/tn	392	tn		tn	$ 30,904.51	$ -
						Subtotal				**$ 31,888.18**	**$ -**
Misc Cost											
Fuel Cost Estimate		50%				$ 400				$ 200.00	$ -
Overtime (Watering)										$ -	
Milling (City Contractor)										$11,781.20	$ -
		Materials + Misc Cost								$ 43,869.38	
		10% Contingency								$ 4,386.94	
		Total:								**$48,256.31**	**$ -**

Material cost from Reynolds asphalt Co. 10/1/2023

Construction Time Estimate: **2** days

Comments:

Asphalt Pricing Quoted By Reynolds Asphalt

City will pay for all traffic control cost associated with this project.
City will adjust all utilities and manholes/valves for this project.
City will provide a nearby disposal area for spoils .
City will provide a hydrant meter and all water for this project.

Estimated Cost to Mill the project:(4,8 3,564 SY @ 3.3 $/sy + $ 20 Mob = $11,781.20

Oak Park Drive

(City of Richland Hills)

9/11/2024
J. Stubblefield

Activity	Quantitiy	Rate		Days	$ Fuel / Day	Fuel Cost
Locate Utilities				0	$ 100	$ -
Lay Binder	-	500	tn/day	0	$ 300	$ -
Lay Surface	392	500	tn/day	1	$ 300	$ 300
Backfill Edges	-	2,500	lf/day	0	$ 250	$ -
Clean Up				1	$100	$ 100

Total Working Days:	**2**	$ 400

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Erika McComis, Finance Director

Date: March 24, 2025

Subject: FY 2024 Annual Comprehensive Financial Report

Council Action Requested:

Consider acceptance of the Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2024

Background Information:

The Richland Hills City Charter requires an annual audit by an independent certified public accountant. George, Morgan, and Sneed, P.C., a firm of licensed, certified public accountants, was selected by the City Council to audit the City's financial statements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

Daniel Hungerford of George, Morgan, and Sneed, P.C. will present the City of Richland Hills, Texas's Annual Comprehensive Financial Report (ACFR) for the fiscal year ending September 30, 2024. The City received an unqualified audit opinion, which is the most favorable audit opinion. This type of opinion reflects that the City's financial statements are fairly and appropriately presented, without any identified exceptions, and comply with generally accepted accounting principles.

The purpose of the ACFR is to provide the City Council, staff, citizens, and other interested parties with detailed information about the City's financial condition. After the ACFR has been accepted by the City Council, it will be placed on the City's website, a copy will be placed in the Richland Hills Public Library, and it will be available for public inspection at City Hall. An original copy will be kept as a permanent record of the City in the City Secretary's office.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2024
Required Communication Letter

Council Action Requested:

Motion to approve and accept the Annual Comprehensive Financial Report for Fiscal Year ended September 30, 2024

Richland Hills

FY 2023-24

City of Richland Hills, Texas

Annual Comprehensive Financial Report for the year ended in September 30, 2024

CITY OF RICHLAND HILLS, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2024

Prepared by the Finance Department

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CITY OF RICHLAND HILLS, TEXAS
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2024

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INTRODUCTORY SECTION

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Richland Hills
3200 Diana Drive | Richland Hills, TX, 76118
817-616-3812 | richlandhills.com

March 19, 2025

The Honorable Mayor, Members of the City Council,
and Citizens of Richland Hills (the "City")

Submitted herewith is the Annual Comprehensive Financial Report (ACFR) of the City of Richland Hills, Texas, for the fiscal year ended September 30, 2024. Responsibility for both the accuracy of the 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 reported in a manner designed to present fairly the financial position and results of the operations of the City, on a Government-wide and Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

THE REPORTING ENTITY

The City of Richland Hills is a political subdivision of the State, incorporated as a municipal corporation in 1950. The City operates under the laws of the State and the City's home rule charter, approved by the citizens in 1985 as a council-manager form of government. Policy-making and legislative authority are vested in a governing city council consisting of the mayor and six other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's city manager. The city manager is responsible for carrying out the policies and ordinances of the council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. In May 2023, a charter amendment was approved by the voters that increased the number of Council members by adding a Council member seat (Place 6). Effective with elections beginning in 2024, the Mayor and Council members shall be elected for terms of three years. In order to affect a transition to three year terms per this charter amendment, the terms will be as follows: the Mayor and Place 2 and Place 4 will fulfill their two year terms and be elected to three year terms upon expiration of their current term in 2024, Place 1 will be elected to a three year term upon expiration of their current two year term in 2025, the current terms of Place 3 and Place 5 will be extended one year to expire in 2026 and then Place 3 and Place 5 will be elected to a three year term, and lastly the newly created Place 6 will serve a two-year term set to expire in 2025 and then Place 6 will be elected to a three year term. The mayor and council members are elected from the community at large. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. The City of Richland Hills voters approved a one percent local sales and use tax at an election held on December 5, 1967.

The City provides a full range of municipal services that include police and fire protection, emergency medical services, animal control services, municipal court, construction and maintenance of streets and drainage infrastructure, planning and zoning, economic development, code enforcement, library services, parks and recreational activities and cultural events, and general administrative services. Water and wastewater services and sanitation services are provided as an operation of the City and therefore have been included as an integral part of the City's financial statements. The Richland Hills Development Corporation (a Type B Economic Development Corporation) and Richland Hills Crime Control and Prevention District are legally separate entities but are in substance part of the government's operation and are included in the ACFR.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

Richland Hills is situated Northeast Tarrant County in the middle of the Dallas / Fort Worth Metroplex, the major metropolitan area in the north central part of the state, and is approximately 7 miles from downtown Fort Worth, 30 miles from downtown Dallas, and approximately 15 miles from DFW International Airport. Richland Hills is served by three state-numbered highways, SH 121, SH 26, and SH 10 (Baker Blvd. in Richland Hills), as well as the Trinity Railway Express (TRE), a commuter rail line between Fort Worth and Dallas operated jointly by Dallas Area Rapid Transit (DART) and the Trinity Metro. The City of Richland Hills occupies a land area of 3.9 square miles, is approximately 98% developed, and serves an estimated population of 8,678.

As it is widely recognized, revenue sources for municipalities are primarily driven from ad-valorem (property), sales and use taxes. In 2024, Richland Hills experienced a 18.76% increase in net assessed taxable value due to an increase in residential and commercial property valuation and an upward trend in economic recovery. In the General Fund, property tax revenues accounted for 30% and sales tax accounted for 48% of total revenues.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

To provide a reasonable basis for making these representations, the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP) for local governments, as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that assets are safeguarded and that the financial statements will be free from material misstatement.

The City's accounting records for general governmental operations are maintained on a modified accrual basis. Under this method of accounting, expenditures are recognized when the services or goods are received, and the liability is incurred. Revenues are recognized when measurable and available. Accounting records for the proprietary funds are maintained on the accrual basis.

The annual budget serves as the foundation for the City's financial planning and control. All City departments are required to submit requests for appropriation to the city manager by April of each year. The city manager uses these requests as the starting point for developing a proposed budget. The city manager then presents this proposed budget to the Council for review by at least 60 days prior to October 1. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. The appropriated budget is prepared by fund and department. The city manager is authorized to transfer budgeted amounts between line items within any fund. Any revisions that alter the total expenditures of any fund require special approval of the Council.

RELEVANT FINANCIAL POLICIES

The Financial Policies enable the City to achieve a long-term stable and positive financial condition. Annual estimates of revenue in both the General Fund and Proprietary Funds are based on historical trends and reasonable expectation of growth. A conservative approach is observed in estimating revenues, so that revenue estimates will not be overstated. To protect from fluctuations in revenue sources due to fluctuations in the economy and variations in weather, a diversified revenue system is also maintained. In addition, it is also the City's policy that one-time, or non-recurring revenues, will not be used to finance current ongoing operations. Non-recurring revenues are used only for one-time expenditures such as capital needs. Every fiscal year, each possible program addition or service level change is analyzed in terms of its potential financial impact as part of the budget package decision making process. This process enables the City to make assumptions about future debt and operational funds capacity. The City has also identified projects based on their critical nature and the timeliness of available financing for these projects. The City Council continued its strategic planning process to identify goals and objectives for long range planning. Directives from the City Council are utilized to help guide the budget planning and service and program implementation.

INDEPENDENT AUDIT

The Richland Hills City Charter requires an annual audit by an independent certified public accountant. George, Morgan & Sneed P.C., a firm of licensed certified public accountants, was selected by the City Council to audit the City's financial statements. The audit report will be available for public inspection and the original copy will be kept as a permanent record of the City.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for excellence in Financial Reporting to the City of Richland Hills for its annual comprehensive financial report for the fiscal year ended September 30, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive 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 that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The City of Richland Hills has received the Certificate of Achievement for the past seventeen years.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the cooperation of City employees throughout the organization. Sincere appreciation is also expressed to the Mayor and City Council for their continued interest and support in the conduct of the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

Erika McComis

Erika McComis
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Richland Hills
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

CITY OF RICHLAND HILLS, TEXAS

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2024

CITY COUNCIL

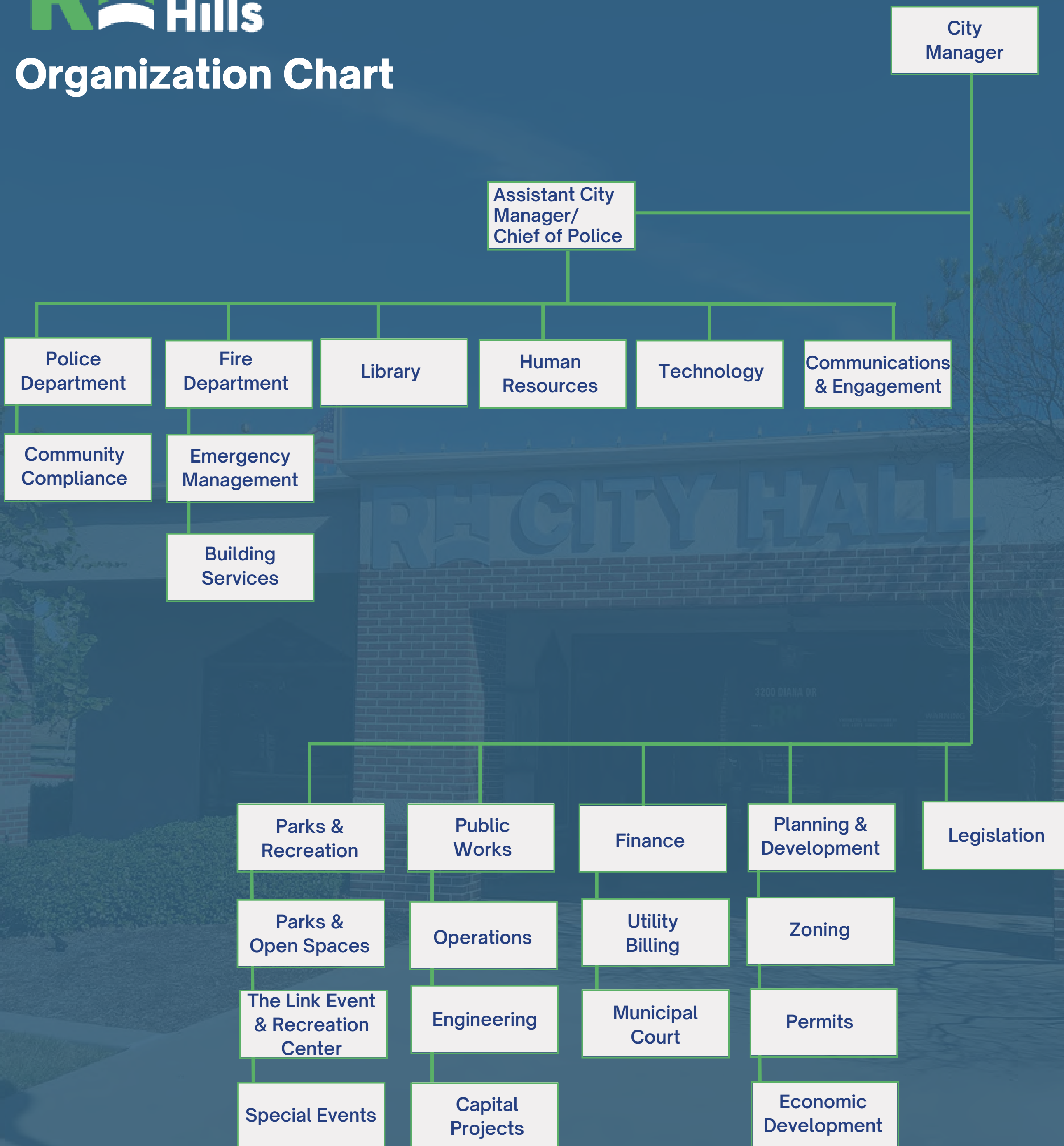
CURTIS BERGTHOLD, MAYOR
DOUGLAS KNOWLTON, MAYOR PRO TEM PLACE 1
TRAVIS MALONE, PLACE 2
THERESA BLEDSOE, PLACE 3
JOHN SKIER, PLACE 4
G.W. ESTEP, PLACE 5
ROLAND GOVEAS, PLACE 6

CITY STAFF

CANDICE EDMONDSON, CITY MANAGER
ERIKA MCCOMIS, FINANCE DIRECTOR
KIMBERLY SYLVESTER, ASST. CITY MANAGER, CHIEF OF POLICE
RUSSELL SHELLEY, FIRE CHIEF
KIP DERNOVICH, DIRECTOR OF PUBLIC WORKS AND CAPITAL PROJECTS
JP DUCAY, DIRECTOR OF PLANNING AND DEVELOPMENT SERVICES
ERIC VALDEZ, PARKS & RECREATION DIRECTOR
LINDSAY RAWLINSON, CITY SECRETARY
CHANTELE HANCOCK, LIBRARY DIRECTOR

Richland Hills

Organization Chart



FINANCIAL SECTION

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GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

Independent Auditor's Report

To the Honorable Mayor and City Council
City of Richland Hills, Texas

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

George, Morgan & Sneed, P.C.
1849 Wall Street | Weatherford, TX 76086 | *Phone* 817.594.2704 | *Fax* 817.599.7389

www.gms-cpa.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 – 15 and budgetary comparison schedule – general fund, budgetary comparison schedule – crime control district, schedule of changes in net pension liability and related ratios, schedule of contributions, and schedule of changes in OPEB liability and related ratios on pages 54 - 62 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and schedules of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

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

In connection with our audit the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated March 19, 2025, 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.

George, Morgan & Sneed, P.C.

George, Morgan & Sneed, P.C.
Weatherford, Texas
March 19, 2025

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Richland Hills exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $50,907,147 (*net position*) compared to $44,900,830 for the prior year. Of this amount, $11,634,270 (*unrestricted net position)* may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased by $6,006,317. The City's governmental activities net position increased by $3,073,909 and the business-type activities net position increased $2,932,408.

- As of the close of the current year, the City of Richland Hills's governmental funds reported combined ending fund balances of $22,306,107 compared to $15,090,832 for the prior year. $4,673,197 is available for spending at the City's discretion (unassigned fund balance).

- At the end of the current year, unassigned fund balance for the general fund was $4,673,197, or 51% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between these 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.

The *statement of activities* presents information showing how the government's net position changed during the most recent 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and fees).

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, public safety, public works, culture and recreation, parks and beautification, community development and economic development. The business-type activities of the City include water and sewer and drainage utility.

The government-wide financial statements can be found on Exhibits A-1 and B-1 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 two categories: governmental funds and proprietary 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 evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is 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 twenty seven 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 fund, Crime Control District special revenue fund, road and street capital projects fund, Richland Hills Development Corporation fund and 2023 Series CO's Paving capital project fund which are considered 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 the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on Exhibits C-1 through C-4 of this report.

Proprietary funds. The City maintains one type of proprietary fund. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations and drainage utility operations.

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

The basic proprietary fund financial statements can be found on Exhibits D-1 through D-3 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-55 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. Required supplementary information can be found on Exhibits E-1 and E-5 of this report.

The combining and individual nonmajor governmental funds statements and schedules are presented immediately following the required supplementary information. These statements can be found on Exhibits F-1 through G-10 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $50,907,147 as of September 30, 2024.

The largest portion of the City's net position (57%) reflects its investment in capital assets (e.g. land, improvements other than buildings, buildings, machinery and equipment, streets and construction in progress); less any related 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 capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (21%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of $11,634,270 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current year, the City is able to report positive balances in all three categories of net position for the government as a whole, as well as for its separate governmental activities and business-type activities.

Below are summaries of the City's Statement of Net Position and Statement of Activities.

Condensed Statement of Net Position

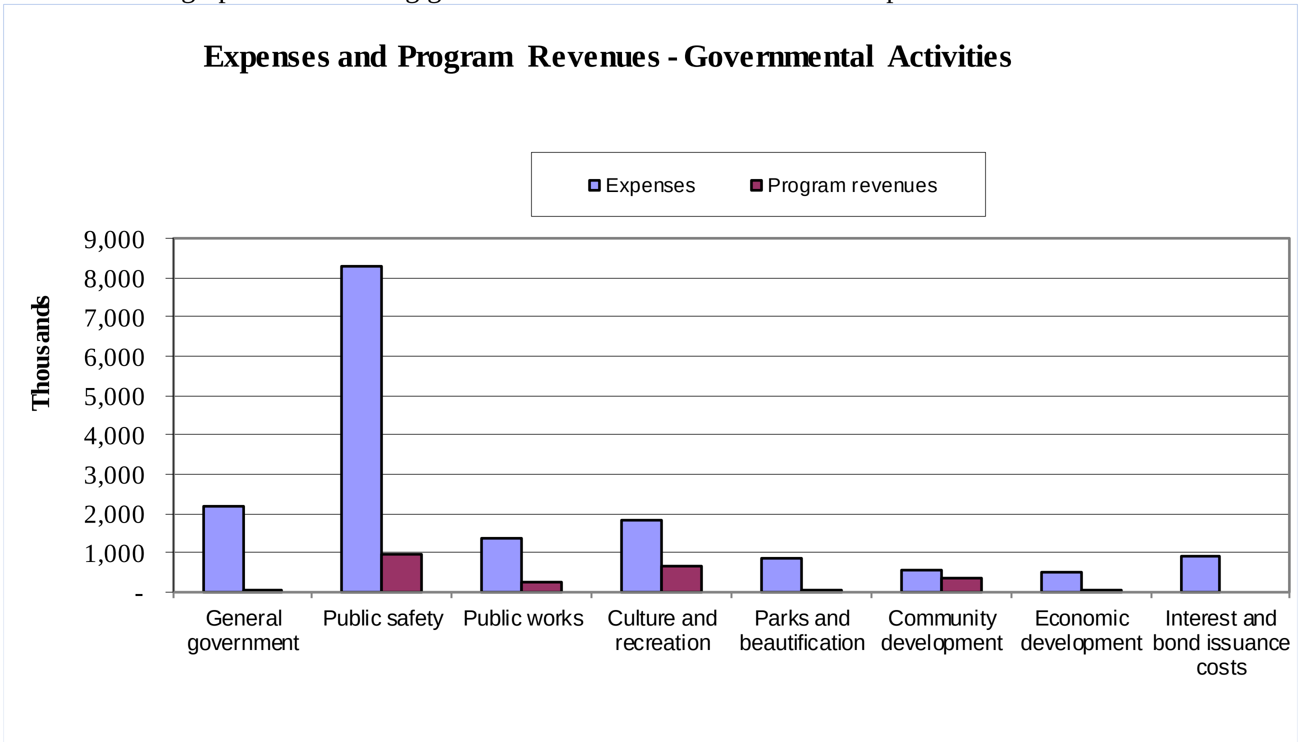
	Governmental Activities		Business-type Activities		Total	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Current and other assets	$ 24,838,681	$ 17,850,388	$ 8,034,963	$ 8,093,680	$ 32,873,644	$ 25,944,068
Capital assets	32,866,117	32,789,552	21,897,551	19,767,968	54,763,668	52,557,520
Total Assets	57,704,798	50,639,940	29,932,514	27,861,648	87,637,312	78,501,588
Deferred outflows of resources	1,927,902	2,917,291	317,315	493,937	2,245,217	3,411,228
Total deferred outflows	1,927,902	2,917,291	317,315	493,937	2,245,217	3,411,228
Current liabilities	1,539,965	1,764,171	1,099,334	2,390,326	2,639,299	4,154,497
Long-term liabilities	27,605,562	24,539,739	8,427,514	8,199,248	36,033,076	32,738,987
Total liabilities	29,145,527	26,303,910	9,526,848	10,589,574	38,672,375	36,893,484
Deferred inflows of resources	261,949	102,006	41,058	16,496	303,007	118,502
Total deferred inflows	261,949	102,006	41,058	16,496	303,007	118,502
Net Position:						
Net investment in capital assets	14,647,220	13,570,753	14,123,570	12,379,038	28,770,790	25,949,791
Restricted	10,502,087	8,611,102	-	-	10,502,087	8,611,102
Unrestricted	5,075,917	4,969,460	6,558,353	5,370,477	11,634,270	10,339,937
Total Net Position	$ 30,225,224	$ 27,151,315	$ 20,681,923	$ 17,749,515	$ 50,907,147	$ 44,900,830

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Revenues:						
Program revenues:						
Charges for services	$ 1,880,785	$ 1,675,173	$ 6,006,235	$ 5,976,107	$ 7,887,020	$ 7,651,280
Operating grants and contributions	43,225	159,643	-	-	43,225	159,643
Capital grants and contributions	264,036	-	2,408,398	166,570	2,672,434	166,570
General revenues:						
Property taxes	4,913,654	4,365,451	-	-	4,913,654	4,365,451
Sales taxes	10,476,231	10,031,749	-	-	10,476,231	10,031,749
Franchise taxes	561,375	647,876	-	-	561,375	647,876
Hotel Occupancy taxes	250,237	254,445	-	-	250,237	254,445
Investment earnings	856,765	361,636	397,465	271,649	1,254,230	633,285
Miscellaneous revenue	224,112	713,093	-	10,000	224,112	723,093
Total revenues	19,470,420	18,209,066	8,812,098	6,424,326	28,282,518	24,633,392
Expenses						
General government	2,177,264	1,994,587	-	-	2,177,264	1,994,587
Public safety	8,273,945	7,983,920	-	-	8,273,945	7,983,920
Public works	1,362,954	1,476,278	-	-	1,362,954	1,476,278
Culture and recreation	1,800,173	1,699,041	-	-	1,800,173	1,699,041
Parks and beautification	842,582	787,617	-	-	842,582	787,617
Community development	575,354	600,762	-	-	575,354	600,762
Economic development	480,885	303,619	-	-	480,885	303,619
Interest and fiscal agent charges	765,733	566,515	-	-	765,733	566,515
Bond issuance costs	135,291	-	-	-	135,291	-
Water and sewer	-	-	5,238,219	4,564,289	5,238,219	4,564,289
Drainage Utility	-	-	623,801	523,049	623,801	523,049
Total expenses	16,414,181	15,412,339	5,862,020	5,087,338	22,276,201	20,499,677
Increase (decrease) in net position before transfers	3,056,239	2,796,727	2,950,078	1,336,988	6,006,317	4,133,715
Transfers	17,670	98,919	(17,670)	(98,919)	-	-
Increase (decrease) in net position	3,073,909	2,895,646	2,932,408	1,238,069	6,006,317	4,133,715
Net Position October 1	27,151,315	24,255,669	17,749,515	16,511,446	44,900,830	40,767,115
Net Position September 30	$ 30,225,224	$ 27,151,315	$ 20,681,923	$ 17,749,515	$ 50,907,147	$ 44,900,830

Governmental Activities. Governmental activities increased the City's net position by $3,073,909 in the current year compared with a $2,895,646 increase in the prior year. Total governmental activities revenues increased $1,261,354 (7%) to $19,470,420. Property taxes increased $548,203 due to an increase in assessed property values. Sales tax increased $444,482. Total governmental activities expenses increased $1,001,842 from the prior year. Expenses increased primarily due to increased salaries and wages and pension expense in the current year as well as an increase in interest and fiscal charges due issuing more bonds.

Below are two graphs summarizing governmental activities revenue and expense:



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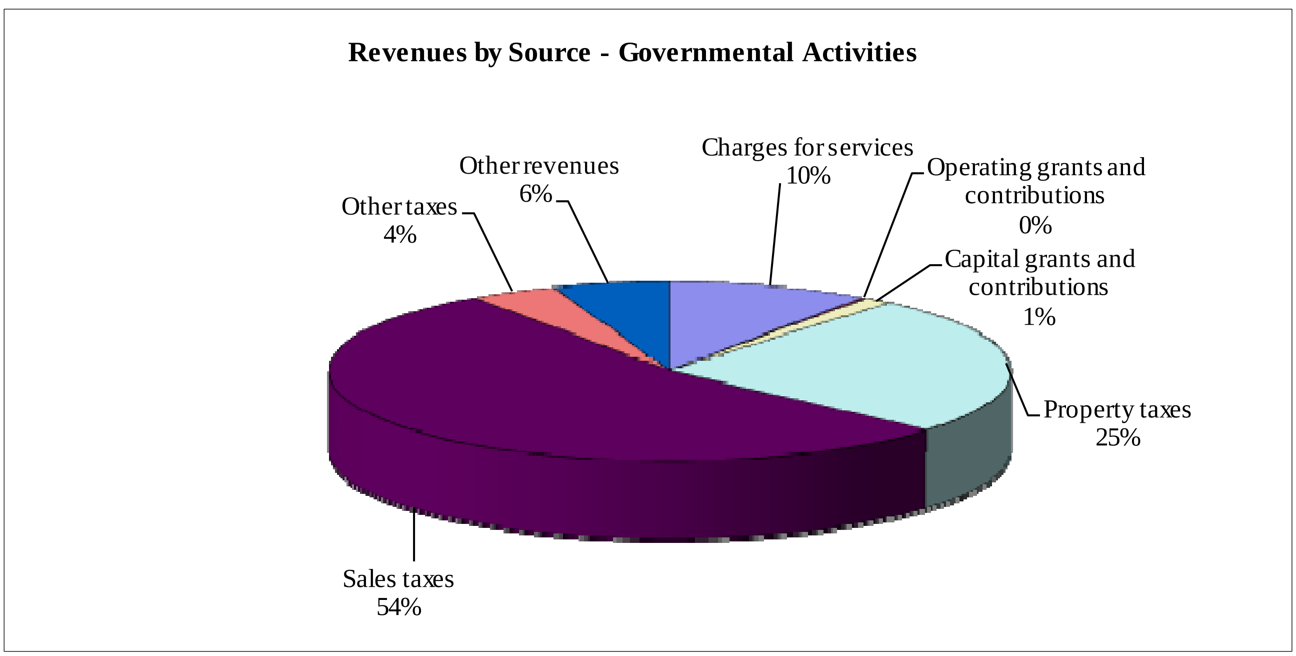
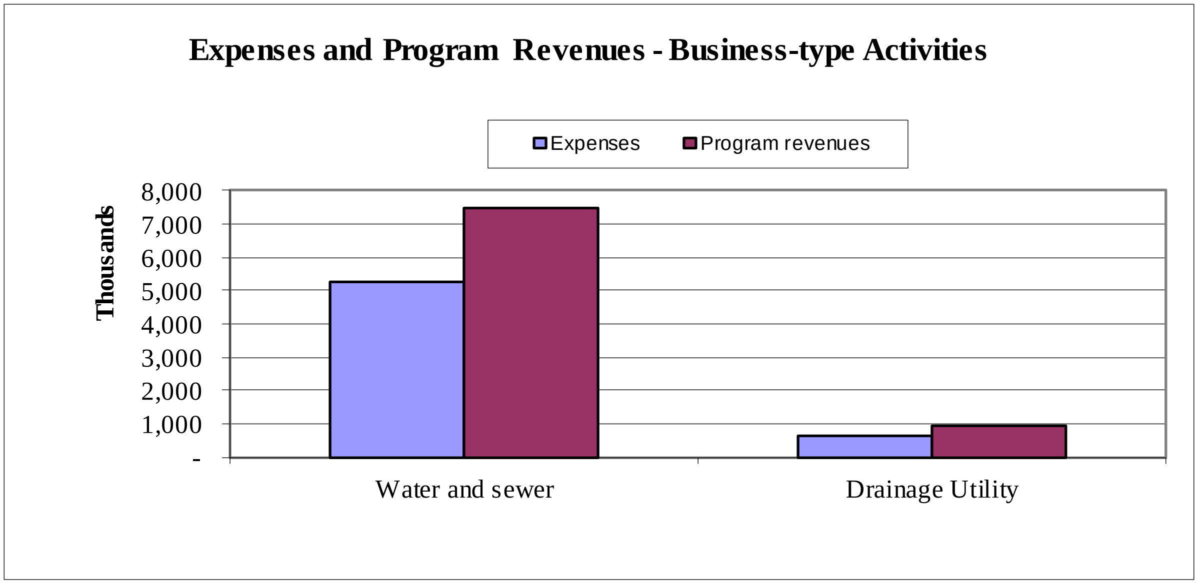


Business-type activities. Business-type activities increased the City's net position by $2,932,408 in the current year compared to an increase in net position of $1,238,069 in the prior year. The business-type activities total revenues increased $2,387,772 (27%) to $8,812,098 primarily because grants for water backup power and developer contributions of public infrastructure improvements in Richland Crossing. Total expenses increased $774,682 (13%) to $5,862,020 primarily because of personnel costs for wages and pension expense and rate increases for sewage treatment due to an increase in demand.

Below are two graphs summarizing business-type activities revenue and expense:



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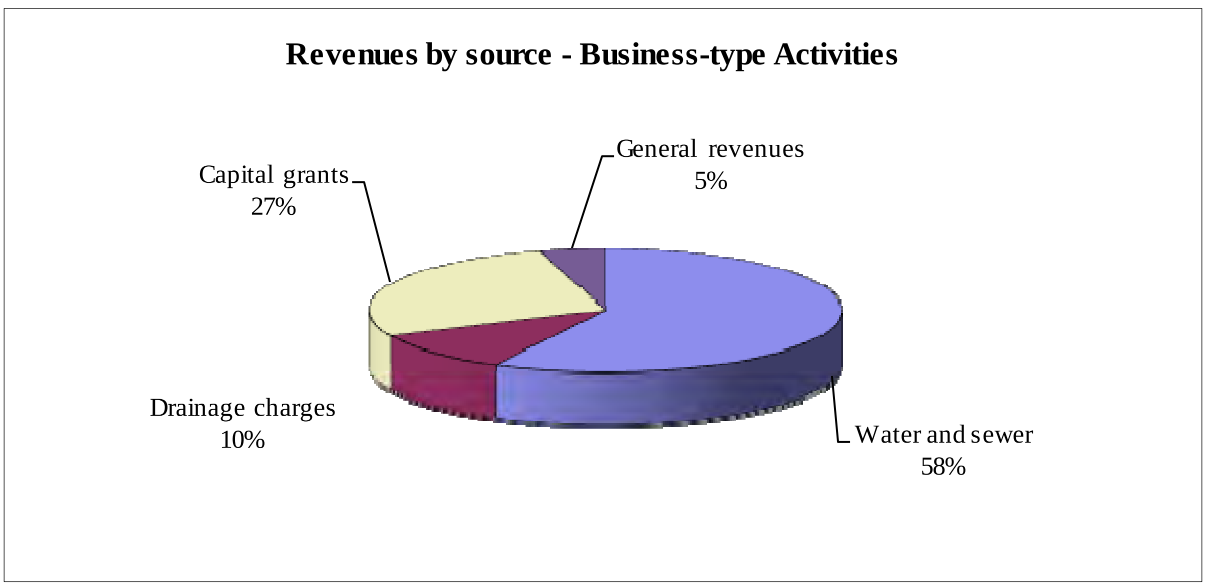


Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on 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 a government's net resources available for spending at the end of the fiscal year.

At year end, the City's governmental funds reported combined ending fund balances of $22,306,107. $4,673,197 (21%) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is nonspendable, restricted and assigned to indicate that it is not available for new spending because it has already been committed for projects and debt service.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $4,673,197. Fund balance of the general fund increased $683,329 compared to a decrease of $1,482,920 in the prior year. Key factors in this increase are as follow:

- Revenues increased $531,032 (5%). General fund sales taxes increased $231,747 due to growth in the local economy. Investment earnings increased $154,794 due to an increase in interest rates. Fines and forfeitures increased $143,752 due to an increase in the amount of citations during the year.

- Expenditures increased $260,175 (3%). Public safety increased $239,863 primarily due pay increases and more positions filled.

- Transfers out decreased $2,077,770 due to a $2,400,000 transfer to the strategic initiative fund for capital outlay in the prior year.

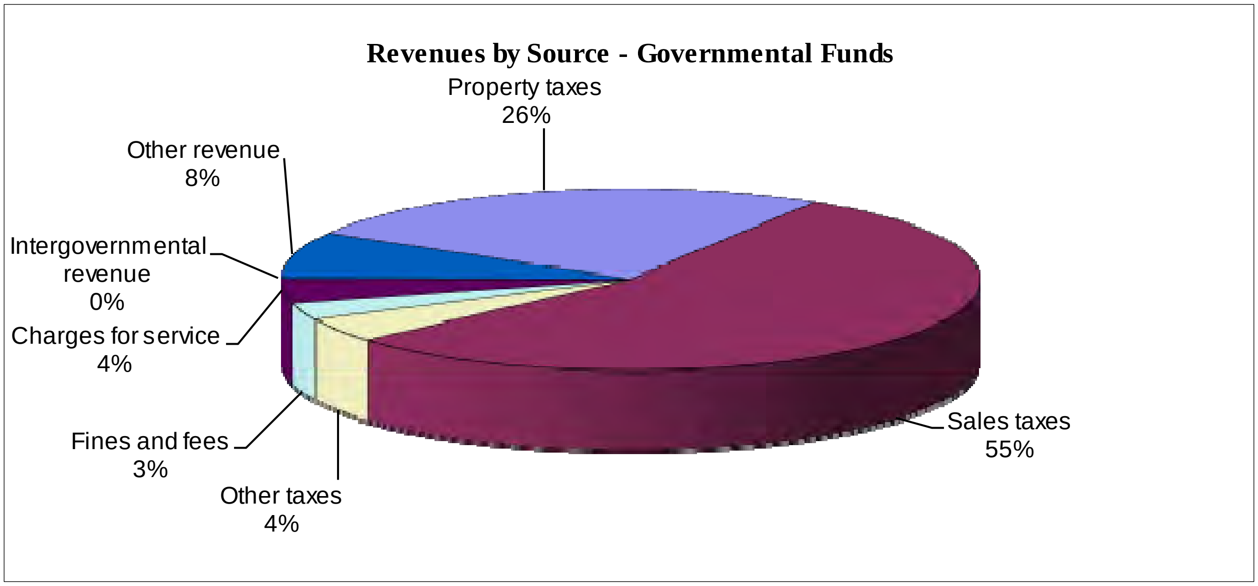
The Crime Control and Prevention District is funded with a .375% sales tax. Sales tax revenue of the Crime Control and Prevention District was $1,953,198 and funded police expenditures of $1,615,320 during the current year. Fund balance at year-end is $1,418,784.

The road and street capital projects fund is funded with a .375% sales tax. Sales tax revenue of the road and street fund was $1,966,246 and funded capital projects of $789,526. Fund balance at year-end is $3,147,735.

The Richland Hills Development Corporation is funded with a .125% sales tax. Sales tax revenue of the Richland Hills Development Corporation fund was $1,310,831 and funded economic development projects of $825,276. Fund balance at year-end is $2,724,913.

The 2023 Series CO's Paving fund received $256,780 in investment earnings and funded capital projects of $298,292. Other financing sources of $5,050,305 was due to the issuance of bonds in the current year. Fund balance at year-end is $5,008,793.

Below are two graphs summarizing governmental fund revenue and expenditures.



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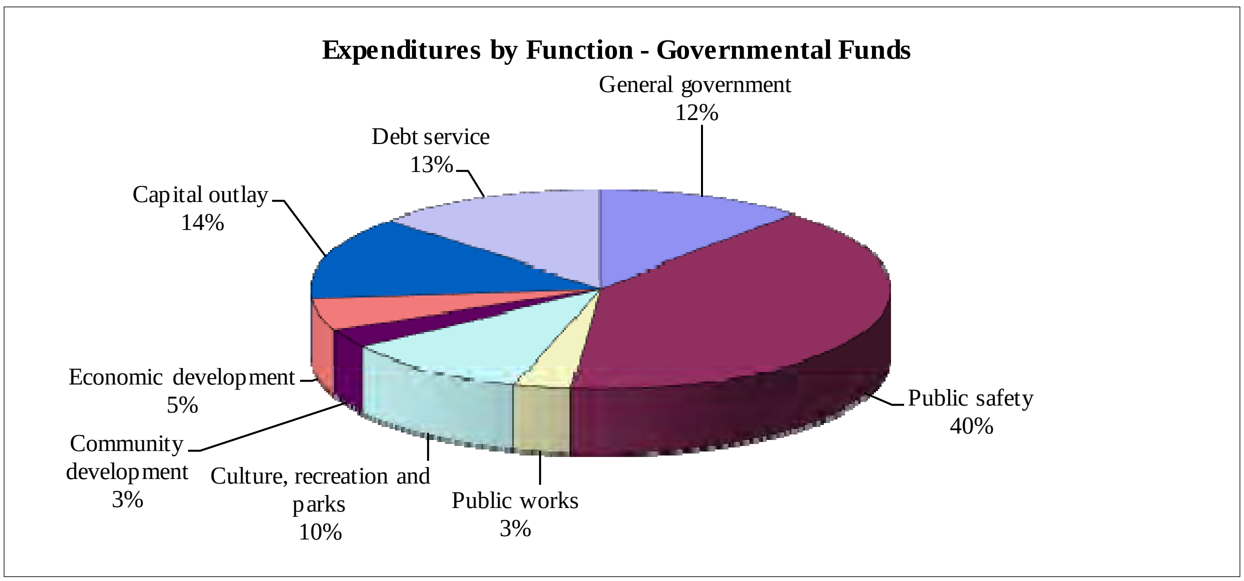

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water and Sewer Fund and Drainage Utility Fund at the end of the year were $5,728,296 and $830,057 respectively. The Water and Sewer Fund and Drainage Utility Fund net position increased $2,637,924 and $294,848 respectively. Factors concerning the finances of these two funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

The City amended its budget during the year. Expenditures were increased $10,000. During the year, actual revenues were $234,408 more than budgeted because sales tax and investment earning exceeded expectations. Actual expenditures were $328,510 less than budgeted.

Capital Assets

The City's investment in capital assets for its governmental and business type activities as of September 30, 2024, amounts to $54,763,668, (net of accumulated depreciation). This investment in capital assets includes land, buildings, water and sewer systems, improvements other than buildings, machinery and equipment, and infrastructure.

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

Governmental Activities:

• 2024 and 2023 street improvements	$2,172,393
• Landscaping and park improvements	388,218
• Animal Shelter parking lot construction and building improvements	445,844
• Richland Crossing street improvements	400,000
• Link Bus	35,985

Business-type activities:

• Water backup power project in progress	$1,364,650
• Water system improvements	1,045,635
• Sewer system improvements	408,980
• Sewer Cameras	88,996

The City of Richland Hills's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Land	$ 830,414	$ 830,414	$ 256,267	$ 256,267	$ 1,086,681	$ 1,086,681
Construction in progress	1,429,384	1,921,171	1,535,481	245,681	2,964,865	2,166,852
Buildings	16,092,388	16,196,641	54,965	37,692	16,147,353	16,234,333
Improvements	2,871,204	2,651,308	5,930,829	5,851,115	8,802,033	8,502,423
Water and sewer systems	-	-	13,723,114	12,953,597	13,723,114	12,953,597
Machinery and equipment	1,489,171	1,819,844	215,468	184,519	1,704,639	2,004,363
Infrastructure	9,048,944	8,240,504	-	-	9,048,944	8,240,504
Leased machinery & equip	1,104,612	1,129,670	181,427	239,095	1,286,039	1,368,765
Total	$ 32,866,117	$ 32,789,552	$ 21,897,551	$ 19,767,966	$ 54,763,668	$ 52,557,518

Additional information on the City's capital assets can be found in note 1.D.6 and note 7 to the financial statements.

Long-Term Debt

At year-end the City had $30,099,214 in long-term debt outstanding. $14,035,000 are general obligation bonds backed by the full faith and credit of the City and $12,790,000 are certificates of obligation secured by a combination of tax and revenue. The City's outstanding tax supported debt is rated "AA" by Standard & Poor's Ratings Services.

City of Richland Hills's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	09/30/2024	09/30/2023	09/30/2024	09/30/2023	09/30/2024	09/30/2023
Certificates of Obligation	$ 8,005,000	$ 3,460,000	$ 4,785,000	$ 3,935,000	$ 12,790,000	$ 7,395,000
General Obligation	12,617,250	13,021,750	1,417,750	1,698,250	14,035,000	14,720,000
Tax Notes	210,000	310,000	-	-	210,000	310,000
Financed purchases	552,919	687,172	1,171,576	1,297,254	1,724,495	1,984,426
Lease financing	1,157,542	1,152,955	182,177	238,101	1,339,719	1,391,056
Total	$ 22,542,711	$ 18,631,877	$ 7,556,503	$ 7,168,605	$ 30,099,214	$ 25,800,482

More detailed information about the City's debt is presented in note 8 to the Financial Statements.

Economic factors and the Next Year's Budgets and Rates

The City's tax year 2024 (the fiscal year 2025) total taxable value, as provided by the Tarrant Appraisal District, is $970,543,410, an increase of 6.7% over the 2023 tax year (the fiscal year 2024) total taxable value, of $909,227,873. The property tax rate in the fiscal year 2025 adopted budget is $0.518879, which is $.00381 (-1%) lower than fiscal year 2024. The maintenance and operations rate of $0.361643 decreased by $.0058 due to higher valuations, and the debt rate is $0.157236, a decrease of $0.003753. The estimated property tax revenue for fiscal year 2025 is $4,350,085, which represents an increase of 2.1% over the budgeted tax revenues for fiscal year 2024 due to an increase in assessed property values in the Tarrant County and Dallas-Fort Worth area.

In the General Fund, total operating revenues for fiscal year 2025 are $10,662,938. The City's largest source of General Fund revenue is sales tax revenue, and it is projected at $5.43 million. This increase of 11.3% over the 2024 budget is primarily due to strong sales performance from the industrial sector of city based businesses. Building permit revenues are projected to decrease by almost $8,000, due to permits for two townhome developments adjacent to Baker Boulevard, a main thoroughfare in the City, having been partially completed in Fiscal Year 2024. Total General Fund expenditures, including transfers, are budgeted at $11,356,638, and this includes a transfer of $812,700 to the Strategic Initiative Fund. This transfer is derived from the sweep of excess unassigned fund balance reserves in the General Fund into the Strategic Initiative Fund to provide funding for one-time projects such as improvements to technology and building improvements.

Water and wastewater revenues for fiscal year 2025 are projected at $5,151,900, which is a 1% increase primarily due to projected water rate and wastewater rate feed projected to take effect in January 2025. The rates will include a pass-through charge to water customers as wholesale water and wastewater rates continue to increase for fiscal year 2024. This will also provide funding to plan for needed improvements to the City's aging infrastructure. Budgeted expenses included transfers of the water and wastewater fund are $5,643,312, which is $491,412 increase over revenues. This drawdown of available cash in the Utility Fund provides funding for FY 2025 budgeted capital for Mimosa Park Water Line replacement, water tank rehabilitation, and the replacement of a mini excavator.

The indicators for Fiscal Year 2025 reflect financial stability and continued recovery from the economic challenges brought on by the COVID-19 pandemic. Projections show modest revenue growth combined with prudent expenditure planning, allowing the City to maintain existing service levels and preserve its infrastructure. This financial outlook is made possible through the ongoing collaboration between the City Council, staff, and our residents. By taking a measured and conservative approach to budgeting, the City is well-positioned to ensure stability and meet future needs while remaining fiscally responsible.

Request for Information

The financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 3200 Diana Drive, Richland Hills, Texas 76118.

BASIC FINANCIAL STATEMENTS

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EXHIBIT A-1

CITY OF RICHLAND HILLS, TEXAS
Statement of Net Position
September 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 12,930,807	$ 3,938,677	$ 16,869,484
Investments	9,132,238	1,072,302	10,204,540
Receivables (Net of allowances for uncollectibles)			
Property tax	75,296	-	75,296
Sales tax	1,524,142	-	1,524,142
Franchise taxes	319,981	-	319,981
Accounts	731,641	774,331	1,505,972
Intergovernmental	-	-	-
Other	23,222	-	23,222
Internal balances	22,041	(22,041)	-
Prepaids	79,313	302	79,615
Supplies inventory - at cost	-	212,347	212,347
Restricted assets:			
Cash and cash equivalents	-	203,959	203,959
Investments	-	1,855,086	1,855,086
Capital assets			
Non-depreciable assets	2,259,797	1,791,748	4,051,545
Depreciable assets, net	30,606,320	20,105,803	50,712,123
Total Assets	57,704,798	29,932,514	87,637,312
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	-	23,297	23,297
Deferred outflows related to pensions	1,878,498	286,391	2,164,889
Deferred outflows related to OPEB	49,404	7,627	57,031
Total deferred Outflows of Resources	1,927,902	317,315	2,245,217
LIABILITIES:			
Accounts payable	997,999	563,031	1,561,030
Accrued liabilities	400,402	44,923	445,325
Unearned Revenue	36,354	-	36,354
Current Liabilities Payable from Restricted Assets:			
Unearned grant revenue	-	293,977	293,977
Interest payable	105,210	31,270	136,480
Customer deposits	-	166,133	166,133
Noncurrent liabilities:			
Due Within One Year	1,540,841	922,903	2,463,744
Due in More Than One Year	26,064,721	7,504,611	33,569,332
Total Liabilities	29,145,527	9,526,848	38,672,375
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	185,313	29,046	214,359
Deferred inflows related to OPEB	76,636	12,012	88,648
Total deferred inflows of Resources	261,949	41,058	303,007
NET POSITION:			
Net investments in Capital Assets	14,647,220	14,123,570	28,770,790
Restricted for			
Public Safety	1,562,888	-	1,562,888
Culture and recreation	229,803	-	229,803
Parks and beautification	67,411	-	67,411
Economic development	3,068,689	-	3,068,689
Debt Service	775,989	-	775,989
Capital projects	4,797,307	-	4,797,307
Unrestricted Net Position	5,075,917	6,558,353	11,634,270
Total Net Position	$ 30,225,224	$ 20,681,923	$ 50,907,147

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

CITY OF RICHLAND HILLS, TEXAS
Statement of Activities
For the Fiscal Year Ended September 30, 2024

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	$ 2,177,264	$ 2,612	$ -	$ -
Public safety	8,273,945	903,481	35,434	-
Public works	1,362,954	-	-	264,036
Culture and recreation	1,800,173	634,688	2,597	-
Parks and beautification	842,582	-	1,284	-
Community development	575,354	340,004	-	-
Economic development	480,885	-	3,910	-
Interest	765,733	-	-	-
Bond issuance costs	135,291	-	-	-
Total governmental activities	16,414,181	1,880,785	43,225	264,036
Business-type activities:				
Water and sewer	5,238,219	5,082,583	-	2,408,398
Drainage utility	623,801	923,652	-	-
Total business-type activities	5,862,020	6,006,235	-	2,408,398
Total primary government	$ 22,276,201	$ 7,887,020	$ 43,225	$ 2,672,434

General Revenues:
Taxes:
Property Taxes, levied for general purposes
Property Taxes, levied for debt service
Proptery Taxes, levied for TIF Zone
Sales Taxes
Franchise Taxes
Hotel Occupancy Taxes
Investment Earnings
Miscellaneous Revenues
Transfers
Total General Revenues and Transfers

CHANGE IN NET POSITION

NET POSITION, OCTOBER 1, 2023

NET POSITION, SEPTEMBER 30, 2024

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

EXHIBIT B-1

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (2,174,652)	$ -	$ (2,174,652)
(7,335,030)	-	(7,335,030)
(1,098,918)	-	(1,098,918)
(1,162,888)	-	(1,162,888)
(841,298)	-	(841,298)
(235,350)	-	(235,350)
(476,975)	-	(476,975)
(765,733)	-	(765,733)
(135,291)	-	(135,291)
(14,226,135)	-	(14,226,135)
-	2,252,762	2,252,762
-	299,851	299,851
-	2,552,613	2,552,613
$ (14,226,135)	$ 2,552,613	$ (11,673,522)
$ 3,174,443	$ -	$ 3,174,443
1,492,340	-	1,492,340
246,871	-	246,871
10,476,231	-	10,476,231
561,375	-	561,375
250,237	-	250,237
856,765	397,465	1,254,230
224,112	-	224,112
17,670	(17,670)	-
17,300,044	379,795	17,679,839
3,073,909	2,932,408	6,006,317
27,151,315	17,749,515	44,900,830
$ 30,225,224	$ 20,681,923	$ 50,907,147

CITY OF RICHLAND HILLS, TEXAS
Balance Sheet
Governmental Funds
September 30, 2024

	General	Crime Control District	Road & Street Capital Projects	Richland Hills Development Corporation
ASSETS:				
Cash and cash equivalents	$ 2,560,045	$ 1,186,402	$ 3,069,821	$ 2,663,162
Investments	1,975,042	-	-	-
Receivables (Net of allowances for uncollectibles)				
Property tax	58,050	-	-	-
Sales tax	762,861	284,493	286,073	190,715
Franchise taxes	319,981	-	-	-
Accounts	731,641	-	-	-
Other	-	-	-	-
Due from other funds	97,246	805	-	-
Prepaids	79,313	-	-	-
Total assets	$ 6,584,179	$ 1,471,700	$ 3,355,894	$ 2,853,877
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 420,659	$ 14,671	$ 208,159	$ 111,054
Accrued liabilities	334,822	37,545	-	8,298
Due to other funds	805	700	-	9,612
Unearned Revenue	-	-	-	-
Total liabilities	756,286	52,916	208,159	128,964
Deferred inflow of resources:				
Deferred revenue	1,075,383	-	-	-
Total deferred revenue	1,075,383	-	-	-
Fund Balances:				
Nonspendable:				
Prepaid items	79,313	-	-	-
Restricted for:				
Public Safety	-	1,418,784		-
Culture and recreation	-	-	-	-
Parks and beautification	-	-	-	-
Economic development	-	-	-	2,724,913
Debt Service	-	-	-	-
Capital projects	-	-	3,147,735	-
Assigned for capital projects	-	-	-	-
Unassigned	4,673,197	-	-	-
Total fund balances	4,752,510	1,418,784	3,147,735	2,724,913
Total liabilities, deferred inflows and fund balances	$ 6,584,179	$ 1,471,700	$ 3,355,894	$ 2,853,877

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

EXHIBIT C-1

2023 Series CO's Paving Capital Projects	Other Governmental Funds	Total Governmental Funds
$ -	$ 3,451,377	$ 12,930,807
5,117,923	2,039,273	9,132,238
-	17,246	75,296
-	-	1,524,142
-	-	319,981
-	-	731,641
-	23,222	23,222
-	11,105	109,156
-	-	79,313
$ 5,117,923	$ 5,542,223	$ 24,925,796
$ 46,678	$ 196,778	$ 997,999
-	19,737	400,402
62,452	13,546	87,115
-	36,354	36,354
109,130	266,415	1,521,870
-	22,436	1,097,819
-	22,436	1,097,819
-	-	79,313
-	144,104	1,562,888
-	229,803	229,803
-	67,411	67,411
-	343,776	3,068,689
-	758,744	758,744
5,008,793	1,703,844	9,860,372
-	2,005,690	2,005,690
-	-	4,673,197
5,008,793	5,253,372	22,306,107
$ 5,117,923	$ 5,542,223	$ 24,925,796

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

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EXHIBIT C-2

CITY OF RICHLAND HILLS, TEXAS
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
September 30, 2024

Total Fund Balances - Governmental Funds	$ 22,306,107
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. The cost of these assets was $66,527,774 and the accumulated depreciation and amortization was $33,661,657	32,866,117
Long-term liabilities, including $21,571,501 bonds payable, tax notes and premiums, $552,919 financed purchases $1,157,542 lease financing, and $515,400 compensated absences payable are not due and payable in the current period, and, therefore are not reported as liabilities in the fund financial statements.	(23,797,362)
Interest payable is not expected to be liquidated with available financial resources and is not reported as a liability in the fund financial statements.	(105,210)
Current receivables are not available soon enough to pay for the current period's expenditures and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	1,097,819
Included in the items related to noncurrent liabilities is the recognition of the City's net pension asset required by GASB 68 in the amount of $3,518,447, a deferred resource inflow related to pensions of $185,313, and a deferred resource outflow related to pensions in the amount of $1,878,498. This amounts to a decrease in net position.	(1,825,262)
Included in the items related to noncurrent liabilities is the recognition of the City's OPEB liability required by GASB 75 in the amount of $289,753 and a deferred resource inflow related to OPEB in the amount of $76,636, and a deferred resource outflow related to OPEB in the amount of $49,404. This is a decrease in net position.	(316,985)
Net Position of Governmental Activities	$ 30,225,224

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

CITY OF RICHLAND HILLS, TEXAS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended September 30, 2024

	General	Crime Control District	Road & Street Capital Projects	Richland Hills Development Corporation
REVENUES				
Taxes:				
Property	$ 3,172,794	$ -	$ -	$ -
Sales	5,132,746	1,953,198	1,966,246	1,310,831
Franchise	574,273	-	-	-
Hotel occupancy tax	-	-	-	-
Fines and forfeitures	545,113	-	-	-
Licenses and permits	286,297	-	-	-
Charges for service	200,771	-	-	-
Intergovernmental revenue	1	8,610	-	-
Investment earnings	373,011	49,633	-	90,659
Other revenue	280,635	-	-	-
Total revenues	10,565,641	2,011,441	1,966,246	1,401,490
EXPENDITURES				
Current				
General government	1,877,830	-	-	-
Public safety	5,433,142	1,518,462	-	-
Public works	235,367	-	304,539	-
Culture and recreation	741,901	-	-	-
Parks and beautification	293,444	-	-	-
Community development	545,492	-	-	-
Economic development	-	-	-	349,933
Capital outlay	17,631	41,611	484,987	244,480
Debt service:				
Principal	21,301	35,752	-	145,000
Interest and fiscal agent charges	7,671	19,495	-	85,863
Bond issuance costs	-	-	-	-
Total expenditures	9,173,779	1,615,320	789,526	825,276
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,391,862	396,121	1,176,720	576,214
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	5,860	-	-	-
Lease financing	-	-	-	-
Issuance of Bonds	-	-	-	-
Bond premiums	-	-	-	-
Transfers in	2,500	-	-	-
Transfers out	(716,893)	(192,828)	-	(53,046)
Total other financing sources (uses)	(708,533)	(192,828)	-	(53,046.00)
NET CHANGE IN FUND BALANCES	683,329	203,293	1,176,720	523,168
FUND BALANCE, OCTOBER 1, 2023	4,069,181	1,215,491	1,971,015	2,201,745
FUND BALANCE, SEPTEMBER 30, 2024	$ 4,752,510	$ 1,418,784	$ 3,147,735	$ 2,724,913

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

EXHIBIT C-3

2023 Series CO's Paving Capital Projects	Other Governmental Funds	Total Governmental Funds
$ -	$ 1,735,177	$ 4,907,971
-	113,210	10,476,231
-	-	574,273
-	250,237	250,237
-	24,517	569,630
-	-	286,297
-	634,505	835,276
-	6,693	15,304
256,780	86,682	856,765
-	136,811	417,446
256,780	2,987,832	19,189,430
-	129,900	2,007,730
-	15,757	6,967,361
-	14,890	554,796
-	780,478	1,522,379
-	1,900	295,344
-	-	545,492
-	528,643	878,576
163,001	1,401,672	2,353,382
-	1,086,420	1,288,473
-	725,873	838,902
135,291	-	135,291
298,292	4,685,533	17,387,726
(41,512)	(1,697,701)	1,801,704
-	35,428	41,288
-	304,308	304,308
4,895,000	-	4,895,000
155,305	-	155,305
-	977,937	980,437
-	-	(962,767)
5,050,305	1,317,673	5,413,571
5,008,793	(380,028)	7,215,275
-	5,633,400	15,090,832
$ 5,008,793	$ 5,253,372	$ 22,306,107

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

CITY OF RICHLAND HILLS, TEXAS
Reconciliation of Statement of Revenues,
Expenditures and Changes is Fund Balances of
The Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2024

Total Net Change in Fund Balances - Governmental Funds	$ 7,215,275
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including $2,530,017 of capital outlays and $1,288,473 of debt principal payments is to increase net position.	3,818,490
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, disposals and transfers between activities) is to decrease net assets.	(71,539)
Depreciation and amortization is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net assets.	(2,381,913)
Current year financed purchases and lease financing are other financing sources in the fund financial statements. The net effect of the increase in financed purchases and lease financing liabilities is a decrease in net position.	(304,308)
Current year issuance of Tax and Revenue Certificates of Obligation are other financing sources in the fund financial statemetns. The effect of the $5,050,305 increase in bonded debt payable is a decrease in net position.	(5,050,305)
Interest payable and compensated absences are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The $19,730 increase in interest payable and $87,079 increase in compensated absences payable, and the $92,899 amortization of deferred charges, premiums and discounts increase net position.	(13,910)
Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds.	16,954
GASB requires the City to recognize its net pension liability and deferred resource outflow and inflows related to pensions. The changes in these balances increased net position.	(148,227)
GASB requires the City to recognize its OPEB liability and deferred resource outflow and inflows related to OPEBs. The changes in these balances decreased net position.	(6,608)
Change in Net Position of Governmental Activities	$ 3,073,909

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

EXHIBIT D-1

CITY OF RICHLAND HILLS, TEXAS
Statement of Net Position
Proprietary Funds
September 30, 2024

	Water and Sewer Fund	Drainage Utility Fund	Totals
ASSETS:			
Current Assets:			
Cash and cash equivalents	$ 3,229,086	$ 709,591	$ 3,938,677
Investments	946,516	125,786	1,072,302
Receivables (Net of allowance for uncollectibles):			
Accounts	682,393	91,938	774,331
Prepaids	302	-	302
Supplies inventory	212,347	-	212,347
Restricted Assets:			
Cash and cash equivalents	203,959	-	203,959
Investments	1,855,086	-	1,855,086
Total current assets	7,129,689	927,315	8,057,004
Noncurrent Assets:			
Capital assets			
Non-depreciable assets	1,742,748	49,000	1,791,748
Depreciable assets, net	14,191,569	5,914,234	20,105,803
Total capital assets	15,934,317	5,963,234	21,897,551
Total noncurrent assets	15,934,317	5,963,234	21,897,551
Total assets	$ 23,064,006	$ 6,890,549	$ 29,954,555
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	3,154	20,143	23,297
Deferred outflows related to pensions	248,950	37,441	286,391
Deferred outflows related to OPEB	6,587	1,040	7,627
Total deferred outflows of resources	258,691	58,624	317,315
LIABILITIES:			
Current Liabilities:			
Accounts payable	$ 549,255	$ 13,776	$ 563,031
Accrued liabilities	38,394	6,529	44,923
Due to other funds	11,525	10,516	22,041
Current Liabilities Payable from Restricted Assets:			
Current portion of noncurrent liabilities	515,626	407,277	922,903
Unearned grant revenue	293,977	-	293,977
Interest payable	21,090	10,180	31,270
Customer deposits payable	166,133	-	166,133
Total current liabilities	1,596,000	448,278	2,044,278
Noncurrent Liabilities:			
Compensated absences payable	23,958	2,721	26,679
Net Pension liability	472,516	78,956	551,472
OPEB liability	37,017	6,184	43,201
Financed purchases	1,041,637	-	1,041,637
Lease financing	122,392	-	122,392
Bonds payable	2,939,002	2,780,228	5,719,230
Total noncurrent liabilities	4,636,522	2,868,089	7,504,611
Total liabilities	6,232,522	3,316,367	9,548,889
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows related to pensions	24,887	4,159	29,046
Deferred Inflows related to OPEB	10,292	1,720	12,012
Total deferred outflows of resources	35,179	5,879	41,058
NET POSITION:			
Net Investment in capital assets	11,326,700	2,796,870	14,123,570
Unrestricted	5,728,296	830,057	6,558,353
Total net assets	$ 17,054,996	$ 3,626,927	$ 20,681,923

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

EXHIBIT D-2

CITY OF RICHLAND HILLS, TEXAS
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2024

	Water and Sewer Fund	Drainage Utility Fund	Totals
OPERATING REVENUES			
Charges for sales and services:			
Water sales	$ 2,547,664	$ -	$ 2,547,664
Sewer charges	1,836,094	-	1,836,094
Infrastructure improvement fees	-	923,652	923,652
Garbage charges	543,367		543,367
Late payment fee	75,997	-	75,997
Miscellaneous fees and charges	79,461	-	79,461
Total operating revenue	5,082,583	923,652	6,006,235
OPERATING EXPENSES			
Personnel	1,027,344	153,576	1,180,920
Contractual services	209,662	20,997	230,659
Maintenance and repairs	346,726	140,645	487,371
Water purchase	438,939	-	438,939
Sewage treatment	1,185,462	-	1,185,462
Garbage service	554,848	-	554,848
Other supplies and expenses	472,372	7,577	479,949
Depreciation	799,318	220,162	1,019,480
Total operating expenses	5,034,671	542,957	5,577,628
Operating income (loss)	47,912	380,695	428,607
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	390,948	6,517	397,465
Interest expense and fiscal agent charges	(167,367)	(80,844)	(248,211)
Bond issuance costs	(36,181)	-	(36,181)
Total nonoperating revenues (expenses)	187,400	(74,327)	113,073
Income (loss) before contributions and transfers	235,312	306,368	541,680
Capital contributions and transfers			
Capital grant	2,408,398	-	2,408,398
Transfers out	(5,786)	(11,884)	(17,670)
CHANGE IN NET POSITION	2,637,924	294,484	2,932,408
NET POSITION, OCTOBER 1, 2023	14,417,072	3,332,443	17,749,515
NET POSITION, SEPTEMBER 30, 2024	$ 17,054,996	$ 3,626,927	$ 20,681,923

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

EXHIBIT D-3

CITY OF RICHLAND HILLS, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2024

	Water and Sewer Fund	Drainage Utility Fund	Totals
Cash flows from operating activities:			
Cash received from customers	$ 5,161,075	$ 904,238	$ 6,065,313
Cash paid to suppliers	(3,152,898)	(212,629)	(3,365,527)
Cash paid to employees	(1,019,547)	(135,159)	(1,154,706)
Net cash provided by operating activities	988,630	556,450	1,545,080
Cash flow from noncapital financing activities:			
Increase (decrease) in due to other funds	11,525	10,516	22,041
Transfers in/(out)	(5,786)	(11,884)	(17,670)
Net cash provided (used) by noncapital financing activities	5,739	(1,368)	4,371
Cash flow from capital and related financing activities:			
Proceeds from bond	1,258,567	-	1,258,567
Principal payments on long-term debt	(482,102)	(385,000)	(867,102)
Capital outlay	(1,973,084)	(93,991)	(2,067,075)
Capital grant	15,000	-	15,000
Interest and fiscal agent charges	(174,512)	(89,790)	(264,302)
Net cash (used) by capital and related financing activities	(1,356,131)	(568,781)	(1,924,912)
Cash flow from investing activities:			
Interest received	390,948	6,517	397,465
Sale of investments	1,233,577	-	1,233,577
Purchase of investments	(1,445,463)	(6,517)	(1,451,980)
Net cash provided by investing activities	179,062	-	179,062
Net increase (decrease) in cash and cash equivalents	(182,700)	(13,699)	(196,399)
Cash and cash equivalents, October 1, 2023	3,615,745	723,290	4,339,035
Cash and cash equivalents, September 30, 2024	$ 3,433,045	$ 709,591	$ 4,142,636
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	$ 47,912	$ 380,695	$ 428,607
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	799,318	220,162	1,019,480
(Increase) decrease in accounts receivable	68,779	(19,414)	49,365
(Increase) decrease in prepaids	(97)	-	(97)
(Increase) decrease in supplies inventory	9,413	-	9,413
Increase (decrease) in accounts payable	45,795	(43,410)	2,385
Increase (decrease) in accrued liabilities	2,202	2,074	4,276
Increase (decrease) in compensated absences	4,216	701	4,917
Increase (decrease) in net pension balances	2,685	14,731	17,416
Increase (decrease) in OPEB Balances	(1,306)	911	(395)
Increase (decrease) in customer meter deposits	9,713	-	9,713
Total adjustments	940,718	175,755	1,116,473
Net cash provided by operating activities	$ 988,630	$ 556,450	$ 1,545,080
Noncash investing, capital and financing activities			
Public infrastructure contributed by developers and grant	$ 1,081,987	$ -	$ 1,081,987
Total noncash investing, capital and financing activities	$ 1,081,987	$ -	$ 1,081,987

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

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Richland Hills is a municipal corporation governed by an elected mayor and six-member council. The financial statements of the City of Richland Hills, Texas ("City") include all governmental activities, organizations, and functions for which the City exercises significant oversight responsibility. The criteria considered in determining governmental activities to be reported within the City's financial statements included: the City's accountability for the entity's fiscal matters; the scope of public service of the entity; and the nature of any special financing relationships which may exist between the City and a given governmental entity. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The City has two blended component units. Separate financial information for each can be obtained from the City.

Blended Component Units.

The Richland Hills Development Corporation (a nonprofit development corporation formed under the Development corporation act of 1979, Texas Rev Civil Statute) was incorporated June 28, 1996. The corporation serves all citizens of the City and is governed by a board of seven directors appointed by the City Council. Four of the directors are council member directors and three are citizen member directors. The purpose of the Corporation is to promote infrastructure improvements, parks and park facilities and economic development within the City and the State of Texas in order to eliminate unemployment and underemployment and to promote and encourage employment and the public welfare of, for and on behalf of the City by developing, implementing, providing, and financing projects. Operation of the Corporation is funded by .125 percent sales tax approved by the voters. The sales tax was increased to .25 percent effective April 2019. The corporation is reported as a Special Revenue Fund.

November 8, 2005, citizens of the City of Richland Hills voted to create the Richland Hills Crime Control and Prevention District (the "District") dedicated to crime reduction programs. The City Council serves as the board of directors for the District. Operation of the District is funded by .375 percent sales tax approved by the voters. The District is reported as a Special Revenue Fund.

B. Government-wide and Fund 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 activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds and individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are 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. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures generally are recorded when the related fund liability is incurred, however, debt service expenditures and expenditures related to compensated absences and claims and judgments, are recognized when payment is due.

Property, sales, and franchise taxes, 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. All other revenue items are considered to be measurable and available only when the government receives payment.

The accounts of the City are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The City reports the following major governmental fund:

The ***General Fund*** is the government's primary operating fund. It accounts for all resources used to finance basic operations of the City and covers all activities for which a separate fund has not been established.

The ***Crime Control District*** special revenue fund is a blended component unit that accounts for the proceeds of a .375 percent sales tax and crime reduction programs.

The ***Road and Street*** capital projects fund is used to account for sales tax restricted to road and street improvements.

The ***Richland Hills Development Corporation*** fund is used to account for sales tax restricted to for the Richland Hills Development Corporation.

The ***2023 Series CO's Paving*** fund is used to account for certificate of obligation bonds used for capital projects.

The City reports the following major proprietary funds:

The ***Water and Sewer Fund*** is used to account for the operation of the water and sewage systems for the City.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The ***Drainage Utility Fund*** is used to account for the construction and maintenance of the drainage system for the City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges and transfers between the governmental activities and the business-type activities.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund and drainage utility fund are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

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

1. *Cash, Cash Equivalents and Investments*

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments that are highly liquid with maturity within three months or less when purchased. Assets reported as cash and cash equivalents are considered cash and cash equivalents for the statement of cash flows.

2. *Receivables and Payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

3. Property Tax

Ad valorem property taxes are levied each October 1 from valuations assessed as of the prior January 1 and are recognized as revenue beginning on the date of levy, October 1, when they become available. "Available" means collected within the current period or expected to be collected soon thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year ending are recorded as deferred revenue and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as deferred revenue and recognized as revenue of the period to which they apply. Taxes are due on October 1 immediately following the levy date and are delinquent after the following January 31. Tax liens are automatic on January 1 each year.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. *Inventory*

The inventory of supplies held by the Enterprise Funds is valued at cost using the first-in-first-out ("FIFO") method.

5. *Prepaids*

Payments made to vendors for services that will benefit periods beyond September 30 are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid expenses in the governmental funds are accounted for using the purchases method.

6. *Capital Assets*

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the applicable governmental activities or business-type activities columns in the government-wide financial statements and in the proprietary funds financial statements. The City defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

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

Property, plant and equipment of the primary government and proprietary funds are depreciated using the straight-line method over the following estimated useful lives.

Building and improvements	20 - 40 years
Office equipment	5 - 20 years
Autos and trucks	4 - 5 years
Equipment	3 - 20 years
Waterworks and sewer system	5 - 40 years
Infrastructure	20 – 40 years

The City has reported infrastructure capital assets acquired prior to the implementation of GASB Statement No. 34 at estimated historical cost.

7. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory time, and sick pay benefits. Sick pay benefits are not paid upon separation therefore no liability is reported for unpaid accumulated sick leave. Vacation and compensatory time are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. *Long-term Obligations*

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net assets. 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. Bond issuance costs are expensed as incurred.

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

9. *Pensions*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported by 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.

10. *Fund Balance – Governmental Funds*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable: This classifications includes amounts that cannot be spent because they are either not spendable in form (such as prepaids or inventory) or are legally or contractually required to be maintained intact (such as endowment funds).

Restricted: This classification includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed: This classification includes amounts constrained to specific purposes by a government itself, using its highest decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint (City Council ordinance).

Assigned: This classification includes amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. The City Council has delegated the authority to assign fund balance to the City Manager by resolution.

Unassigned – All amounts not included in other classifications. The general fund is the only fund that will report a positive unassigned fund balance. However, in governmental funds other than the general fund, if

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted fund balance to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been first spent out of committed funds, then assigned, and finally unassigned as needed.

11. *Net Position*

Net position represents the difference between assets and liabilities. Net position net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed its use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The following is a reconciliation of restricted fund balance reported in the governmental fund financial statements to restricted net position of the governmental activities reported in the government-wide financial statements.

Restricted fund balance (Exhibit C-1)	$ 15,547,907
Adjustments	
Deferred property tax revenue restricted for debt service	17,245
Unspect bond funds added to net investments in capital assets	(5,063,065)
Total adjustments	(5,045,820)
Restricted net position (Exhibit A-1)	$ 10,502,087

12. *Use of Estimates*

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual amounts could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

Substantially all operating cash and investments are maintained in consolidated cash and investment accounts. Investment income relating to consolidated investments is allocated to the individual funds monthly based on the funds' pro-rata share of total cash and investments.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the City to adopt, implement and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation references for certificates of deposit. Statutes authorize the City to invest in (1) obligations of the U. S. Treasury, certain U. S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) Mutual Funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the City to have independent auditors perform test procedures related to investment practices as provided by the Act. The City is in substantial compliance with the requirements of the Act and with local policies.

Investment Pools

The City invests idle funds in the Texas Local Government Investment Pool (TexPool) and TexSTAR investment pool. These pools are local government investment pool organized under the authority of the Interlocal Cooperation Act Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. All investments of the Pools are stated at amortized cost, which in most cases approximates the fair value of the securities. The objective of the Pools is to maintain a stable $1.00 net asset value; however, the $1.00 net asset value is not guaranteed or insured by the State of Texas. There are no limitations or restrictions on participant withdrawals from these pools.

The State Comptroller of Public Accounts exercises oversight responsibilities 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. As a requirement to maintain its rating, weekly portfolio information must be submitted to Standards and Poors, as well as the office of the Comptroller of Public Accounts for review.

TexSTAR has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. An advisory board composed of participants in TexSTAR and other persons who do not have a business relationship with TexSTAR has been established and maintained.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City's funds are required to be deposited and invested under the terms of a depository contract. The City's deposits are required to be collateralized with securities held by the pledging institution's trust department or agent in the City's name. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") Insurance. At September 30, 2024, the City's deposits were covered by FDIC Insurance or collateralized with securities held by the bank's agent in the City's name.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

Credit Risk– Investments

The City controls credit risk by limiting its investments to those instruments allowed by the State Public Funds Investment Act described above.

Interest Rate Risk – Investments

The City manages interest rate risk by structuring its portfolio so that it will experience minimal volatility during economic cycles. This is accomplished by purchasing high quality, short to medium term securities which will complement each other. The dollar weighted average maturity of 365 days or less will be calculated using the stated final maturity date of each security.

The City's investments at September 30, 2024, included the following:

Investment	Credit Rating	Maturities	Percentage of Total Investments	Cost	Fair Value
Tex-Pool	AAAm	31 days	27.67%	$ 3,288,131	$ 3,288,131
TexSTAR Pool	AAAm	30 days	72.33%	$ 8,594,426	$ 8,594,426
				$ 11,882,557	$ 11,882,557

Reconciliation to financial statements	
Investments from Exhibit A-1	$ 12,059,626
Less: Certificates of Deposit	(177,069)
	$ 11,882,557

NOTE 3: RESTRICTED ASSETS

Certain proceeds of the City's enterprise fund bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond ordinances and other legal restrictions. Enterprise Funds restricted assets are held for the following purposes in accordance with bond ordinances or other legal restrictions:

Cash and cash equivalents	
Customer Deposits	$ 203,959
Total restricted cash and cash equivalents	203,959
Investments	
Construction funds	1,855,086
Total restricted assets	$ 2,263,004

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 4: RECEIVABLES

All accounts and property tax receivables are shown net of an allowance for uncollectibles. Water and sewer fund and drainage utility fund accounts receivable in excess of 60 days comprise the trade accounts receivable allowance for uncollectible accounts of $965,834. The property tax receivable allowance of $87,076 and $25,868 for the general fund and debt service fund respectively, and is equal to 60% of outstanding delinquent property taxes at September 30. The fines and fees receivable in the general fund is reported net of an allowance of $1,610,688 which is 75% of the adjusted receivable. The EMS charges receivable in the general fund is reported net of an allowance of $143,015 which is accounts outstanding in excess of 60 days. These allowances are based upon historical experience. Receivables as of year-end for the City's major and nonmajor funds, including the applicable allowances for uncollectible accounts are as follows:

	General	Crime Control District	Enterprise Funds	Other Governmental Funds	Total
Receivables:					
Property tax	$ 145,126	$ -	$ -	$ 43,114	$ 188,240
Sales tax	762,861	284,493	-	476,788	1,524,142
Franchise taxes	319,381	-	-	-	319,381
Accounts	2,485,943	-	1,293,554	-	3,779,497
Earned and Unbilled Services	-	-	446,611	-	446,611
Other	-	-	-	23,222	23,222
Gross Receivables	3,713,311	284,493	1,740,165	543,124	6,281,093
Less: Allowance for Uncollectibles	(1,840,778)	-	(965,834)	(25,868)	(2,832,480)
Net Total Receivables	$ 1,872,533	$ 284,493	$ 774,331	$ 517,256	$ 3,448,613

NOTE 5: 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 assets that applies to a future period(s) and this, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has three items that qualify in this category, deferred loss on refunding, deferred outflows related to pensions and deferred outflows related to OPEB reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. The 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 and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as in inflow of resource (revenue) until that time. The city has three types of items in this category, unavailable revenues for governmental funds and deferred inflows related to pensions and deferred inflows related to OPEB in the government-wide statement of net position and proprietary funds statements.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 5: DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	General	Nonmajor	Total Governmental Funds
Deferred property taxes receivable	$ 58,051	17,245	$ 75,296
Deferred franchise tax receivable	300,048	-	300,048
Deferred fines and fees receivable	536,895	-	536,895
Deferred EMS charges receivable	171,225	-	171,225
Deferred miscellaneous receivable	9,164	5,191	14,355
Total deferred inflows of resources for governmental funds	$ 1,075,383	$ 22,436	$ 1,097,819

NOTE 6: INTERFUND RECEIVABLE, PAYABLES AND TRANSFERS

The composition of interfund balances for the City's individual major funds and nonmajor funds at September 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amount	Purpose
General	Link Activity Center	$ 4,920	Expenses
General	Drainage Utility	10,516	Expenses
General	2023 Series CO's - Paving	62,451	Capital Projects
General	Crime Control	700	Expenses
General	Strategic Initiative	6,392	Expenses
General	Special Events	1,041	Expenses
General	Vehicle Replacement	1,193	Vehicle Replacement
Capital Project	Richland Hills Development Corp	9,612	Expenses
Crime Control	General	805	Expenses
General	Utility	10,032	Expenses
Contributions and Donations	Utility	1,494	Expenses
Total Governmental Funds		$ 109,156	

The composition of interfund transfers for the City's individual major funds and nonmajor funds at September 30, 2024, is as follows:

Transfer In	Transfer Out	Amount	Purpose
Other Governmental Funds	General Fund	$ 443,631	Capital Projects, Water & Sewer, & Drainage Utility
Other Governmental Funds	General Fund	200,000	Link Funding
Other Governmental Funds	General Fund	25,000	Capital Projects
General Fund	Other Governmental Funds	2,500	Prior year expenses
Other Governmental Funds	General Fund	256,260	Capital Projects
Other Governmental Funds	Other Governmental Funds	53,046	Economic Development
Total Governmental Funds Transfers In		$ 980,437	

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 7: CAPITAL ASSETS

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

Governmental activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Non - Depreciable Assets:				
Land	$ 830,414	$ -	$ -	$ 830,414
Construction in Progress	1,921,171	1,022,292	(1,514,079)	1,429,384
Total non-depreciable assets	2,751,585	1,022,292	(1,514,079)	2,259,798
Depreciable Assets:				
Buildings	19,809,916	355,566	-	20,165,482
Improvements other than buildings	6,477,921	756,225	-	7,234,146
Machinery and equipment	6,105,249	53,616	(99,653)	6,059,212
Infrastructure	27,747,230	1,552,089	-	29,299,319
Intangible right-to-use lease - equipment	1,313,428	304,308	(107,919)	1,509,817
Total capital assets being depreciated and amortized	61,453,744	3,021,804	(207,572)	64,267,976
Accumulated Depreciation and Amortization:				
Buildings	(3,613,275)	(459,819)	-	(4,073,094)
Improvements other than buildings	(3,826,613)	(536,329)	-	(4,362,942)
Machinery and equipment	(4,285,405)	(384,289)	99,653	(4,570,041)
Infrastructure	(19,506,726)	(743,649)	-	(20,250,375)
Intangible right-to-use lease - equipment	(183,758)	(257,827)	36,380	(405,205)
Total accumulated depreciation and amortization	(31,415,777)	(2,381,913)	136,033	(33,661,657)
Governmental activities capital assets, net	$ 32,789,552	$ 1,662,183	$ (1,585,618)	$ 32,866,117

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 7: CAPITAL ASSETS - (Continued)

Business-type activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Non - Depreciable Assets:				
Land	$ 256,267	$ -	$ -	$ 256,267
Construction in Progress	245,681	1,458,641	(168,841)	1,535,481
Total non-depreciable assets	501,948	1,458,641	(168,841)	1,791,748
Depreciable Assets:				
Buildings	221,137	21,810	-	242,947
Improvements other than buildings	7,847,489	293,841	-	8,141,330
Water and sewer systems	24,674,505	1,454,615	-	26,129,120
Machinery and equipment	947,851	88,996	-	1,036,847
Intangible right-to-use lease - equipment	292,591	-	-	292,591
Total capital assets being depreciated and amortized	33,983,573	1,859,262	-	35,842,835
Accumulated Depreciation:				
Buildings	(183,445)	(4,537)	-	(187,982)
Improvements other than buildings	(1,996,375)	(214,126)	-	(2,210,501)
Water and sewer systems	(11,720,906)	(685,100)	-	(12,406,006)
Machinery and equipment	(763,330)	(58,049)	-	(821,379)
Intangible right-to-use lease - equipment	(53,496)	(57,668)	-	(111,164)
Total accumulated depreciation	(14,717,552)	(1,019,480)	-	(15,737,032)
Business-type activities capital assets, net	$ 19,767,969	$ 2,298,423	$ (168,841)	$ 21,897,551

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 45,115
Public safety	757,446
Public works	782,863
Culture and recreation	249,936
Parks and beautification	534,018
Community development	12,535
Total depreciation expense - governmental activities	$ 2,381,913
Business-type activities:	
Water and sewer	$ 799,318
Drainage Utility	220,162
Total depreciation expense - business-type activities	$ 1,019,480

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES

A. Bonds Payable

Governmental Activities

The City has issued certificates of obligation, general obligation bonds and tax notes for the construction of large capital projects. The General Obligation Bonds Series 2017 are split between the governmental activities and business-type activities 15 and 85 percent. Bonds outstanding are as follows:

	Interest Rate	Maturity	Original Issue	Amount Outstanding
Governmental activities:				
Certificates of obligation				
2016 Tax and Revenue	2.00 - 3.13%	8/15/2036	$ 4,705,000	$ 3,250,000
2023 Tax and Revenue	4.00% - 5.00%	8/14/2041	$ 4,895,000	$ 4,755,000
Total certificates of obligation			9,600,000	8,005,000
General obligation bonds				
2016 General Obligation	2.00% - 3.38%	8/15/2046	8,770,000	7,645,000
2019 General Obligation	2.25% - 4.00%	8/15/2039	5,660,000	4,910,000
Direct placement				
2017 General Obligation Refunding	1.84%	8/15/2027	228,750	62,250
Total general obligation bonds			14,658,750	12,617,250
Tax Notes				
2019 Tax Notes	3.00% - 4.00%	8/15/2026	680,000	210,000
Total contractual obligation bonds			680,000	210,000
Total governmental activities			$ 24,938,750	$ 20,832,250

The annual debt service requirements to maturity for the governmental activities bonds outstanding as of September 30, 2024, are as follows:

	Governmental Activities					
	Certificates of Obligation			Tax Notes		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 370,000	$ 326,675	$ 696,675	$ 100,000	$ 8,400	$ 108,400
2026	395,000	308,175	703,175	110,000	4,400	114,400
2027	420,000	288,425	708,425	-	-	-
2028	430,000	269,825	699,825	-	-	-
2029	450,000	250,775	700,775	-	-	-
2030-2034	2,570,000	946,325	3,516,325	-	-	-
2035-2039	2,035,000	475,331	2,510,331			-
2040-2044	1,335,000	140,063	1,475,063	-	-	-
Total	$ 8,005,000	$ 3,005,594	$ 11,010,594	$ 210,000	$ 12,800	$ 222,800

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES (Continued)

	Governmental Activities						
	General Obligation Bonds			General Obligation Bonds - Direct Placement			
	Principal	Interest	Total	Principal	Interest	Total	Total
2025	$ 405,000	$ 408,881	$ 813,881	$ 20,250	$ 1,146	$ 21,396	$ 835,277
2026	420,000	390,331	810,331	21,000	773	21,773	832,104
2027	550,000	373,531	923,531	21,000	386	21,386	944,917
2028	560,000	351,531	911,531	-	-	-	911,531
2029	585,000	329,131	914,131	-	-	-	914,131
2030-2034	3,255,000	1,302,406	4,557,406	-	-	-	4,557,406
2035-2039	3,730,000	823,363	4,553,363	-	-	-	4,553,363
2040-2044	2,105,000	377,325	2,482,325	-	-	-	2,482,325
2045-2049	945,000	48,095	993,095	-	-	-	993,095
Total	$ 12,555,000	$ 4,404,594	$ 16,959,594	$ 62,250	$ 2,305	$ 64,555	$ 17,024,149

Business-type Activities

The City’s enterprise funds also issue certificates of obligation for the construction of large capital projects. Bonds outstanding are as follows:

	Interest Rate	Maturity	Original Issue	Amount Outstanding
Business-type activities				
Certificates of obligation				
2013 Tax and Revenue	3.00% - 4.50%	8/15/2033	5,370,000	3,110,000
2023 Tax and Revenue	4.00% - 5.00%	8/15/2041	1,255,000	1,210,000
Direct placement				
2015 Tax and Revenue	2.56%	8/15/2030	1,030,000	465,000
Total certificates of obligation			7,655,000	4,785,000
General obligation bonds				
Direct placement				
2017 General Obligation Refunding	1.84%	8/15/2027	1,296,250	352,750
2020 General Obligation Refunding	1.21%	8/15/2030	1,730,000	1,065,000
Total general obligation bonds			3,026,250	1,417,750
Total business-type activities			$ 10,681,250	$ 6,202,750

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES (Continued)

The annual debt service requirements to maturity for the business-type activities bonds outstanding as of September 30, 2024, are as follows:

	Business-type Activities						
	Certificates of Obligation			Certificates of Obligation - Direct Placement			
	Principal	Interest	Total	Principal	Interest	Total	Total
2025	$ 340,000	$ 165,925	$ 505,925	$ 75,000	$ 11,904	$ 86,904	$ 592,829
2026	355,000	154,925	509,925	75,000	9,984	84,984	594,909
2027	365,000	143,375	508,375	75,000	8,064	83,064	591,439
2028	375,000	129,925	504,925	80,000	6,144	86,144	591,069
2029	390,000	116,125	506,125	80,000	4,096	84,096	590,221
2030-2034	1,800,000	332,925	2,132,925	80,000	2,046	82,046	2,214,971
2035-2039	355,000	113,225	468,225			-	468,225
2040-2044	340,000	35,581	375,581	-	-	-	375,581
Total	$ 4,320,000	$ 1,192,006	$ 5,512,006	$ 465,000	$ 42,238	$ 507,238	$ 6,019,244

	Business-type Activities		
	General Obligation Bonds - Direct Placement		
	Principal	Interest	Total
2025	$ 284,750	$ 19,377	$ 304,127
2026	294,000	15,209	309,209
2027	294,000	10,902	304,902
2028	180,000	6,594	186,594
2029	180,000	4,416	184,416
2030-2034	185,000	2,239	187,239
Total	$ 1,417,750	$ 58,737	$ 1,476,487

Direct Placement Bonds

Direct placement bonds are bonds that are issued directly to an investor. The direct placement bonds include provisions that in the event the City defaults on the payments or performance of covenants, the holders of the bonds may proceed against the City for the purpose of protecting and enforcing the rights of the bondholders by mandamus or other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES (Continued)

B. Financed Purchases

Governmental Activities

On February 11, 2019, the City entered into a $607,000 purchase agreement for a fire truck due in 10 annual payments of $73,539 beginning February 28, 2020. The interest rate is 3.65%

On June 26, 2019, the City entered into a $112,733 purchase agreement for an Opticom system due in 7 annual payments of $18,772 beginning June 26, 2020. The interest rate is 3.985%.

On November 10, 2021, the City entered into a $299,855 purchase agreement for an ambulance due in 5 annual payments of $65,172 beginning November 10, 2022. The interest rate is 2.838%.

Business-type Activities

On August 15, 2022, the City entered into a $1,420,753 purchase agreement for a water meter replacement project due in 10 annual payments of $169,655 beginning August 1, 2023. The interest rate is 3.39%.

The annual debt service to maturity for financed purchases outstanding as of September 30, 2024, are as follows:

	Governmental Activities Financed Purchases			Business-type Activities Financed Purchases		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 138,756	$ 18,727	$ 157,483	$ 129,939	$ 39,716	$ 169,655
2026	143,385	14,099	157,484	134,344	35,311	169,655
2027	129,415	9,297	138,712	138,898	30,757	169,655
2028	68,451	5,088	73,539	143,607	26,049	169,656
2029	72,912	626	73,538	148,475	21,180	169,655
2030-2034	-	-	-	476,313	32,653	508,966
Total	$ 552,919	$ 47,837	$ 600,756	$ 1,171,576	$ 185,666	$ 1,357,242

These assets and the related accumulated depreciation are as follows.

	Governmental Activities	Business-type Activities
Machinery and equipment	$ 1,019,588	$ 2,272,635
Less: Accumulated Depreciation	(449,824)	(226,141)
Net	$ 569,764	$ 2,046,494

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES (Continued)

C. Lease financing

With the implementation of Governmental Accounting Standards Board No. 87, *Leases*, a lease meeting the criteria of this statement requires the lessee to recognize a lease liability and an intangible right to use asset.

The City, as a lessee, entered into an agreement related to fleet acquisition, management, resale and maintenance. The City also entered into lease agreements for copiers and public safety equipment. The leases are summarized as follows:

Description	Date	Payment Terms	Interest Rate	Original Lease	Balance 9/30/2024
Governmental Activities					
Public Works Vehicle	5/18/2022	60 months	6.37%	$ 41,500	$ 23,627
Public Works Vehicle	5/25/2022	48 months	6.23%	38,601	17,079
Public Safety Vehicle	6/8/2022	36 months	6.21%	21,283	5,666
Public Safety Vehicle	8/19/2022	36 months	6.68%	20,282	6,559
Public Safety Vehicle	9/6/2022	36 months	6.96%	18,053	6,418
Public Safety Vehicle	9/29/2022	36 months	7.71%	23,440	8,258
Public Safety Vehicle	8/1/2023	60 months	8.01%	51,964	42,396
Public Safety Vehicle	6/1/2022	60 months	6.21%	32,854	20,187
Public Safety Vehicle	11/15/2022	60 months	7.48%	46,843	32,392
Public Safety Vehicle	12/8/2022	60 months	7.48%	47,344	32,739
Public Safety Vehicle	12/6/2022	36 months	7.48%	31,840	14,137
Public Safety Fleet Cameras	8/1/2023	120 months	8.01%	154,136	135,010
Public Safety Tasers and Body Cameras	3/1/2023	120 months	7.31%	377,309	343,884
Public Safety Vehicle	5/1/2024	60 months	8.20%	51,788	48,234
Public Safety Vehicle	9/1/2024	60 months	7.60%	49,891	49,205
Public Safety Vehicle	8/1/2024	60 months	7.90%	49,897	48,531
Public Safety Vehicle	1/1/2024	60 months	7.63%	52,625	45,949
Public Safety Vehicle	3/1/2024	60 months	7.75%	46,111	41,602
Fire Vehicle	10/20/2022	48 months	7.97%	40,155	22,500
Fire Vehicle	10/20/2022	48 months	7.97%	36,769	20,602
Parks Vehicle	4/7/2023	60 months	5.95%	30,698	18,322
Parks Vehicle	4/20/2023	48 months	7.31%	33,056	22,433
Animal Services Vehicle	1/1/2024	48 months	7.98%	26,961	22,537
Animal Services Vehicle	1/1/2024	48 months	7.98%	27,034	22,598
Animal Services Vehicle	1/26/2023	48 months	7.46%	35,721	22,116
Admin Copiers and Printers	10/4/2022	63 months	7.97%	123,660	84,563
				$ 1,509,815	$ 1,157,544
Business-type Activities					
Utility Vehicle	5/5/2022	48 months	6.37%	$ 39,963	$ 17,865
Utility Vehicle	9/19/2022	72 months	7.31%	70,314	50,198
Utility Vehicle	5/19/2022	60 months	6.37%	32,991	20,039
Utility Vehicle	5/31/2022	60 months	6.23%	34,929	21,189
Utility Vehicle	4/7/2022	60 months	5.95%	30,698	18,322
Public Works Vehicle	4/7/2022	60 months	5.95%	30,698	18,322
Utility Copiers and Printers	10/4/2022	63 months	7.97%	52,997	36,242
				$ 292,590	$ 182,177

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 8: LONG-TERM LIABILITIES (Continued)

The City's leased assets are recorded at the present value of lease payments and amortized using the straight-line method over the term of the lease. These assets are reported as intangible right-to-use leases.

The future lease payments under lease agreements are as follows:

	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	$ 313,246	$ 91,100	$ 404,346	$ 59,785	$ 10,660	$ 70,445
2026	232,732	58,435	291,167	60,074	6,559	66,633
2027	199,245	41,734	240,979	44,292	2,806	47,098
2028	135,538	28,544	164,082	18,025	626	18,651
2029	89,010	19,888	108,898	-	-	-
2030-2034	187,773	29,951	217,724	-	-	-
Total	$ 1,157,544	$ 269,652	$ 1,427,196	$ 182,176	$ 20,651	$ 202,827

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

D. Changes in long-term liabilities

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2024.

	09/30/2023	Additions	Retirements	09/30/2024	Due Within One Year
Governmental Activities.:					
Certificates of obligation	$ 3,460,000	$ 4,895,000	$ 350,000	$ 8,005,000	$ 370,000
General obligation bonds	12,940,000	-	385,000	12,555,000	405,000
Direct placement					
General obligation bonds	81,750	-	19,500	62,250	20,250
Contractual obligation bonds	-	-	-	-	-
Tax notes	310,000	-	100,000	210,000	100,000
Premiums on bonds	676,844	155,305	92,898	739,251	76,383
Financed purchases	687,173	-	134,254	552,919	138,756
Lease financing	1,152,955	304,308	299,721	1,157,542	313,245
Compensated Absences	428,321	515,400	428,321	515,400	103,080
Net Pension Liability	-	3,518,447	-	3,518,447	-
OPEB Liability	257,859	31,894	-	289,753	14,127
Total Governmental Activities	19,994,902	9,420,354	1,809,694	27,605,562	1,540,841
Business-type Activities:					
Certificates of obligation	3,400,000	1,255,000	335,000	4,320,000	340,000
Direct placement					
Certificates of obligation	535,000	-	70,000	465,000	75,000
General obligation bonds	1,698,250	-	280,500	1,417,750	284,750
Premiums on bonds	225,570	39,748	24,545	240,773	24,545
Financed purchases	1,297,254	-	125,678	1,171,576	129,939
Lease financing	238,101	-	55,924	182,177	59,785
Compensated Absences	28,432	33,349	28,432	33,349	6,670
Net Pension Liability	-	551,474	-	551,474	-
OPEB Liabilty	41,698	3,717	-	45,415	2,214
Total Business-type Activities	7,464,305	1,883,288	920,079	8,427,514	922,903
Total Long-Term Debt	$ 27,459,207	$ 11,303,642	$ 2,729,773	$ 36,033,076	$ 2,463,744

Compensated absences, net pension liabilities and OPEB liabilities of the governmental activities and business-type activities are paid by the general fund, water and sewer fund, and drainage utility fund, respectively.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 9: RISK MANAGEMENT

The City is exposed to various risk of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City's general liability, and property insurance is underwritten through a self-insurance fund for Texas political subdivisions. Premiums are paid to the carrier, and they administer all claims. The City is also insured for workers' compensation claims through a self-insurance fund for Texas political subdivisions. Rates are determined by the state, and the pool assigns discount rates to premiums based upon the City's claims history. The City retains, as a risk, only the deductible amount of each policy.

The City has maintained insurance coverage in all major categories of risk comparable to that of the prior year with no reduction in coverage. The amount of settlements during the past three years has not exceeded the insurance coverage.

NOTE 10: DEFINED BENEFIT PENSION PLANS

A. Plan Description

The City participates as one of 919 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for 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.

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

B. Benefits Provided

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

At retirement, the member's benefit is calculated as if the sum of the member's contributions, with interest, and the city-financed monetary credits with interest, and their age at retirement and other actuarial factors. The retiring members 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 member's 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 plan provisions for the City were as follows:

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

	Plan Year 2024
Employee deposit rate	7%
Matching ratio (city to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20
Updated Service Credit	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI

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

Inactive employees or beneficiaries currently receiving benefits	128
Inactive employees entitled to but not yet receiving benefits	134
Active employees	84
	346

C. Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of 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 were required to contribute 7% of their annual compensation during the fiscal year. The contribution rates for the City were 17.33% and 16.02% in calendar years 2024 and 2023 respectively. The city's contributions to TMRS for the year ended September 30, 2024, were $1,072,890, and were equal to the required contributions.

D. Net Pension Liability

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

Actuarial Assumptions:

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

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 10: <u>DEFINED BENEFIT PENSION PLANS</u> (Continued)

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with Public Safety table used for males and the General Employee table used for females. Morality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality rates. The rates for actives, healthy retirees and beneficiaries are projected on a full generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for health 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 a 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who became 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 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 to TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return (Arithmetic)
Global Equity	35.0%	6.70%
Core Fixed Income	6.0%	4.70%
Non-Core Fixed Income	20.0%	8.00%
Real Return	12.0%	8.00%
Real Estate	12.0%	7.60%
Absolute Return	5.0%	6.40%
Private Equity	10.0%	11.60%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member 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.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balance at 12/31/2022	$ 38,370,432	$ 33,090,652	$ 5,279,780
Changes for the year:			
Service cost	1,149,334	-	1,149,334
Interest	2,560,792	-	2,560,792
Change of benefit terms	-	-	-
Difference between expected and actual experience	645,867	-	645,867
Changes of assumptions	(373,145)	-	(373,145)
Contributions - employer	-	969,580	(969,580)
Contributions - employee	-	423,662	(423,662)
Net investment income	-	3,824,000	(3,824,000)
Benefit payments, including refunds of employee contributions	(2,014,879)	(2,014,879)	-
Administrative expense	-	(24,365)	24,365
Other changes	-	(170)	170
Net changes	1,967,969	3,177,828	(1,209,859)
Balance at 12/31/2023	$ 40,338,401	$ 36,268,480	$ 4,069,921

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

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

	1% Decrease Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase Discount Rate (7.75%)
City's Net Pension Liability/ Asset	$ 9,508,677	$ 4,069,921	$ (375,308)

Pension Plan Fiduciary Net Position

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

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 10: DEFINED BENEFIT PENSION PLANS (Continued)

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

For the year ended September 30, 2024, the City recognized pension expense of $1,241,370.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 449,545	$ -
Changes in actuarial assumptions	-	214,359
Difference between projected and actual investment earnings.	921,970	-
Contributions subsequent to the measurement date	793,374	-
Total	$ 2,164,889	$ 214,359

$793,374 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction to the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	
2024	$ 435,425
2025	333,952
2026	705,852
2027	(318,073)
2028	-
Thereafter	-
Total	$ 1,157,156

NOTE 11. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). The SDBF is considered to be a single-employer plan. This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 11. POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

The member 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.

B. BENEFITS PROVIDED

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

Inactive employees or beneficiaries currently receiving benefits	59
Inactive employees entitle to but not yet receiving benefits	15
Active employees	84
	158

C. TOTAL OPEB LIABILITY

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

Actuarial Assumptions:

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

Inflation	2.5% per year
Overall payroll growth	3.5% to 11.5% including inflation
Retirees' share of benefit relate costs	$0

All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No. 68.

Mortality rates for service retirees were based on 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.

Mortality rates for disabled retirees were based on 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and a 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.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 3.77%. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 11. <u>POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB)</u> (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 12/31/2022	$ 299,557
Changes for the year:	
Service Cost	10,894
Interest	12,022
Change of benefit terms	-
Difference between expected and actual experience	13,512
Changes of assumptions	15,524
Benefit payments	(16,341)
Net changes	35,611
Balance at 12/31/2023	$ 335,168

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

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.77%, 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 (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

	1% Decrease Discount Rate (2.77%)	Discount Rate (3.77%)	1% Increase Discount Rate (4.77%)
City's Total OPEB Liability	$ 390,860	$ 335,168	$ 290,782

D. <u>OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB</u>

For the year ended September 30, 2024, the City recognized OPEB expense of $22,460.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	16,608	8,237
Changes in assumptions and other inputs	28,978	80,411
Contributions subsequent to the measurement date	11,445	-
Total	57,031	88,648

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 11. POSTEMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

Year Ended December 31:		
2024	$	(8,374)
2025		(17,785)
2026		(17,343)
2027		(566)
2028		1,006
Thereafter		-
Total	$	(43,062)

NOTE 12: CONTINGENT LIABILITIES

A. Federal and State Programs

Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made, in compliance with program guidelines, to the grantor agency.

These programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, the City has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of fund monies may be required.

As it pertains to other matters of compliance, in the opinion of the City′s administration, there are no significant contingent liabilities relating to matters of compliance and accordingly, no provision has been made in the accompanying financial statements for such contingencies.

B. Litigation

The City has claims or lawsuits arising from the normal course of business. Although the outcome of these claims and lawsuits is not presently determinable, it is the opinion of City management and legal counsel that they will not have a material adverse effect on the financial condition of the City.

NOTE 13: CONTRACTS AND COMMITMENTS

A. Wastewater Treatment

On April 18, 2017, the City Council approved a 20 year agreement with the City of Fort Worth whereby Fort Worth agreed to provide wastewater treatment to the City. The agreement allows the City to connect its wastewater system to the Fort Worth waste water system. Charges to the City are based upon cost-of-service rate studies performed by independent utility rate consultants. This contract has been amended various times during the years. Charges during the year for the treatment of wastewater by the City of Fort Worth were $830,720.

CITY OF RICHLAND HILLS, TEXAS
Notes to Financial Statements
September 30, 2024

NOTE 13: CONTRACTS AND COMMITMENTS (Continued)

B. Water Treatment

The City entered into a 20 year agreement with the City of Fort Worth effective January 1, 2011 through September 30, 2031 whereby Fort Worth agreed to provide treated water to the City. Rates to purchase the water will be based upon a cost-of-service rate study conducted every three years by independent utility rate consultants. Charges during the year for the purchase of treated water from the City of Fort Worth were $438,939.

C. Transportation of Sewerage

On May 13, 1986, the City entered into an agreement with the City of Hurst to allow sewerage to be metered in Hurst then transported through the Trinity River Authority Calloway Branch sewer line to the city of Fort Worth. Charges to the City are based upon current sewer rates charged to Hurst by the Trinity River Authority and a $75.00 per month meter service charge. Charges during the year from the City of Hurst were $295,425.

NOTE 14: SUBSEQUENT EVENTS

Subsequent events were evaluated through March 19, 2025, which is the date the financial statements were available to be issued.

NOTE 15: CORONAVIRUS LOCAL FISCAL RECOVERY FUND

Under the American Rescue Plan Act of 2021, the Coronavirus Local Recovery Fund (CLFRF) provides emergency funding for eligible local governments. The U.S. Treasury manages the distribution of these funds to Texas counties and cities with populations above 50,000. Cities, villages, towns, and townships serving populations of less than 50,000 are classified as nonentitlement units of local government and will receive funding distributed by the Texas Division of Emergency Management. $1,974,536 was received during the years ended September 30, 2022, and 2023 respectively. To date the City spent $1,680,559of the funds. The $293,977 funds that have not been spent are reported as unearned revenue.

NOTE 16: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS

GASB Statement No. 96, Subscription-Based Information Technology Arrangements was effective for the fiscal year ended September 30, 2024. The City has entered into subscription-based technology information technology arrangements involving:

- A SCADA (Supervisory Control and Data Acquisition) water service suite regarding the City's water system and electronic water meter reading software
- Law enforcement, fire and EMS software
- Document imaging software
-

Accounting, payroll services and server software subscriptions
The City has outflows of resources during the fiscal year totaling $121,138 that are not included in the measurement of a subscription liability. The City's software subscriptions are not commitments longer than twelve months; therefore a subscription liability is not calculated.

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REQUIRED SUPPLEMENTARY INFORMATION

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EXHIBIT E-1

CITY OF RICHLAND HILLS, TEXAS
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property	$ 3,409,387	$ 3,409,387	$ 3,172,794	$ (236,593)
Sales	4,879,644	4,879,644	5,132,746	253,102
Franchise	556,800	556,800	574,273	17,473
Fines and forfeitures	385,050	385,050	545,113	160,063
Licenses and permits	279,225	279,225	286,297	7,072
Charges for service	268,900	268,900	200,771	(68,129)
Intergovernmental revenue	-	-	1	1
Investment earnings	252,000	252,000	373,011	121,011
Other revenue	300,227	300,227	280,635	(19,592)
Total revenues	10,331,233	10,331,233	10,565,641	234,408
EXPENDITURES				
Current				
General government	1,865,398	1,875,398	1,877,830	(2,432)
Public safety	5,712,903	5,712,903	5,433,142	279,761
Public works	300,143	300,143	235,367	64,776
Culture and recreation	759,695	759,695	741,901	17,794
Parks and beautification	323,742	323,742	293,444	30,298
Community development	504,608	504,608	545,492	(40,884)
Debt Service:				
Principal	-	-	21,301	(21,301)
Interest	-	-	7,671	(7,671)
Capital outlay	25,800	25,800	17,631	8,169
Total expenditures	9,492,289	9,502,289	9,173,779	328,510
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	838,944	828,944	1,391,862	562,918
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	5,860	5,860
Transfers in	2,500	2,500	2,500	-
Transfers out	(984,189)	(984,189)	(716,893)	267,296
Total other financing sources (uses)	(981,689)	(981,689)	(708,533)	273,156
NET CHANGE IN FUND BALANCES	(142,745)	(152,745)	683,329	836,074
FUND BALANCE, OCTOBER 1, 2023	4,069,181	4,069,181	4,069,181	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 3,926,436	$ 3,916,436	$ 4,752,510	$ 836,074

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-2

CITY OF RICHLAND HILLS, TEXAS
Crime Control District
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,842,088	$ 1,842,088	$ 1,953,198	$ 111,110
Investment earnings	24,000	24,000	49,633	25,633
Intergovernmental revenues	21,760	21,760	8,610	(13,150)
Total revenues	1,887,848	1,887,848	2,011,441	123,593
EXPENDITURES				
Current				
Public safety	1,530,577	1,530,577	1,518,462	12,115
Capital outlay	281,344	281,344	41,611	239,733
Debt service:				
Principal	-	-	35,752	(35,752)
Interest and fiscal agent charges	-	-	19,495	(19,495)
Total expenditures	1,811,921	1,811,921	1,615,320	196,601
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	75,927	75,927	396,121	320,194
OTHER FINANCING SOURCES (USES)				
Transfers out	(192,828)	(192,828)	(192,828)	-
Total other financing sources (uses)	(192,828)	(192,828)	(192,828)	-
NET CHANGE IN FUND BALANCES	(116,901)	(116,901)	203,293	320,194
FUND BALANCE, OCTOBER 1, 2023	1,215,491	1,215,491	1,215,491	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 1,098,590	$ 1,098,590	$ 1,418,784	$ 320,194

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF RICHLAND HILLS, TEXAS
Richland Hills Development Corporation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,219,286	$ 1,219,286	$ 1,310,831	$ 91,545
Investment earnings	42,000	42,000	90,659	48,659
Total revenues	1,261,286	1,261,286	1,401,490	140,204
EXPENDITURES				
Current				
Economic development	386,149	386,149	349,933	36,216
Capital outlay	450,000	450,000	244,480	205,520
Debt service:				
Principal	145,000	145,000	145,000	-
Interest and fiscal agent charges	85,863	85,863	85,863	-
Total expenditures	1,067,012	1,067,012	825,276	241,736
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	194,274	194,274	576,214	381,940
OTHER FINANCING SOURCES (USES)				
Transfers out	(53,046)	(53,046)	(53,046)	-
Total other financing sources (uses)	(53,046)	(53,046)	(53,046)	-
NET CHANGE IN FUND BALANCES	141,228	141,228	523,168	381,940
FUND BALANCE, OCTOBER 1, 2023	2,201,745	2,201,745	2,201,745	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 2,342,973	$ 2,342,973	$ 2,724,913	$ 381,940

CITY OF RICHLAND HILLS, TEXAS
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years (will ultimately be displayed)

	2014	2015	2016	2017
Total Pension Liability				
Service Cost	$ 687,735	$ 747,466	$ 768,050	$ 818,261
Interest (on the Total Pension Liability)	1,871,624	1,924,741	1,944,232	2,011,541
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(712,052)	(370,657)	$ (390,269)	$ (298,938)
Change of assumptions	-	212,735	-	-
Benefit payments, including refunds of employee contributions	(978,956)	(1,257,766)	(1,177,105)	(1,522,784)
Net Change in Total Pension Liability	868,351	1,256,519	1,144,908	1,008,080
Total Pension Liability - Beginning	26,883,097	27,751,448	29,007,967	30,152,875
Total Pension Liability - Ending	$ 27,751,448	$ 29,007,967	$ 30,152,875	$ 31,160,955
Plan Fiduciary Net Position				
Contributions - Employer	$ 721,134	$ 736,648	$ 675,283	$ 713,878
Contributions - Employee	284,230	291,329	292,511	309,612
Net Investment Income	1,371,030	37,404	1,698,601	3,687,182
Benefit payments, including refunds of employee contributions	(978,956)	(1,257,766)	(1,177,105)	(1,522,784)
Administrative Expense	(14,314)	(22,782)	(19,182)	(19,106)
Other	(1,177)	(1,125)	(1,034)	(968)
Net Change in Plan Fiduciary Net Position	1,381,947	(216,292)	1,469,074	3,167,814
Plan Fiduciary Net Position - Beginning	23,965,772	25,347,719	25,131,427	26,600,501
Plan Fiduciary Net Position - Ending	$ 25,347,719	$ 25,131,427	$ 26,600,501	$ 29,768,315
Net Pension Liability/(Asset) - Ending	$ 2,403,729	$ 3,876,540	$ 3,552,374	$ 1,392,640
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.34%	86.64%	88.22%	95.53%
Covered Payroll	$ 4,060,434	$ 4,161,836	$ 4,178,724	$ 4,423,034
Net Pension Liability as a Percentage of Covered Payroll	59.20%	93.14%	85.01%	31.49%

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-4

2018	2019	2020	2021	2022	2023
$ 902,607	$ 893,134	$ 874,546	$ 871,222	$ 973,542	$ 1,149,334
2,057,136	2,124,314	2,219,334	2,299,569	2,423,065	2,560,792
-	-	-	-	-	-
$ 538	$ 113,437	$ (68,235)	$ 435,654	$ 527,184	$ 645,867
-	81,366	-	-	-	(373,145)
(2,272,345)	(1,648,272)	(1,942,256)	(1,728,359)	(1,927,704)	(2,014,879)
687,936	1,563,979	1,083,389	1,878,086	1,996,087	1,967,969
31,160,955	31,848,891	33,412,870	34,496,259	36,374,345	38,370,432
$ 31,848,891	$ 33,412,870	$ 34,496,259	$ 36,374,345	$ 38,370,432	$ 40,338,401
$ 774,634	738,471	729,799	744,070	843,584	969,580
339,326	334,149	326,846	324,564	368,835	423,662
(891,663)	4,280,458	2,380,513	4,280,598	(2,658,605)	3,824,000
(2,272,345)	(1,648,272)	(1,942,256)	(1,728,359)	(1,927,704)	(2,014,879)
(17,234)	(24,197)	(15,413)	(19,820)	(23,031)	(24,365)
(900)	(727)	(601)	135	27,482	(170)
(2,068,182)	3,679,882	1,478,888	3,601,188	(3,369,439)	3,177,828
29,768,315	27,700,132	31,380,014	32,858,902	36,460,090	33,090,652
$ 27,700,133	$ 31,380,014	$ 32,858,902	$ 36,460,090	$ 33,090,651	$ 36,268,480
$ 4,148,758	$ 2,032,856	$ 1,637,357	$ (85,745)	$ 5,279,781	$ 4,069,921
86.97%	93.92%	95.25%	100.24%	86.24%	89.91%
$ 4,847,513	4,773,564	4,669,225	4,636,625	5,248,205	6,052,311
85.59%	42.59%	35.07%	-1.85%	100.60%	67.25%

CITY OF RICHLAND HILLS, TEXAS
Schedule of Contributions
Last 10 Fiscal Years (will ultimately be displayed)

	2015	2016	2017	2018
Actuarially Determined Contribution	$ 722,326	$ 713,791	$ 711,966	$ 762,645
Contributions in relation to the actuarially determined contribution	$ 722,326	$ 713,791	$ 711,966	$ 762,645
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 4,145,235	$ 4,303,832	$ 4,409,872	$ 4,755,061
Contributions as a percentage of covered payroll	17.43%	16.59%	16.14%	16.04%

The accompanying notes to required supplementary information are an integral part of this schedule.

EXHIBIT E-5

2019	2020	2021	2022	2023	2024
$ 752,726	708,466	717,202	789,826	938,272	1,072,890
$ 752,726	$ 708,466	$ 717,202	$ 789,826	$ 938,272	$ 1,072,890
$ -	$ -	$ -	$ -	$ -	$ -
$ 4,827,173	$ 4,544,174	$ 4,501,008	$ 5,077,128	$ 5,841,797	$ 6,322,830
15.59%	15.59%	15.93%	15.56%	16.06%	16.97%

EXHIBIT E-6

CITY OF RICHLAND HILLS, TEXAS
Schedule of Changes in OPEB Liability and Related Ratios
Last 10 Years (will ultimately be displayed)

	2017	2018	2019	2020	2021	2022	2023
Total OPEB Liability							
Service Cost	$ 9,731	$ 12,119	$ 10,024	$ 11,206	$ 14,837	$ 17,844	$ 10,894
Interest (on the Total OPEB Liability)	9,484	9,578	10,292	9,556	7,998	7,542	12,022
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	-	(11,178)	1,385	(12,260)	(13,869)	9,106	13,512
Change of assumptions	20,853	(18,310)	51,104	49,045	11,143	(129,593)	15,524
Benefit payments, including refunds of employee contributions	(2,654)	(2,909)	(3,341)	(3,268)	(10,664)	(12,596)	(16,341)
Net Change in Total OPEB Liability	37,414	(10,700)	69,464	54,279	9,445	(107,697)	35,611
Total OPEB Liability - Beginning	247,352	284,766	274,066	343,530	397,809	407,254	299,557
Total OPEB Liability - Ending	$ 284,766	$ 274,066	$ 343,530	$ 397,809	$ 407,254	$ 299,557	$ 335,168
Covered Employee Payroll	$ 4,423,034	$4,847,513	$ 4,773,564	$ 4,669,225	$ 4,669,225	$5,248,205	$6,052,311
Total OPEB Liability as a Percentage of Covered Employee Payroll	6.44%	5.65%	7.20%	8.52%	8.72%	5.71%	5.54%

This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

The accompanying notes to required supplementary information are an integral part of this schedule.

CITY OF RICHLAND HILLS, TEXAS
Notes to Required Supplementary Information
September 30, 2024

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Crime Control District, Court Building Security Special Revenue Fund, Richland Hills Development Corporation Special Revenue Fund, Court Technology Special Revenue Fund, Hotel Occupancy Tax Special Revenue Fund, Link Operations Special Revenue Fund, Debt Service Fund, Road and Street Capital Project Fund, Oil & Gas Lease Capital Projects Fund, the Special Events Fund, the Baker Boulevard Projects Fund and the vehicle replacement fund. All annual appropriations lapse at fiscal year end.

At least 35 days prior to the beginning of the budget year, October 1, the City Manager will submit his proposed city budget for the ensuing year to the City Council. From its date of submission, the proposed budget shall be a public record. The City Council shall hold a public hearing on the proposed budget at least 14 days before the beginning of the budget year. At least 10 days notice of such public hearing will be given by notice in the official newspaper. After a hearing, the City Council may make such changes it deems proper in the proposed budget and adopt a final budget prior to the beginning of the budget year. All budget hearings and actions on the budget shall be open to the public. If a final budget is not adopted by the beginning of the budget year, the proposed budget of the City Manager shall be deemed to have been approved. The budget shall go into effect on the first day of the budget year. The budget may be amended during the year only after complying with the notice procedure called for above for adoption of the budget. The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at September 30, and encumbrances outstanding at the time are to be either canceled or appropriately provided for in the subsequent year's budget.

The City's budget was properly amended throughout the year as needed.

B. Excess of Expenditures Over Appropriations

The following funds had actual expenditures that exceeded appropriations.

Fund	Amount	Explanation
Court Building Security	$ 751	Public Safety
Vehicle Replacement	146,459	Vehicles acquired with lease financing

CITY OF RICHLAND HILLS, TEXAS
Notes to Required Supplementary Information
September 30, 2024

C. Schedule of Contributions

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	22 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.85% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study for the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MO-2021 (with immediate convergence). Pre-retirement: PUB (10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MO-2021 (with immediate convergence).
Other Information:	
Notes	There were no benefit changes during the year.

D. Schedule of Changes in OPEB Liability

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

NONMAJOR GOVERNMENTAL FUNDS COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SPECIAL REVENUE FUNDS

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects or proprietary funds) that are legally restricted to expenditures for specified purposes.

Court Building Security Fund is used to account for the City's share of fines to be used to enhance building security for municipal court.

Court Technology Fund is used to account for the City's share of fines to be used for improvements to municipal court technology.

Library Grants Fund is used to account for grants to be used for the library.

Red Light Camera Enforce Fund accounts for all revenues and expenditures related to red light cameras placed at intersections in the City.

The **Hotel Occupancy Tax Fund** accounts for the proceeds of a 7 percent hotel occupancy tax and expenditures related tourism.

The **Keep Richland Hills Beautiful Fund** accounts for donations to be used for the City's parks.

The **Crime Victim Liaison Fund** is used to account for expenses of the crime victim liaison cops grant.

The **Link Operations Fund** is used to account for operations of the Link event and recreation center.

The **Contributions and Donations fund** is used to account for donations made to the City for various activities.

The **Police Seizure and Police Forfeiture funds** account for seizure and forfeiture funds.

The **LEOSE fund** accounts for grants for public safety training.

The **Special Events Fund** accounts for special events that are hosted by the City.

DEBT SERVICE FUND

The **Debt Service Fund** is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

CAPITAL PROJECT FUNDS

The Capital Project Funds account for all resources used for the acquisition and/or construction of capital facilities by the City, except those financed by the Enterprise Funds.

The **Oil and Gas Lease Fund** is used to account for the proceeds of the oil and gas lease bonus and future expenditures for capital projects.

The **Capital Projects Fund** accounts for the purchase of equipment by the City.

The **2019 GO Bonds Fund** is used to account for bond proceeds for the purpose of constructing and equipping a new fire station.

The **2019 Tax Notes Fund** accounts for the proceeds of the 2019 Tax Notes, which will be used for the demolition and renovation of space formerly used as a city jail to be used for city administrative uses, including conference rooms, training rooms, criminal investigation and related municipal use.

The **Baker Boulevard Projects Fund** is used to account for the receipts of the Baker Boulevard TIF zone and the green ribbon and intersection projects.

The **Vehicle Replacement Fund** accounts for replacement vehicles purchased by the City.

The **Link Replacement Fund** accounts for capital asset replacement at the Link.

The **Strategic Initiative** accounts for City improvements.

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2024

	Court Building Security	Court Technology	Library Grants	Red Light Camera Enforce	Hotel Occupancy Tax
ASSETS					
Cash	$ -	$ -	$ 2,961	$ -	$ 116,410
Investments	49,238	28,452	-	357	207,869
Receivables (Net of allowances for uncollectibles)					
Property tax	-	-	-	-	-
Other	-	-	-	-	20,352
Due from other funds	-	-	-	-	-
Total assets	$ 49,238	$ 28,452	$ 2,961	$ 357	$ 344,631
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	1,772
Due to other funds	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Total liabilities	-	-	-	-	1,772
Deferred inflows of resources					
Deferred revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balance:					
Restricted for:					
Public Safety	49,238	28,452	-	357	-
Culture and recreation	-	-	2,961	-	-
Parks and beautification	-	-	-	-	-
Economic Development	-	-	-	-	342,859
Debt Service	-	-	-	-	-
Capital Projects	-	-	-	-	-
Assigned	-	-	-	-	-
Total fund balances	49,238	28,452	2,961	357	342,859
Total liabilities, deferred inflows of resources and fund balances	$ 49,238	$ 28,452	$ 2,961	$ 357	$ 344,631

EXHIBIT F-1

Special Revenue					
Keep Richland Hills Beautiful	Crime Victim Liaison	Link Operations	Contributions & Donations	Police Seizure	Police Forfeiture
$ -	$ -	$ 269,647	$ 57,704	$ 2,642	$ 11,262
67,411	14,080	-	-	27,078	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,493	-	-
$ 67,411	14,080	269,647	59,197	29,720	11,262
$ -	$ -	$ 42,763	$ -	$ -	$ -
-	-	17,965	-	-	-
-	-	4,920	-	-	-
-	-	36,354	-	-	-
-	-	102,002	-	-	-
-	-	-	-	1,313	3,878
-	-	-	-	1,313	3,878
-	14,080	-	-	28,407	7,384
-	-	167,645	59,197	-	-
67,411	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
67,411	14,080	167,645	59,197	28,407	7,384
$ 67,411	$ 14,080	$ 269,647	$ 59,197	$ 29,720	$ 11,262

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2024

	LEOSE	Special Events	Total Special Revenue Funds	Debt Service	Oil & Gas Lease	Capital Projects
ASSETS						
Cash	$ 16,186	$ 7,492	$ 484,304	$ 62,495	$ 576,666	$ 67,324
Investments	-	-	394,485	697,392	209,099	19,031
Receivables (Net of allowances for uncollectibles)						
Property tax	-	-	-	17,246	-	-
Other	-	-	20,352	-	-	-
Due from other funds	-	-	1,493	-	-	9,612
Total assets	$ 16,186	$ 7,492	$ 900,634	$ 777,133	$ 785,765	$ 95,967
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	$ -	$ 5,534	$ 48,297	$ 1,144	$ -	$ 41,317
Accrued liabilities	-	-	19,737	-	-	-
Due to other funds	-	1,041	5,961	-	-	-
Unearned revenues	-	-	36,354	-	-	-
Total liabilities	-	6,575	110,349	1,144	-	41,317
Deferred inflows of resources						
Deferred revenue	-	-	5,191	17,245	-	-
Total deferred inflows of resources	-	-	5,191	17,245	-	-
Fund Balance:						
Restricted for:						
Public Safety	16,186	-	144,104	-	-	-
Culture and recreation	-	-	229,803	-	-	-
Parks and beautification	-	-	67,411	-	-	-
Economic Development	-	917	343,776	-	-	-
Debt Service	-	-	-	758,744	-	-
Capital Projects	-	-	-	-	785,765	54,650
Assigned	-	-	-	-	-	-
Total fund balances	16,186	917	785,094	758,744	785,765	54,650
Total liabilities, deferred inflows of resources and fund balances	$ 16,186	$ 7,492	$ 900,634	$ 777,133	$ 785,765	$ 95,967

EXHIBIT F-1

Capital Projects Funds							
2019 GO Bonds	2019 Tax Notes	Baker Boulevard Projects	Vehicle Replacement	Link Replacement	Strategic Initiative	Total Capital Projects Funds	Total Nonmajor Funds
$ 55	$ 175	$ 164,483	$ 100,266	$ 29,836	$ 1,965,773	$ 2,904,578	$ 3,451,377
54,217	6,097	658,952	-	-	-	947,396	2,039,273
						-	
						-	
-	-	-	-	-	-	-	17,246
-	-	2,870	-	-	-	2,870	23,222
-	-	-	-	-	-	9,612	11,105
$ 54,272	$ 6,272	$ 826,305	$ 100,266	$ 29,836	$ 1,965,773	$ 3,864,456	$ 5,542,223
$ -	$ -	$ 23,420	$ 50,258	$ -	$ 32,342	$ 147,337	$ 196,778
-	-		-	-	-	-	19,737
-	-	-	1,193	-	6,392	7,585	13,546
-	-					-	36,354
-	-	23,420	51,451	-	38,734	154,922	266,415
-	-	-	-	-	-	-	22,436
-	-	-	-	-	-	-	22,436
-	-	-	-	-	-	-	144,104
-	-	-	-	-	-	-	229,803
-	-	-	-	-	-	-	67,411
-	-	-	-	-	-	-	343,776
-	-	-	-	-	-	-	758,744
54,272	6,272	802,885	-	-	-	1,703,844	1,703,844
-	-	-	48,815	29,836	1,927,039	2,005,690	2,005,690
						.	
54,272	6,272	802,885	48,815	29,836	1,927,039	3,709,534	5,253,372
$ 54,272	$ 6,272	$ 826,305	$ 100,266	$ 29,836	$ 1,965,773	$ 3,864,456	$ 5,542,223

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2024

	Court Building Security	Court Technology	Library Grants	Red Light Camera Enforce	Hotel Occupancy Tax
REVENUES					
Taxes:					
Property taxes	$ -	$ -	$ -	$ -	$ -
Sales	-	-	-	-	-
Hotel occupancy tax	-	-	-	-	250,237
Fines and forfeitures	13,453	11,064	-	-	-
Charges for service	-	-	-	-	-
Intergovernmental revenue	-	-	-	-	-
Investment earnings	-	-	-	-	9,488
Other revenue	-	-	-	-	-
Total revenue	13,453	11,064	-	-	259,725
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	1,801	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	164	-	-
Parks and beautification	-	-	-	-	-
Economic development	-	-	-	-	72,604
Capital Outlay	-	-	-	-	-
Debt Service					
Principal	-	-	-	-	65,000
Interest	-	-	-	-	38,713
Total expenditures	1,801	-	164	-	176,317
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,652	11,064	(164)	-	83,408
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Lease financing	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses):	-	-	-	-	-
NET CHANGE IN FUND BALANCES	11,652	11,064	(164)	-	83,408
FUND BALANCE, OCTOBER 1, 2023	37,586	17,388	3,125	357	259,451
FUND BALANCE, SEPTEMBER 30, 2024	$ 49,238	$ 28,452	$ 2,961	$ 357	$ 342,859

EXHIBIT F-2

Special Revenue					
Keep Richland Hills Beautiful	Crime Victim Liaison	Link Operations	Contributions & Donations	Police Seizure	Police Forfeiture
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	634,505	-	-	-
-	-	-	-	-	-
-	-	-	-	1,398	-
1,284	-	-	22,727	-	-
1,284	-	634,505	22,727	1,398	-
-	-	-	-	-	-
-	-	-	9,136	-	-
-	-	-	-	-	-
-	-	774,704	-	-	-
1,900	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,900	-	774,704	9,136	-	-
(616)	-	(140,199)	13,591	1,398	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	200,000	-	-	-
-	-	-	-	-	-
-	-	200,000	-	-	-
(616)	-	59,801	13,591	1,398	-
68,027	14,080	107,844	45,606	27,009	7,384
$ 67,411	$ 14,080	$ 167,645	$ 59,197	$ 28,407	$ 7,384

CITY OF RICHLAND HILLS, TEXAS
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2024

	LEOSE	Special Events	Total Special Revenue Funds	Debt Service	Oil & Gas Lease
REVENUES					
Taxes:					
Property taxes	$ -	$ -	$ -	$ 1,488,306	$ -
Sales	-	-	-	-	-
Hotel occupancy tax	-	-	250,237	-	-
Fines and forfeitures	-	-	24,517	-	-
Charges for service	-	-	634,505	-	-
Intergovernmental revenue	6,693	-	6,693	-	-
Investment earnings	-	-	10,886	36,005	-
Other revenue	-	3,910	27,921	-	108,890
Total revenue	6,693	3,910	954,759	1,524,311	108,890
EXPENDITURES					
Current:					
General government	-	-	-	3,500	-
Public safety	3,350	-	14,287	-	-
Public works	-	-	-	-	14,890
Culture and recreation	-	-	774,868	-	5,610
Parks and beautification	-	-	1,900	-	-
Economic development	-	56,039	128,643	-	-
Capital Outlay	-	-	-	-	34,170
Debt Service					
Principal	-	-	65,000	778,754	-
Interest	-	-	38,713	645,228	-
Total expenditures	3,350	56,039	1,023,411	1,427,482	54,670
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,343	(52,129)	(68,652)	96,829	54,220
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Lease financing	-	-	-	-	-
Transfers in	-	53,046	253,046	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses):	-	53,046	253,046	-	-
NET CHANGE IN FUND BALANCES	3,343	917	184,394	96,829	54,220
FUND BALANCE, OCTOBER 1, 2023	12,843	-	600,700	661,915	731,545
FUND BALANCE, SEPTEMBER 30, 2024	$ 16,186	$ 917	$ 785,094	$ 758,744	$ 785,765

Capital Projects Funds								
Capital Projects	2019 GO Bonds	2019 Tax Notes	Baker Boulevard Projects	Vehicle Replacement	Link Replacement	Strategic Initiative	Total Capital Projects Funds	Total Nonmajor Funds
$ -	$ -	$ -	$ 246,871	$ -	$ -	$ -	246,871	$ 1,735,177
-	-	-	113,210	-	-	-	113,210	113,210
-	-	-	-	-	-	-	-	250,237
-	-	-	-	-	-	-	-	24,517
-	-	-	-	-	-	-	-	634,505
-	-	-	-	-	-	-	-	6,693
-	4,060	-	35,731	-	-	-	39,791	86,682
-	-	-	-	-	-	-	108,890	136,811
-	4,060	-	395,812	-	-	-	508,762	2,987,832
-	-	-	-	-	-	126,400	126,400	129,900
1,470	-	-	-	-	-	-	1,470	15,757
-	-	-	-	-	-	-	14,890	14,890
-	-	-	-	-	-	-	5,610	780,478
-	-	-	-	-	-	-	-	1,900
-	-	-	400,000	-	-	-	400,000	528,643
106,045	39,712	-	239,970	483,521	35,985	462,269	1,401,672	1,401,672
-	-	-	-	242,666	-	-	242,666	1,086,420
-	-	-	-	41,932	-	-	41,932	725,873
107,515	39,712	-	639,970	768,119	35,985	588,669	2,234,640	4,685,533
(107,515)	(35,652)	-	(244,158)	(768,119)	(35,985)	(588,669)	(1,725,878)	(1,697,701)
-	-	-	-	35,428	-	-	35,428	35,428
-	-	-	-	304,308	-	-	304,308	304,308
-	-	-	-	443,631	25,000	256,260	724,891	977,937
-	-	-	-	-	-	-	-	-
-	-	-	-	783,367	25,000	256,260	1,064,627	1,317,673
(107,515)	(35,652)	-	(244,158)	15,248	(10,985)	(332,409)	(661,251)	(380,028)
162,165	89,924	6,272	1,047,043	33,567	40,821	2,259,448	4,370,785	5,633,400
$ 54,650	$ 54,272	$ 6,272	$ 802,885	$ 48,815	$ 29,836	$ 1,927,039	3,709,534	$ 5,253,372

EXHIBIT G-1

CITY OF RICHLAND HILLS, TEXAS
Court Building Security Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Fines and forfeitures	$ 5,500	$ 5,500	$ 13,453	$ 7,953
Total revenues	5,500	5,500	13,453	7,953
EXPENDITURES				
Current				
Public safety	1,050	1,050	1,801	(751)
Total expenditures	1,050	1,050	1,801	(751)
NET CHANGE IN FUND BALANCES	4,450	4,450	11,652	7,202
FUND BALANCE, OCTOBER 1, 2023	37,586	37,586	37,586	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 42,036	$ 42,036	$ 49,238	$ 7,202

EXHIBIT G-2

CITY OF RICHLAND HILLS, TEXAS
Court Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Fines and forfeitures	$ 4,800	$ 4,800	$ 11,064	$ 6,264
Total revenues	4,800	4,800	11,064	6,264
EXPENDITURES				
Current				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
NET CHANGE IN FUND BALANCES	4,800	4,800	11,064	6,264
FUND BALANCE, OCTOBER 1, 2023	17,388	17,388	17,388	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 22,188	$ 22,188	$ 28,452	$ 6,264

CITY OF RICHLAND HILLS, TEXAS
Hotel Occupancy Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Hotel occupancy tax	$ 252,000	$ 252,000	$ 250,237	$ (1,763)
Investment earnings	(7,200)	7,200	9,488	2,288
Total revenues	244,800	259,200	259,725	525
EXPENDITURES				
Economic development	194,375	194,375	72,604	121,771
Debt service:				
Principal	65,000	65,000	65,000	-
Interest and fiscal agent charges	38,713	38,713	38,713	-
Total expenditures	298,088	298,088	176,317	121,771
NET CHANGE IN FUND BALANCES	(53,288)	(38,888)	83,408	122,296
FUND BALANCE, OCTOBER 1, 2023	259,451	259,451	259,451	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 206,163	$ 220,563	$ 342,859	$ 122,296

CITY OF RICHLAND HILLS, TEXAS
Link Operations Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for Service	$ 571,000	$ 571,000	$ 634,505	$ 63,505
Total revenues	571,000	571,000	634,505	63,505
EXPENDITURES				
Current				
Culture and recreation	771,000	771,000	774,704	(3,704)
Total expenditures	771,000	771,000	774,704	(3,704)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(200,000)	(200,000)	(140,199)	59,801
OTHER FINANCING SOURCES (USES)				
Transfers in	200,000	200,000	200,000	-
Total other financing sources (uses)	200,000	200,000	200,000	-
NET CHANGE IN FUND BALANCES	-	-	59,801	59,801
FUND BALANCE, OCTOBER 1, 2023	107,844	107,844	107,844	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 107,844	107,844	167,645	$ 59,801

EXHIBIT G-5

CITY OF RICHLAND HILLS, TEXAS
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ 1,485,482	$ 1,485,482	$ 1,488,306	$ 2,824
Investment earnings	15,000	15,000	36,005	21,005
Total revenues	1,500,482	1,500,482	1,524,311	23,829
EXPENDITURES				
Current				
General government	6,020	6,020	3,500	2,520
Debt service:				
Principal	815,426	815,426	778,754	36,672
Interest and fiscal agent charges	643,783	643,783	645,228	(1,445)
Total expenditures	1,465,229	1,465,229	1,427,482	37,747
NET CHANGE IN FUND BALANCES	35,253	35,253	96,829	61,576
FUND BALANCE, OCTOBER 1, 2023	661,915	661,915	661,915	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 697,168	$ 697,168	$ 758,744	$ 61,576

CITY OF RICHLAND HILLS, TEXAS
Road and Street Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Sales	$ 1,828,929	$ 1,828,929	$ 1,966,246	$ 137,317
Total revenues	1,828,929	1,828,929	1,966,246	137,317
EXPENDITURES				
Current				
Public Works	300,000	300,000	304,539	(4,539)
Capital outlay	1,840,000	1,840,000	484,987	1,355,013
Total expenditures	2,140,000	2,140,000	789,526	1,350,474
NET CHANGE IN FUND BALANCES	(311,071)	(311,071)	1,176,720	1,487,791
FUND BALANCE, OCTOBER 1, 2023	1,971,015	1,971,015	1,971,015	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 1,659,944	$ 1,659,944	$ 3,147,735	$ 1,487,791

EXHIBIT G-7

CITY OF RICHLAND HILLS, TEXAS
Oil & Gas Lease Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Other revenue	$ 100,000	$ 100,000	$ 108,890	$ 8,890
Total revenues	100,000	100,000	108,890	8,890
EXPENDITURES				
Current				
Public works	-	-	14,890	(14,890)
Culture and recreation	-	-	5,610	(5,610)
Capital outlay	247,000	247,000	34,170	212,830
Total expenditures	247,000	247,000	54,670	192,330
NET CHANGE IN FUND BALANCES	(147,000)	(147,000)	54,220	201,220
FUND BALANCE, OCTOBER 1, 2023	731,545	731,545	731,545	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 584,545	$ 584,545	$ 785,765	$ 201,220

EXHIBIT G-8

CITY OF RICHLAND HILLS, TEXAS
Special Events Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Other revenue	$ 4,000	$ 4,000	$ 3,910	$ (90)
Total revenues	4,000	4,000	3,910	(90)
EXPENDITURES				
Current				
Economic Development	57,046	57,046	56,039	1,007
Total expenditures	57,046	57,046	56,039	1,007
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(53,046)	(53,046)	(52,129)	917
OTHER FINANCING SOURCES (USES)				
Transfers in	53,046	53,046	53,046	-
Total other financing sources (uses)	53,046	53,046	53,046	-
NET CHANGE IN FUND BALANCES	-	-	917	917
FUND BALANCE, OCTOBER 1, 2023	162,165	162,165	162,165	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 162,165	162,165	163,082	917

CITY OF RICHLAND HILLS, TEXAS
Baker Boulevard Projects
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes:				
Property taxes	$ 245,645	$ 245,645	$ 246,871	$ 1,226
Sales	75,000	75,000	113,210	38,210
Investment earnings	-	-	35,731	35,731
Total revenues	320,645	320,645	395,812	75,167
EXPENDITURES				
Current				
Economic development	400,000	400,000	400,000	-
Capital outlay	247,000	247,000	239,970	7,030
Total expenditures	647,000	647,000	639,970	7,030
NET CHANGE IN FUND BALANCES	(326,355)	(326,355)	(244,158)	82,197
FUND BALANCE, OCTOBER 1, 2023	1,047,043	1,047,043	1,047,043	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 720,688	$ 720,688	$ 802,885	$ 82,197

EXHIBIT G-10

CITY OF RICHLAND HILLS, TEXAS
Vehicle Replacement
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
EXPENDITURES				
Capital outlay	621,660	621,660	483,521	138,139
Debt service:				
Principal	-	-	242,666	(242,666)
Interest and fiscal agent charges	-	-	41,932	(41,932)
Total expenditures	621,660	621,660	768,119	(146,459)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(621,660)	(621,660)	(768,119)	(146,459)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	120,000	120,000	35,428	(84,572)
Lease financing	-	-	304,308	304,308
Transfers in	501,660	501,660	443,631	(58,029)
Total other financing sources (uses)	621,660	621,660	783,367	161,707
NET CHANGE IN FUND BALANCES	-	-	15,248	15,248
FUND BALANCE, OCTOBER 1, 2023	33,567	33,567	33,567	-
FUND BALANCE, SEPTEMBER 30, 2024	$ 33,567	$ 33,567	$ 48,815	$ 15,248

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STATISTICAL DATA
(Unaudited)

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CITY OF RICHLAND HILLS, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2024
STATISTICAL SECTION INDEX
(Unaudited)

This part of the City of Richland Hills' annual comprehensive 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 government's overall financial health.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports of the relevant year.

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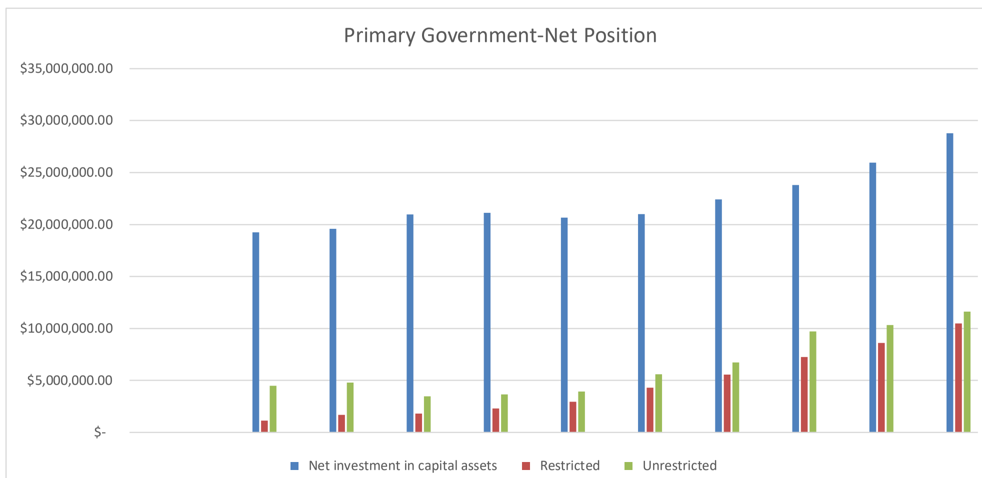
CITY OF RICHLAND HILLS, TEXAS **TABLE 1**
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	$ 10,450,781	$ 10,653,314	$11,342,503	$10,617,667	$9,925,810	$9,928,481	$ 11,386,772	$ 12,326,976	$ 13,570,753	$ 14,647,220
Restricted	1,127,400	1,692,036	1,812,889	2,298,796	2,946,115	4,304,087	5,564,111	7,250,766	8,611,102	10,502,087
Unrestricted	2,205,841	2,791,787	1,415,184	1,708,787	1,718,246	2,675,729	2,976,618	4,677,925	4,969,460	5,075,917
Total governmental activities net position	$ 13,784,022	$ 15,137,137	$14,570,576	$14,625,250	$14,590,171	$16,908,297	$19,927,501	$24,255,667	$27,151,315	$30,225,224
Business-type activities:										
Net investment in capital assets	$ 8,788,016	$ 8,921,383	$9,637,000	$10,501,116	$10,728,810	$11,062,511	$ 11,014,660	$ 11,460,920	$ 12,379,038	$ 14,123,570
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	2,284,595	2,010,464	2,053,701	1,968,931	2,230,173	2,928,819	3,770,165	5,050,526	5,370,477	6,558,353
Total business-type activities net position	$ 11,072,611	$ 10,931,847	$11,690,701	$12,470,047	$12,958,983	$13,991,330	$14,784,825	$16,511,446	$17,749,515	$20,681,923
Primary government:										
Net investment in capital assets	$ 19,238,797	$ 19,574,697	$20,979,503	$21,118,783	$20,654,620	$20,990,992	$ 22,401,432	$ 23,787,896	$ 25,949,791	$ 28,770,790
Restricted	1,127,400	1,692,036	1,812,889	2,298,796	2,946,115	4,304,087	5,564,111	7,250,766	8,611,102	10,502,087
Unrestricted	4,490,436	4,802,251	3,468,885	3,677,718	3,948,419	5,604,548	6,746,783	9,728,451	10,339,937	11,634,270
Total primary government activities net position	$ 24,856,633	$ 26,068,984	$26,261,277	$27,095,297	$27,549,154	$30,899,627	$34,712,326	$40,767,113	$44,900,830	$50,907,147



CITY OF RICHLAND HILLS, TEXAS
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year 2015	2016	2017	2018
EXPENSES				
Governmental activities:				
General government	$ 1,182,618	$ 1,297,325	$ 2,070,959	$ 1,735,244
Public safety	4,898,102	5,250,251	5,377,655	5,710,989
Public works	695,387	743,555	682,106	664,835
Culture and recreation	413,433	445,559	1,445,683	1,366,158
Parks and beautification	74,723	45,555	565,333	567,625
Community development	787,272	527,634	387,387	476,545
Economic development	-	184,833	113,213	127,644
Interest and fiscal agent charges	33,408	272,493	422,212	427,832
Bond issuance costs	-	269,037	-	5,852
Total governmental activities expenses	8,084,943	9,036,242	11,064,548	11,082,724
Business-type activities:				
Water and wastewater	3,801,600	3,939,736	3,574,827	3,463,115
Drainage utility	399,214	609,757	604,158	686,287
Total business-type activities expenses	4,200,814	4,549,493	4,178,985	4,149,402
Total primary government expenses	$ 12,285,757	$ 13,585,735	$ 15,243,533	$ 15,232,126
PROGRAM REVENUES				
Governmental activities:				
Charges for services	$ 1,115,626	$ 1,400,803	$ 1,481,181	$ 1,775,163
Operating grants and contributions	324,176	212,901	225,025	196,804
Capital grants and contributions	298,227	364,313	4,148	39,582
Total governmental activities program revenues	1,738,029	1,978,017	1,710,354	2,011,549
Business-type activities				
Charges for services	4,698,246	4,916,055	5,058,451	5,144,552
Capital grants and contributions	-	-	173,079	9,585
Total business-type activities program revenues	4,698,246	4,916,055	5,231,530	5,154,137
Total primary government program revenues	$ 6,436,275	$ 6,894,072	$ 6,941,884	$ 7,165,686
NET (EXPENSE) REVENUE				
Governmental activities	$ (6,346,914)	$ (7,058,225)	$ (9,354,194)	$ (9,071,175)
Business-type activities	497,432	366,562	1,052,545	1,004,735
Total primary government net expense	$ (5,849,482)	$ (6,691,663)	$ (8,301,649)	$ (8,066,440)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes				
Property	$ 2,324,952	$ 2,364,093	$ 2,839,255	$ 2,972,668
Sales	4,023,815	4,471,407	4,735,759	5,081,993
Franchise	590,583	599,094	512,109	560,282
Hotel occupancy	210,250	232,946	226,677	231,045
Investment earnings	9,701	2,992	16,669	33,085
Miscellaneous	8,777	232,653	97,487	149,513
Gain (loss) on retirement of capital assets	6,452	-	61,519	106,522
Transfers in (out)	413,985	508,155	298,158	210,192
Total governmental activities	7,588,515	8,411,340	8,787,633	9,345,300
Business-type activities:				
Investment earnings	1,542	829	4,467	12,704
Miscellaneous	10,397	-	-	-
Transfers in (out)	(413,985)	(508,155)	(298,158)	(210,192)
Total business-type activities	(402,046)	(507,326)	(293,691)	(197,488)
Total primary government	$ 7,186,469	$ 7,904,014	$ 8,493,942	$ 9,147,812
Change in Net Position				
Governmental activities	$ 1,241,601	$ 1,353,115	$ (566,561)	$ 274,125
Business-type activies	95,386	(140,764)	758,854	807,247
Total primary government	$ 1,336,987	$ 1,212,351	$ 192,293	$ 1,081,372

(Continued)

TABLE 2

Fiscal Year 2019	2020	2021	2022	2023	2024
$ 1,802,970	$ 1,305,958	1,433,218	1,380,007	1,994,587	2,177,264
6,030,013	5,895,176	5,660,499	6,086,145	7,983,920	8,273,945
929,775	690,123	801,562	838,964	1,476,279	1,362,954
1,585,385	1,362,787	1,387,144	1,588,342	1,699,041	1,800,173
660,430	644,340	737,938	684,518	787,617	842,582
282,211	472,435	411,596	409,804	600,762	575,354
202,730	268,713	165,116	283,064	303,619	480,885
447,445	585,288	561,806	551,242	566,515	765,733
203,390	-	-	-	-	135,291
12,144,349	11,224,820	11,158,879	11,822,086	15,412,340	16,414,181
4,163,091	3,563,124	4,394,454	4,032,448	4,564,289	5,238,219
663,439	584,961	675,847	537,734	523,049	623,801
4,826,530	4,148,085	5,070,301	4,570,182	5,087,338	5,862,020
$ 16,970,879	$ 15,372,905	$ 16,229,180	$ 16,392,268	$ 20,499,678	$ 22,276,201
$ 1,711,007	$ 1,509,317	$ 1,208,191	$ 1,449,304	$ 1,675,173	$ 1,880,785
29,361	368,625	131,684	38,952	159,643	43,225
205,260	118,210	854,411	-	-	264,036
1,945,628	1,996,152	2,194,286	1,488,256	1,834,816	2,188,046
5,142,527	5,167,724	5,863,089	6,127,284	5,976,107	6,006,235
145,000	-		202,578	166,570	2,408,398
5,287,527	5,167,724	5,863,089	6,329,862	6,142,677	8,414,633
$ 7,233,155	$ 7,163,876	$ 8,057,375	$ 7,818,118	$ 7,977,493	$ 10,602,679
$ (10,198,721)	$ (9,228,668)	$ (8,964,593)	$ (10,333,830)	$ (13,577,524)	$ (14,226,135)
460,997	1,019,639	792,788	1,759,680	1,055,339	2,552,613
$ (9,737,724)	$ (8,209,029)	$ (8,171,805)	$ (8,574,150)	$ (12,522,185)	$ (11,673,522)
$ 3,199,055	$ 3,707,148	$ 3,762,747	$ 3,991,037	$ 4,365,451	$ 4,913,654
5,851,598	6,906,449	7,370,537	9,283,031	10,031,749	10,476,231
650,388	547,312	516,814	569,457	647,876	561,375
200,577	85,603	155,154	214,587	254,445	250,237
46,896	73,895	2,763	15,723	361,636	856,765
166,686	226,387	170,411	452,516	713,093	224,112
48,442	-	5,371			
-	-	-	135,645	98,919	17,670
10,163,642	11,546,794	11,983,797	14,661,996	16,473,169	17,300,044
27,939	12,708	707	16,756	271,649	397,465
-	-	-	85,830	10,000	-
-	-	-	(135,645)	(98,919)	(17,670)
27,939	12,708	707	(33,059)	182,730	379,795
$ 10,191,581	$ 11,559,502	$ 11,984,504	$ 14,628,937	$ 16,655,899	$ 17,679,839
$ (35,079)	$ 2,318,126	$ 3,019,204	$ 4,328,166	$ 2,895,645	$ 3,073,909
488,936	1,032,347	793,495	1,726,621	1,238,069	2,932,408
$ 453,857	$ 3,350,473	$ 3,812,699	$ 6,054,787	$ 4,133,714	$ 6,006,317

(Concluded)

CITY OF RICHLAND HILLS, TEXAS
FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year				
	2015	**2016**	**2017**	**2018**	**2019**
General Fund					
Nonspendable	$ -	$ 46,221	$ 1,813	$ 63,242	$ 22,013
Restricted	-	57,661	59,086	64,622	94,408
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	3,031,436	3,883,656	2,630,467	2,827,940	2,849,792
Total general fund	$ 3,031,436	$ 3,987,538	$ 2,691,366	$ 2,955,804	$ 2,966,213
All Other Governmental Funds					
Restricted	$ 1,513,668	$ 11,552,448	$ 2,347,740	$ 2,395,212	$ 9,549,679
Assigned	23,425	40,711	2,711	2,711	216,947
Unassigned	(216,619)	(91,145)	-	-	-
Total all other governmental funds	$ 1,320,474	$ 11,502,014	$ 2,350,451	$ 2,397,923	$ 9,766,626

(Continued)

TABLE 3

Fiscal Year				
2020	**2021**	**2022**	**2023**	**2024**
$ 49,732	$ 48,023	$ 65,694	$ 64,744	$ 79,313
100,793	81,349	-	-	-
-	-	-	-	-
-	-	-	-	-
3,912,570	4,303,759	5,486,407	4,004,437	4,673,197
$ 4,063,095	$ 4,433,131	$ 5,552,101	$ 4,069,181	$ 4,752,510
$ 10,166,690	$ 6,060,835	$ 7,352,890	$ 8,687,815	$ 15,547,907
270,108	33,539	7,374	2,333,836	2,005,690
-	(31,566)	-	-	-
$ 10,436,798	$ 6,062,808	$ 7,360,264	$ 11,021,651	$ 17,553,597

(concluded)

CITY OF RICHLAND HILLS, TEXAS
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

	Fiscal Year 2015	2016	2017	2018
REVENUES				
Taxes	$ 7,131,372	$ 7,715,290	$ 8,400,231	$ 8,923,509
Fines and forfeitures	775,521	953,662	784,004	755,599
Licenses and permits	131,148	155,834	168,640	138,751
Charges for service	260,172	316,544	407,685	687,291
Intergovernmental	485,486	280,429	428,826	212,493
Investment earnings	1,078	2,992	16,669	33,085
Miscellaneous	145,694	233,745	121,224	173,406
Total revenues	8,930,471	9,658,496	10,327,279	10,924,134
EXPENDITURES				
Current operations:				
General government	1,181,854	1,288,242	2,102,399	1,693,517
Public safety	4,789,942	4,948,279	4,955,726	5,415,041
Public works	252,849	292,570	173,764	185,479
Culture and recreation	378,425	403,527	726,122	1,041,613
Parks and beutification	81,620	45,555	134,826	125,182
Community development	769,346	438,384	381,325	481,077
Economic development	-	184,833	113,213	127,644
Capital outlay	895,743	4,917,553	11,855,499	953,090
Debt service:				
Principal	330,000	355,451	254,729	405,610
Interest and fiscal agent charges	36,404	24,799	669,467	471,912
Bond issuance costs	-	269,037	-	5,852
Total expenditures	8,716,183	13,168,230	21,367,070	10,906,017
Excess (deficiency) of revenues over (under) expenditures	214,288	(3,509,734)	(11,039,791)	18,117
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	6,452	40,711	61,519	77,295
Proceeds from capital lease	-	-	232,379	-
Proceeds of bond issuance	-	13,475,000	-	228,750
Financed Purchases	-	-	-	-
Lease Financing	-	-	-	-
Refund on existing debt	-	-	-	(222,444)
Bond issuance premium	-	623,510	-	-
Proceeds from insurance recovery	-	-	-	-
Transfers in	705,560	942,848	2,498,158	2,061,600
Transfers out	(291,575)	(434,693)	(2,200,000)	(1,851,408)
Total other financing sources (uses)	420,437	14,647,376	592,056	293,793
Net change in fund balances	$ 634,725	$ 11,137,642	$ (10,447,735)	$ 311,910
Debt service as a percentage of non-capital expenditures	4.69%	4.61%	9.36%	8.79%

(Continued)

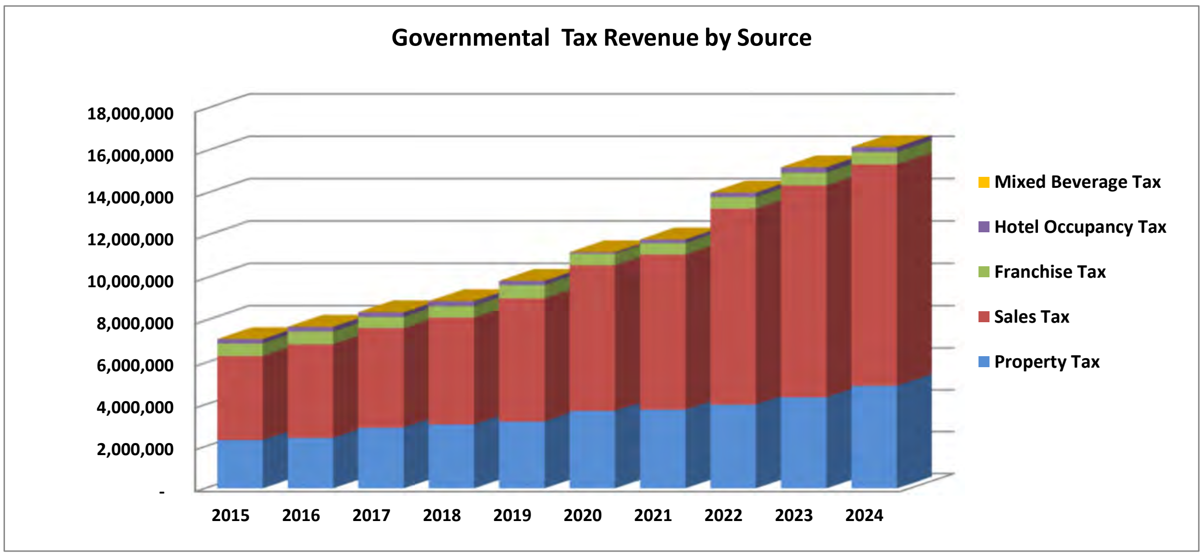
TABLE 4

Fiscal Year					
2019	**2020**	**2021**	**2022**	**2023**	**2024**
$ 9,883,901	$ 11,261,193	$ 11,841,892	$ 14,052,969	$ 15,249,177	$ 16,208,712
747,816	421,680	293,125	308,753	418,334	569,630
168,765	383,038	186,174	177,429	264,742	286,297
694,494	713,931	665,780	893,388	904,426	835,276
209,449	456,161	955,460	4,899	159,870	15,304
46,896	73,895	2,763	15,723	361,636	856,765
191,858	193,276	246,679	523,191	518,916	417,446
11,943,179	13,503,174	14,191,873	15,976,352	17,877,101	19,189,430
1,720,769	1,260,799	1,395,739	1,405,943	1,891,639	2,007,730
5,355,003	5,317,932	5,461,574	5,716,721	6,695,778	6,967,361
240,479	158,080	231,511	181,835	722,408	554,796
1,076,150	1,055,758	1,135,135	1,378,658	1,362,210	1,522,379
216,351	177,500	146,179	174,659	243,805	295,344
275,784	461,423	415,953	415,999	558,289	545,492
202,730	268,713	165,116	281,478	301,971	878,576
1,359,363	2,416,463	7,866,272	3,301,913	3,853,053	2,353,382
402,540	694,054	721,871	706,953	972,163	1,288,473
464,340	668,016	661,848	637,049	658,314	838,902
203,390	-	-	-	-	135,291
11,516,899	12,478,738	18,201,198	14,201,208	17,259,630	17,387,726
426,280	1,024,436	(4,009,325)	1,775,144	617,471	1,801,704
48,442	22,885	5,371	23,915	244,546	41,288
-	719,733	-	-	-	-
6,340,000	-	-	-	-	4,895,000
-	-	-	299,855	-	-
-	-	-	163,159	1,150,268	304,308
-	-	-	-	-	-
564,390	-	-	-	-	155,305
-	-	-	18,708	67,260	-
610,959	291,844	978,623	965,250	2,979,567	980,437
(610,959)	(291,844)	(978,623)	(829,605)	(2,880,648)	(962,767)
6,952,832	742,618	5,371	641,282	1,560,993	5,413,571
$ 7,379,112	$ 1,767,054	$ (4,003,954)	$ 2,416,426	$ 2,178,464	$ 7,215,275
8.21%	13.53%	13.39%	12.08%	11.93%	15.42%

(concluded)

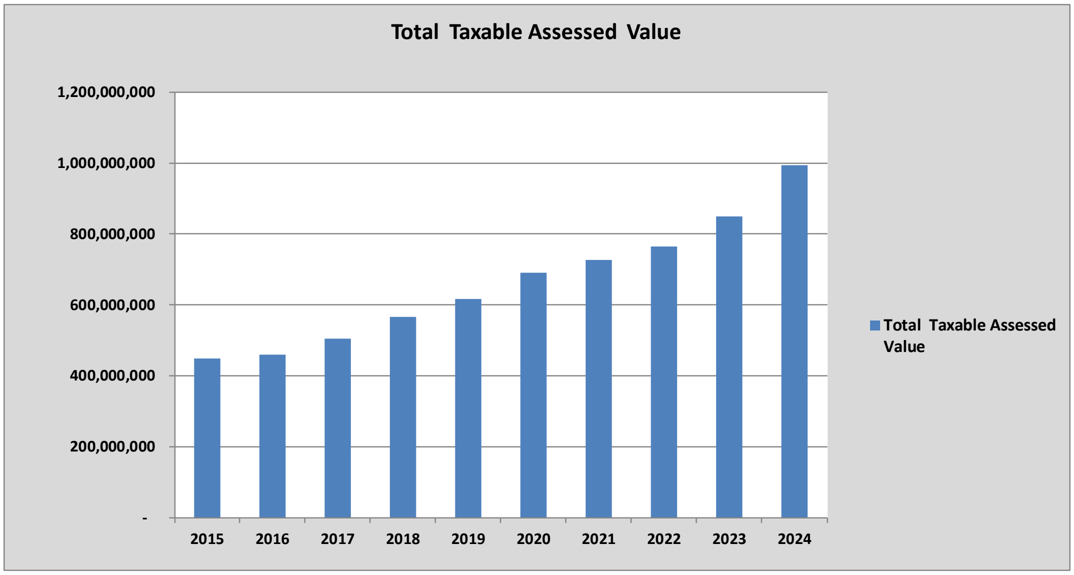
CITY OF RICHLAND HILLS, TEXAS **TABLE 5**
GOVERNMENTAL FUNDS
TAX REVENUE BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Fiscal Year	Property Tax	Sales Tax	Mixed Beverage Tax	Franchise Tax	Hotel Occupancy Tax	Total Tax Revenue
2015	2,306,724	4,021,746	2,069	590,583	210,250	7,131,372
2016	2,416,008	4,469,203	2,204	594,929	232,946	7,715,290
2017	2,909,940	4,733,430	2,329	527,855	226,677	8,400,231
2018	3,061,504	5,080,421	1,572	548,966	231,045	8,923,508
2019	3,198,614	5,849,484	2,114	633,112	200,577	9,883,901
2020	3,707,148	6,906,449	1,640	547,312	73,895	11,236,444
2021	3,760,884	7,367,612	2,925	533,360	177,111	11,841,892
2022	4,006,019	9,280,247	2,784	549,332	214,587	14,052,969
2023	4,358,514	10,029,342	2,408	604,469	254,444	15,249,177
2024	4,907,971	10,473,600	2,632	574,273	250,237	16,208,713



CITY OF RICHLAND HILLS, TEXAS **TABLE 6**
ASSESSED AND ESTIMATED ACTUAL
VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Unaudited)

	Assessed Property Value									
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2015	249,818,804	140,619,127	10,954,105	8,567,090	88,156,960	49,823,877	448,292,209	0.528094	448,292,209	100.0%
2016	252,248,877	148,470,367	10,935,105	6,433,902	89,767,063	48,639,210	459,216,104	0.528805	459,216,104	100.0%
2017	283,204,384	164,847,074	13,090,988	497,316	94,503,549	51,585,738	504,557,573	0.595633	504,557,573	100.0%
2018	317,868,306	199,515,427	14,298,894	111,002	101,993,372	67,615,182	566,171,819	0.563738	566,171,819	100.0%
2019	352,011,740	208,140,145	15,195,814	341,130	108,277,963	67,797,937	616,168,855	0.541880	616,168,855	100.0%
2020	394,094,551	231,526,855	20,884,453	1,805,720	109,575,049	67,301,522	690,585,106	0.558551	690,585,106	100.0%
2021	423,423,768	239,006,207	19,145,422	1,052,000	111,532,031	67,882,417	726,277,011	0.558551	726,277,011	100.0%
2022	464,667,753	236,648,205	19,514,353	1,091,238	109,451,688	67,834,625	763,538,612	0.558551	763,538,612	100.0%
2023	521,484,041	263,104,566	18,742,438	6,610,136	113,710,680	73,766,189	849,885,672	0.538885	849,885,672	100.0%
2024	613,441,302	298,105,577	19,992,654	4,951,460	141,007,288	82,967,881	994,530,400	0.522689	994,530,400	100.0%



Source: Tarrant Appraisal District

Note: Property in the City is reassessed each year by the Tarrant Appraisal District.
Property is assessed at actual value; therefore,the assessed values are equal to actual value.

CITY OF RICHLAND HILLS, TEXAS **TABLE 7**
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
OVERLAPPING RATES										
Tarrant County	0.264000	0.264000	0.244000	0.244000	0.234000	0.234000	0.229000	0.229000	0.224000	0.187500
Tarrant County Hospital District	0.227897	0.227897	0.224429	0.224429	0.224429	0.224429	0.224429	0.224429	0.224429	0.1825
Tarrant County College District	0.149500	0.149500	0.140060	0.140060	0.136070	0.130170	0.130170	0.130170	0.130170	0.112280
Birdville Independent School District	1.435000	1.453900	1.453900	1.453900	1.453900	1.383900	1.380300	1.338000	1.279800	1.198300
CITY DIRECT RATES										
Operating & Maintenance	0.469092	0.470680	0.471433	0.460847	0.450755	0.418051	0.418051	0.418051	0.413628	0.3617
Interest & Sinking	0.059002	0.058125	0.124200	0.102891	0.091125	0.140500	0.140500	0.140500	0.125257	0.160989
Total Direct Rate	0.528094	0.528805	0.595633	0.563738	0.541880	0.558551	0.558551	0.558551	0.538885	0.522689
Total Direct & Overlapping Rate	2.604491	2.624102	2.658022	2.626127	2.590279	2.531050	2.522450	2.480150	2.397284	2.203269

Note: All rates per $100 assessed value.

The taxing jurisdictions are mutually exclusive.

Sources: Tarrant Appraisal District and City records.

CITY OF RICHLAND HILLS, TEXAS **TABLE 8**
PRINCIPAL PROPERTY TAXPAYERS
Current and Ten Years Ago
(Unaudited)

		2024			2015		
Taxpayer	**Industry**	**2023 Taxable Assessed Valuation****	**Rank**	**Percentage of Total Taxable Assesed Valuation**	**2014 Taxable Assessed Valuation***	**Rank**	**Percentage of Total Taxable Assesed Valuation**
1. A&R Calloway LLC	Apartments	$ 25,900,000		3.0%	$ -		-
2. Stuart C Irby LLC	Retailer	21,533,578		2.5%	4,994,884		1.2%
3. Oncor Electric Co	Utility	19,024,594		2.2%	4,976,271		1.2%
4. 356 Midway Venture LLC	Real Estate/Commercial	11,286,435		1.3%	-		-
5. SRS Distribution/Heritage I	Retailer	11,328,071		1.3%	4,033,300		0.9%
6. Hung Properties #1 LP	Real Estate/Commercial	8,400,000		1.0%	-		-
8. Buyers Barricades	Retailer	8,343,153		1.0%	-		-
9. Atmos Energy	Utility	7,456,310		0.9%	-		-
10. MB Midway LLC	Real Estate/Commercial	7,350,200		0.9%	-		0.0%
Burns Road Building LTD	Commercial	6,624,004		0.8%	-		-
S&V Corporation/Hamilton Form Co Inc		4,597,402		0.5%	-		0.0%
E. L. Baker Jr LTD/Baker Dev Co Inc		4,115,597		0.5%	8,205,913		1.9%
Hudgins Donald ETAL		2,296,297		0.3%	5,985,000		1.4%
CKC Trinity Investments		2,114,041		0.2%	5,845,529		1.4%
Total		$ 140,369,682		16.5%	$ 34,040,897		7.9%
Total assessed value of other taxpayers		709,515,990		83.5%	396,095,231		92.1%
Total assessed value of all taxpayers		$ 849,885,672		100.0%	$ 430,136,128		100.0%

Source: Tarrant Appraisal District
* Taxpayers assessed on January 1, 2013 (2013 tax year) for the 2013-2014 fiscal year.
** Taxpayers assessed on January 1, 2023 (2023 tax year) for the 2023 -2024 fiscal year.

CITY OF RICHLAND HILLS, TEXAS **TABLE 9**
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(Unaudited)

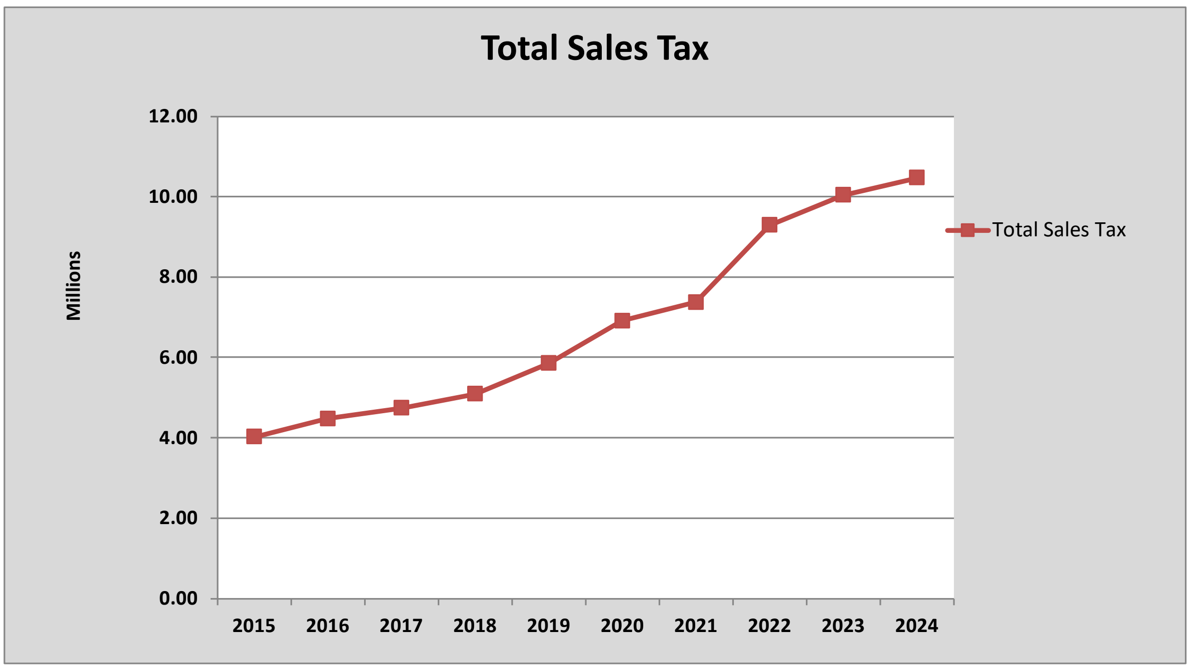
Fiscal Year Ended 9/30	Actual Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2014	2,316,163	2,272,895	98.1%	38,895	2,311,790	99.8%
2016	2015	2,380,796	2,354,223	98.9%	22,346	2,376,569	99.8%
2017	2016	2,875,298	2,836,300	98.6%	35,440	2,871,740	99.9%
2018	2017	3,008,103	2,970,529	98.8%	31,993	3,002,523	99.8%
2019	2018	3,158,251	3,116,025	98.7%	33,512	3,149,537	99.7%
2020	2019	3,630,618	3,580,932	98.6%	40,258	3,621,190	99.7%
2021	2020	3,721,627	3,671,287	98.6%	42,020	3,713,307	99.8%
2022	2021	3,946,468	3,907,870	99.0%	27,981	3,935,851	99.7%
2023	2022	4,290,549	4,232,901	98.7%	25,748	4,258,649	99.3%
2024	2023	4,841,723	4,770,900	98.5%	-	4,770,900	98.5%

Source: Tarrant County Tax Assessor Collector.

Tax Lien and Assessment Date:	January 1 each year
Taxes due:	October 1 of the same year
Taxes delinquent:	February 1 of the following year

CITY OF RICHLAND HILLS, TEXAS **TABLE 10**
SALES TAX COLLECTIONS BY FUND
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended 9/30	General	(TIF) Tax Increment Financing **	Crime Control District	Road and Street *	Richland Hills Development Corporation	Total Sales Tax Collections
2015	2,583,922	101,400	1,003,104	-	335,389	4,023,815
2016	2,873,295	107,428	1,118,369	-	372,315	4,471,407
2017	2,980,714	178,474	1,186,765	-	389,806	4,735,759
2018	3,267,337	104,325	1,293,803	-	416,528	5,081,993
2019	3,303,034	49,252	1,248,819	625,562	624,931	5,851,598
2020	3,367,227	80,581	1,302,112	1,292,928	861,952	6,904,800
2021	3,619,035	68,182	1,380,638	1,381,609	921,073	7,370,537
2022	4,574,082	72,655	1,733,824	1,741,482	1,160,988	9,283,031
2023	4,900,999	117,965	1,877,438	1,881,208	1,254,139	10,031,749
2024	5,130,113	113,210	1,953,198	1,966,246	1,310,831	10,473,598



* Sales tax was voted to be collected effective April 2019.
** Sales tax for TIF is budgeted as a transfer in varying fiscal years.
Source: City records.

CITY OF RICHLAND HILLS, TEXAS
RATIOS OF TOTAL OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Unaudited)

	GOVERNMENTAL ACTIVITIES						
Fiscal Year	General Obligaton Bonds	Premiums	Certificates of Obligation (1)	Public Property Finance Contractual Obligations	Tax Notes	Financed Purchases/ Capital Leases	Leases (4)
2014	-	-	250,000	801,000	-	39,016	-
2015	-	-	130,000	591,000	-	30,104	-
2016	8,770,000	623,510	4,705,000	375,000	-	20,653	-
2017	8,770,000	565,372	4,585,000	297,000	-	196,303	-
2018	8,863,250	523,579	4,410,000	42,000	-	141,193	-
2019	14,388,500	1,046,871	4,230,000	-	680,000	95,403	-
2020	14,077,250	950,156	4,050,000	-	590,000	702,332	-
2021	13,751,750	853,623	3,860,000	-	500,000	585,961	-
2022	13,411,250	762,710	3,665,000	-	405,000	817,108	155,414
2023	13,021,750	676,844	3,460,000	-	310,000	687,172	1,152,955
2024	12,617,250	739,251	8,005,000	-	210,000	552,919	1,157,542

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) Includes certificate of obligation secured by combination property tax and revenue.
(2) Includes governmental activities and business-type activities debt.
(3) See Table 16 for population and personal income data.
(4) Leases applies to new GASB87 Requirements

TABLE 11

BUSINESS-TYPE ACTIVITIES							
General Obligation Bonds	Certificates of Obligation	Premiums	Financed Purchases/ Capital Leases	Leases (4)	Total Primary Government (2)	Total Debt Per Capita (3)	Per Capita Debt as a Percent of Capita Income (3)
-	11,500,000	505,314	109,110	-	13,204,440	1,693	6.9%
-	11,750,000	473,166	55,756	-	13,030,026	1,645	6.7%
-	10,895,000	441,021	270,722	-	26,100,906	3,296	13.4%
-	10,000,000	408,871	206,981	-	25,029,527	3,160	12.8%
1,151,750	7,935,000	376,723	140,683	-	23,584,178	2,978	10.3%
1,011,500	7,405,000	344,573	71,725	-	29,273,572	3,696	12.3%
862,750	6,850,000	312,423	-	-	28,394,911	3,585	11.3%
2,283,250	4,750,000	280,276	-	-	26,864,860	3,383	9.9%
1,978,750	4,295,000	248,127	1,420,753	107,297	27,159,112	3,201	8.7%
1,698,250	3,935,000	225,570	1,297,254	238,101	26,464,795	3,119	8.9%
1,417,750	4,785,000	240,774	1,171,576	182,177	30,897,062	3,560	8.6%

CITY OF RICHLAND HILLS, TEXAS **TABLE 12**
RATIOS OF GENERAL BONDED DEBT
PER ASSESSED VALUE AND PER CAPITA
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	General Bonded Debt	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Actual Taxable Value (1)	Net Bonded Debt Per Capita (2)
2015	591,000	185,035	405,965	0.09%	51
2016	9,440,379	164,196	9,276,183	2.02%	1,171
2017	9,339,859	237,811	9,102,048	1.80%	1,149
2018	10,314,328	310,514	10,003,814	1.77%	1,263
2019	16,142,630	363,334	15,779,296	2.56%	1,992
2020	15,625,494	385,295	15,240,199	2.21%	1,924
2021	16,661,501	441,480	16,220,021	2.23%	2,043
2022	15,959,230	558,911	15,400,319	2.02%	1,815
2023	15,559,484	661,915	14,897,569	1.75%	1,756
2024	14,849,278	758,744	14,090,534	1.42%	1,624

Notes:
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) See Table 6 for taxable value data.
(2) See Table 16 for population and personal income data.

CITY OF RICHLAND HILLS, TEXAS **TABLE 13**

GENERAL BONDED DEBT AS A RATIO OF ANNUAL GOVERNMENTAL EXPENDITURES

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Principal	Interest and fees	Total Debt Service	Total Governmental Expenditures (1)	Ratio of Debt Service to Governmental Expenditures
2015	210,000	29,730	239,730	8,716,183	2.8%
2016	346,000	22,978	368,978	13,168,230	2.8%
2017	198,000	664,965	862,965	21,367,070	4.0%
2018	350,500	464,388	814,888	10,906,017	7.5%
2019	356,750	460,171	816,921	11,516,899	7.1%
2020	581,250	636,650	1,217,900	12,478,738	9.8%
2021	605,500	633,857	1,239,357	18,201,198	6.8%
2022	630,500	609,839	1,240,339	14,201,208	8.7%
2023	689,500	586,119	1,275,619	17,259,630	7.4%
2024	1,030,000	744,574	1,774,574	17,387,726	10.2%

Notes: (1) Includes general, special revenue, debt service and capital project funds.

CITY OF RICHLAND HILLS, TEXAS **TABLE 14**
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2024
(Unaudited)

Governmental Unit	Tax Supported Debt Outstanding	Estimated Percent Applicable*	Estimated Share of Direct and Overlapping Debt
City of Richland Hills	$ 27,035,000	100%	$ 23,281,962
Total direct debt			$ 23,281,962
Tarrant County (1)	345,130,000	0.30%	$ 1,035,390
Tarrant County Hospital District(1)	440,020,000	0.30%	1,320,060
Tarrant County College District	569,915,000	0.30%	1,709,745
Birdville Independent School District(1)	621,060,000	5.41%	33,599,346
Total overlapping debt			$ 37,664,541
Total direct and overlapping debt			$ 60,946,503
Total Direct and Overlapping Debt per Capita:			$ 7,023

Source: (1)
Municipal Advisory Council of Texas - "Texas Municipal Reports

*Estimated percentage is based on formula using assessed net taxable property values located within the Richland Hills City limits.

Note: 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 Richland Hills. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borned 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.

CITY OF RICHLAND HILLS, TEXAS **TABLE 15**
Computation of Legal Debt Margin
September 30, 2024
(Unaudited)

Article XI, Section 5 of the State of Texas Constitution state in part:

"… no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property for such city."

As a home rule city, the City of Richland Hills is not limited by the law in the amount of debt it may issue. The City's charter provides that general property taxes are limited to $1.50 per $100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation bonds.

The tax rate for fiscal year 2024 was established at $.522689 per $100 of assessed valuation based on 100% appraised value.

CITY OF RICHLAND HILLS, TEXAS **TABLE 16**
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Estimated Population [1]	Median Household Income[3]	Per Capita Income[3]	Public School Enrollment	Unemployment Rate [2]
2015	7,920	50,788	22,682	1,765	6.0%
2016	7,920	50,126	24,612	1,765	4.2%
2017	7,920	50,126	24,612	1,765	3.5%
2018	7,920	59,206	29,023	1,765	3.4%
2019	7,920	61,105	29,953	1,765	3.1%
2020	7,920	64,802	31,766	1,765	7.5%
2021	7,940	70,139	34,122	1,765	3.4%
2022	8,484	64,038	36,653	1765	3.8%
2023	8,484	65,255	35,082	1765	3.9%
2024	8,678	81,905	41,364	1695	4.1%

Sources: U.S. Census Bureau
1 North Central Texas Council of Governments (NCTCOG)
2 Texas Workforce Commission
Birdville ISD
3 Data for Tarrant County/NCTCOG

CITY OF RICHLAND HILLS, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM **TABLE 17**
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Police										
Physical arrests	404	347	438	557	208	515	489	611	701	804
Number of law violations	976	798	1,266	2,783	4,820	3,082	2568	4433	4735	5,058
Fire										
Number of fire runs	554	740	647	663	663	499	581	604	589	677
Number of EMS runs	902	990	1020	1047	1047	1022	1089	1180	1135	1160
Public Works - Streets										
Streets resurfacing (miles)	1.5	-	1	1	3	1	1	1	1	1
Potholes repaired	168	247	211	356	381	437	455	241	846	984
Public Works - Water/Wastewater										
New Connections	13	1	2	1	4	2	6	8	16	32
Water main breaks	30	19	26	11	13	20	23	26	18	9
Average daily consumption (thousands of gallons)	789	686	877	937	940	978	75	1,100	899	872
Peak daily consumption (thousands of gallons)	1,494	1,125	1,415	1,885	1,870	1,901	396	1,600	1,600	1,500
Average daily sewer treatment (thousands of gallons)	793	546	457	537	540	553	415	800	800	959
Library										
Volumes collection	41,701	36,598	37,881	38,123	28,500	27,728	27,346	27,652	29,212	30,378
Total volumes borrowed	37,805	41,980	52,304	59,686	17,820	31,277	27,315	36,728	34,568	39,705
Recreation center (1)										
Link Memberships	-	-	402	635	615	756	671	904	904	728
Rentals	-	-	17	359	393	280	327	758	758	758

*Water consumption decrease from Ft. Worth Wholesale Water records. City used more well water during FY 2021

Note: The City's recreation center, the LINK, opened in April 2017.

Source: Various City departments

CITY OF RICHLAND HILLS, TEXAS
CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM **TABLE 18**
Last Ten Fiscal Years
(Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	11	8	8	9	9	9	10	10	9	9
(1) Un-Marked Units	-	-	-	9	9	9	6	6	7	7
(1) Un-Marked Volunteer Unit	-	-	-	1	1	1	-	-	-	-
(1) Crime Scene Van	-	-	-	-	-	-	-	1	1	1
(1) Speed Trailer	-	-	-	1	1	1	1	1	2	2
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire trucks	2	2	2	2	2	2	2	2	2	2
Ambulances	1	1	1	1	1	1	2	2	2	2
Public Works - Streets										
Streets (miles)	43.51	43.51	43.51	43.51	43.51	43.51	43.51	43.51	43.51	44.00
Street lights	462	462	462	462	462	462	462	462	462	467
Traffic signals	9	9	9	9	9	9	9	9	9	12
Public Works - Water/Wastewater										
Water mains (miles)	47	47	47	47	47	47	47	47	47	49
Fire hydrants	350	355	355	355	355	355	355	385	385	360
Storage capacity (thousands of gallons)	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360	2,360
Sanitary sewer (miles)	60	60	60	60	60	60	60	60	60	61
Storm sewer (miles)	2.5	2.5	2.5	3	3	3	3	3	3	3
Culture and recreation										
Parks	4	4	4	5	5	5	5	6	6	6
Parks acreage	12.1	12.1	12.1	12.6	12.6	12.6	12.6	13.8	13.8	13.8
Community center	1	1	-	-	-	-	-	-	-	-
Playgrounds	3	3	4	4	4	4	4	4	6	6
Recreation center	-	-	1	1	1	1	1	1	1	1

Note: (1) Information available starting in Fiscal Year 2018.
Source: Various City departmental records.

CITY OF RICHLAND HILLS, TEXAS
FULL-TIME EQUIVALENT (FTE) CITY GOVERNMENT EMPLOYEES **TABLE 19**
BY FUNCTION/PROGRAM
Last Ten Fiscal Years
(Unaudited)

	FISCAL YEAR									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Function/Program										
General government										
Administration	8	8	8	8	8	8	8	8	8	8
City Secretary	1	1	1	1	1	1	1	1	1	1
Economic development	-	-	-	-	-	-	-	-	-	-
Facilities maintenance	-	-	-	2	2	2	2	2	4	4
Public safety										
Police	26	23	22	26	29	29	29	26	26	26
Fire	17	17	17	17	17	17	17	17	17	17
Municipal court	2	2	2	2	2	2	2	2	2	2
Animal services	2	2	2	2	2	2	2	2	3	3
Public Works - Streets	2	2	2	2	2	2	2	2	2	2
Culture and recreation										
Library	7	7	7	7	7	7	7	7	5	5
Parks & Recreation	1	1	25	27	33	34	34	34	34	34
Community development	4	4	4	4	4	4	4	4	4	4
Water and wastewater	10	9	9	9	9	9	9	9	9	9
Drainage utility	3	2	2	2	2	2	2	2	2	2
Total employees	83	78	101	109	118	119	119	116	116	116
Total hours worked	181,822	188,203	191,910	208,167	182,240	197,377	197,377	197,377	198,408	198,408
Total FTE employees (1)	87.4	90.5	92.3	100.1	87.6	94.9	94.9	94.9	95.5	95.5

Note: (1) 1 FTE = 2080 hrs worked in one year.
Source: City records.

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OVERALL COMPLIANCE AND INTERNAL CONTROL SECTION

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GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

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

To the Honorable Mayor and City Council
City of Richland Hills, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richland Hills, Texas (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 19, 2025.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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1849 Wall Street | Weatherford, TX 76086 | *Phone* 817.594.2704 | *Fax* 817.599.7389

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Richland Hills' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

George, Morgan & Sneed, P.C.
Weatherford, Texas
March 19, 2025

GMS CERTIFIED PUBLIC ACCOUNTANTS
GEORGE | MORGAN | SNEED

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and City Council
City of Richland Hills, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Richland Hills, Texas's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (*Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statues, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

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Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

George, Morgan & Sneed, P.C.

Weatherford, Texas
March 19, 2025

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CITY OF RICHLAND HILLS, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	___ Yes _X_ No
Significant deficiency identified that are not considered to be material weaknesses?	___ Yes _X_ None Reported
Noncompliance material to financial statements noted	___ Yes _X_ No

2. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	___ Yes _X_ No
Significant deficiency(s) identified that are not considered to be material weaknesses?	___ Yes _X_ None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	___ Yes _X_ No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$750,000
Auditee qualified as low-risk auditee?	___ Yes _X_ No

B. Financial Statement Findings

None

C. Federal Award Findings and Questioned Costs

None

CITY OF RICHLAND HILLS, TEXAS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

None.

CITY OF RICHLAND HILLS, TEXAS
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Contact for Corrective Action Plan:

Candice Edmondson
City Manager

Financial Statement Findings

None.

Federal Award Findings and Questioned Costs

None.

CITY OF RICHLAND HILLS, TEXAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Transportation				
Pass-through Texas Department of Transportation				
State and Community Highway Safety	20.600	2024-RichlandHillsPD-S-1YG-00132	-	8,610
Total U.S. Department of Transportation			-	8,610
U.S. Department of Treasury				
Passed Through from Texas Division of Emergency Management				
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027	SXVQZGJJBL8	-	1,195,751
Total U.S. Department of Treasury			-	1,195,751
TOTAL EXPENDITURES OF FEDERAL AWARDS			$ -	$ 1,204,361

The accompanying notes are an integral part of this schedule.

CITY OF RICHLAND HILLS, TEXAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Reporting Entity

The City of Richland Hills is a municipal corporation governed by an elected mayor and five-member council. The financial statements of the City of Richland Hills, Texas ("City") include all governmental activities, organizations, and functions for which the City exercises significant oversight responsibilities.

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal program activity of the City of Richlands Hills, Texas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

Indirect Cost Rate

The City has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform guidance. The City did not allocate indirect costs to federal programs.

March 19, 2025

Honorable Mayor and City Council Members
City of Richland Hills, Texas

Ladies and Gentlemen:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Richland Hills, Texas for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated June 12, 2024. Professional standards also require that we communicate to you the following information related to our audit.

<u>Significant Audit Findings</u>

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Richland Hills, Texas are described in Note 1 to the financial statements. . We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

The financial statement disclosures are neutral, consistent, and clear.

George, Morgan & Sneed, P.C.
1849 Wall Street | Weatherford, TX 76086 | *Phone* 817.594.2704 | *Fax* 817.599.7389

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely audit adjustments identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such audit adjustments. Attached is a list of adjustments detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 19, 2025.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City of Richland Hills’ auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund, the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Crime Control District, Schedule of Changes in Net Pension Liability, Schedule of Contributions and Schedule of Changes in OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquires of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining and Individual Fund Statements and Schedules and Schedule of Federal Expenditures, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical information, which accompany the financial statements but are not RSI. Such information has 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.

Restriction on Use

This information is intended solely for the use of the City Council and management of the City of Richland Hills, Texas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

George, Morgan & Sneed, P.C.

GEORGE, MORGAN & SNEED, P.C.

CITY OF RICHLAND HILLS
Adjusting JEs
09/30/2024

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
GMS01		**6085**			
To adjust lease transactions for GASB 87.					
030-56022-00-00	CAPITAL LEASE EXPENS		0.00	284,598.09	
030-57040-00-00	Payment of Interest		41,931.69	0.00	
030-57031-00-00	Payment of Principal		242,666.40	0.00	
001-52040-30-00	OFFICE EQUIP. MAINTE		0.00	28,971.60	
001-57031-00-00	PAYMENT OF PRINCIPAL		21,300.82	0.00	
001-57040-00-00	PAYMENT OF INTEREST		7,670.78	0.00	
065-52186-61-00	MINOR EQUIPMENT		0.00	48,630.17	
065-57031-00-00	PAYMENT OF PRINCIPAL		29,134.74	0.00	
065-57040-00-00	PAYMENT OF INTEREST		19,495.43	0.00	
030-56100-49-00	VEHICLES & HEAVY EQUIP.		304,307.60	0.00	
030-41000-00-00	Other Financial Sources		0.00	304,307.60	
070-18610-00-00	LEASED VEHICLES		304,307.60	0.00	
070-18610-00-00	LEASED VEHICLES		0.00	107,918.70	
070-11090-00-00	ACCUMULATED DEPRECIATION		36,380.68	0.00	
070-11090-00-00	ACCUMULATED DEPRECIATION		0.00	257,827.43	
070-18900-00-00	INVESTMENT IN GFA		25,057.85	0.00	
080-30020-00-00	LEASE FINANCING		0.00	4,588.84	
080-33100-00-00	FUND BALANCE		4,588.84	0.00	
002-22220-00-00	GASB LT LEASE LIABILITY		55,924.00	0.00	
002-57040-62-00	Payment of Interest		14,521.40	0.00	
002-59032-00-00	TRNSFR TO VEHICLE RE		0.00	58,029.00	
002-52040-30-00	OFFICE EQUIP. MAINTE		0.00	12,416.40	
030-56022-00-00	CAPITAL LEASE EXPENS		0.00	58,029.00	
030-41044-48-00	GRANTS AND TRANSFERS		58,029.00	0.00	
002-55999-62-00	DEPRECIATION EXPENSE		57,667.83	0.00	
002-11195-00-00	ACCUM AMORT LEASED VEH		0.00	57,667.83	
Total			**1,222,984.66**	**1,222,984.66**	**-1,743.83**
GMS02					
To record franchise tax rec and related deferred rec					
001-12300-00-00	FRANCHISE TAXES RECEIVABL		0.00	13,743.19	
001-41080-04-00	TELEPHONE FRANCHISE		845.23	0.00	
001-20261-00-00	DEFERRED FRANCHISE TAX REC		12,897.96	0.00	
001-13405-00-00	ACCRUED CABLE TV FRANCHISE FEE		0.00	536.56	
001-41110-04-00	CABLE TV FRANCHISE		536.56	0.00	
001-13404-00-00	ACCRUED SOLID WASTE FRANCHISE		542.83	0.00	
001-41090-04-00	SOLID WASTE FRANCHIS		0.00	542.83	
Total			**14,822.58**	**14,822.58**	**-838.96**
GMS03					
To reclassify debt payments.					
002-20011-00-00	CAP LEASE PAYBLE - WTR METERS		125,678.00	0.00	
002-57070-64-00	WATER METER FINANCIN		0.00	125,678.00	
002-57100-62-00	BOND AMORTIZATION		0.00	1,987.41	
002-22242-00-00	BONDS PREMIUM - 2023 CO'S		1,987.41	0.00	
Total			**127,665.41**	**127,665.41**	**127,665.41**
GMS04					
To adjust fund 80 to LTD balances.					
080-20005-00-00	PO EOY CARRYOVER		2,490,150.67	0.00	
080-30000-00-00	CONT OBLIG BONDS		3,665,000.00	0.00	
080-30002-00-00	SERIES 2019 TAX NOTES		0.00	210,000.00	
080-30003-00-00	2019 GENERAL OBLIGATION BONDS		0.00	4,910,000.00	
080-30004-00-00	SERIES 2023 CO		140,000.00	0.00	
080-30006-00-00	GO BONDS SERIES 2016		0.00	7,645,000.00	
080-30007-00-00	CO BONDS SERIES 2016		0.00	3,250,000.00	
080-30008-00-00	2017 GENERAL OBLIGATION REF		19,500.00	0.00	
080-30010-00-00	BOND PREMIUMS		0.00	583,945.92	
080-30015-00-00	CAPITAL LEASE PAYABLE		0.00	552,918.98	

CITY OF RICHLAND HILLS
Adjusting JEs
09/30/2024

Account	Description	Workpaper Reference	Debit	Credit	Net Income Effect
080-33100-00-00	FUND BALANCE		10,837,214.23	0.00	
Total			**17,151,864.90**	**17,151,864.90**	**0.00**
GMS06					
To adjust CY pension liability					
002-51070-62-00	T.M.R.S.		1,192.00	0.00	
002-51070-66-00	T.M.R.S.		948.00	0.00	
002-51070-67-00	T.M.R.S.		545.00	0.00	
002-15350-00-00	DEFERRED PENSION OUTFLOW		0.00	148,357.00	
002-22100-00-00	DEFERRED PENSION INFLOW		0.00	24,887.00	
002-21201-00-00	NET PENSION OBILGATION TMRS		170,559.00	0.00	
022-51070-69-00	T.M.R.S.		14,731.00	0.00	
022-15350-00-00	DEFERRED PENSION OUTFLOW		0.00	23,484.00	
022-22100-00-00	DEFERRED PENSION INFLOW		0.00	4,159.00	
022-21201-00-00	NET PENSION OBILGATION-TMRS		12,912.00	0.00	
Total			**200,887.00**	**200,887.00**	**-17,416.00**
GMS07					
To adjust CY OPEB liability					
002-15351-00-00	DEFERRED OUTFLOW-TMRS OPEB		0.00	409.00	
002-21203-00-00	DEFERRED INFLOW-TMRS OPEB		4,142.00	0.00	
002-21202-00-00	OPEB LIABILITY - TMRS		0.00	2,427.00	
002-51070-62-00	T.M.R.S.		0.00	580.00	
002-51070-66-00	T.M.R.S.		0.00	461.00	
002-51070-67-00	T.M.R.S.		0.00	265.00	
022-15351-00-00	DEFERRED OUTFLOW-TMRS OPEB		37.00	0.00	
022-21203-00-00	DEFERRED INFLOW-TMRS OPEB		342.00	0.00	
022-21202-00-00	OPEB LIABILITY - TMRS		0.00	1,290.00	
022-51070-69-00	T.M.R.S.		911.00	0.00	
Total			**5,432.00**	**5,432.00**	**395.00**
GMS08					
To adjust governmental activities fixed assets					
070-18200-00-00	LAND IMPROVEMENTS		120,129.38	0.00	
070-11001-00-00	CONSTRUCTION IN PROGRESS		69,052.59	0.00	
070-18700-00-00	GEN FIXED ASSET STREETS		0.00	8,909.95	
070-11090-00-00	ACCUMULATED DEPRECIATION		202.24	0.00	
070-18900-00-00	INVESTMENT IN GFA		0.00	180,474.26	
Total			**189,384.21**	**189,384.21**	**0.00**
GMS09					
To record July Water purchase (paid 12/12/24).					
002-58170-66-00	WATER PURCHASED VOLU		63,904.53	0.00	
002-20101-00-00	ACCOUNTS PAYABLE TRADE		0.00	63,904.53	
Total			**63,904.53**	**63,904.53**	**-63,904.53**
GMS10					
To record current year developer contributions - Richland Crossing.					
002-41003-56-00	CONTRIBUTION		0.00	901,720.00	
002-19800-00-00	SERVICE LINES		901,720.00	0.00	
002-55999-62-00	DEPRECIATION EXPENSE		6,575.04	0.00	
002-11180-00-00	ACCU. DEPREC. SERV. LINES		0.00	6,575.04	
070-18200-00-00	LAND IMPROVEMENTS		262,048.00	0.00	
070-18700-00-00	GEN FIXED ASSET STREETS		401,988.00	0.00	
070-18900-00-00	INVESTMENT IN GFA		0.00	664,036.00	
070-11090-00-00	ACCUMULATED DEPRECIATION		0.00	9,683.86	
070-18900-00-00	INVESTMENT IN GFA		9,683.86	0.00	
Total			**1,582,014.90**	**1,582,014.90**	**895,144.96**
GRAND TOTAL			**20,558,960.19**	**20,558,960.19**	**939,302.05**

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Kip Dernovich, Director of Public Works and Capital Projects

Date: March 24, 2025

Subject: Street Improvement Projects

Agenda Item:

Street Improvement Projects

Background Information:

Staff will provide an update on the FY 2025 street improvement projects.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

Attachments:

N/A

Council Action Requested:

No Council Action

Memorandum

To: Honorable Mayor Curtis Bergthold and Richland Hills City Council Members

From: Candice Edmondson, City Manager

Date: March 24, 2025

Subject: February Department Monthly Reports

Agenda Item:

February Department Monthly Reports

Background Information:

Attached are the monthly Department Reports. If you have any questions regarding the reports, please contact me or the appropriate Department Head.

Financial Considerations:

N/A

Legal Review:

N/A

Board/Citizen Input:

N/A

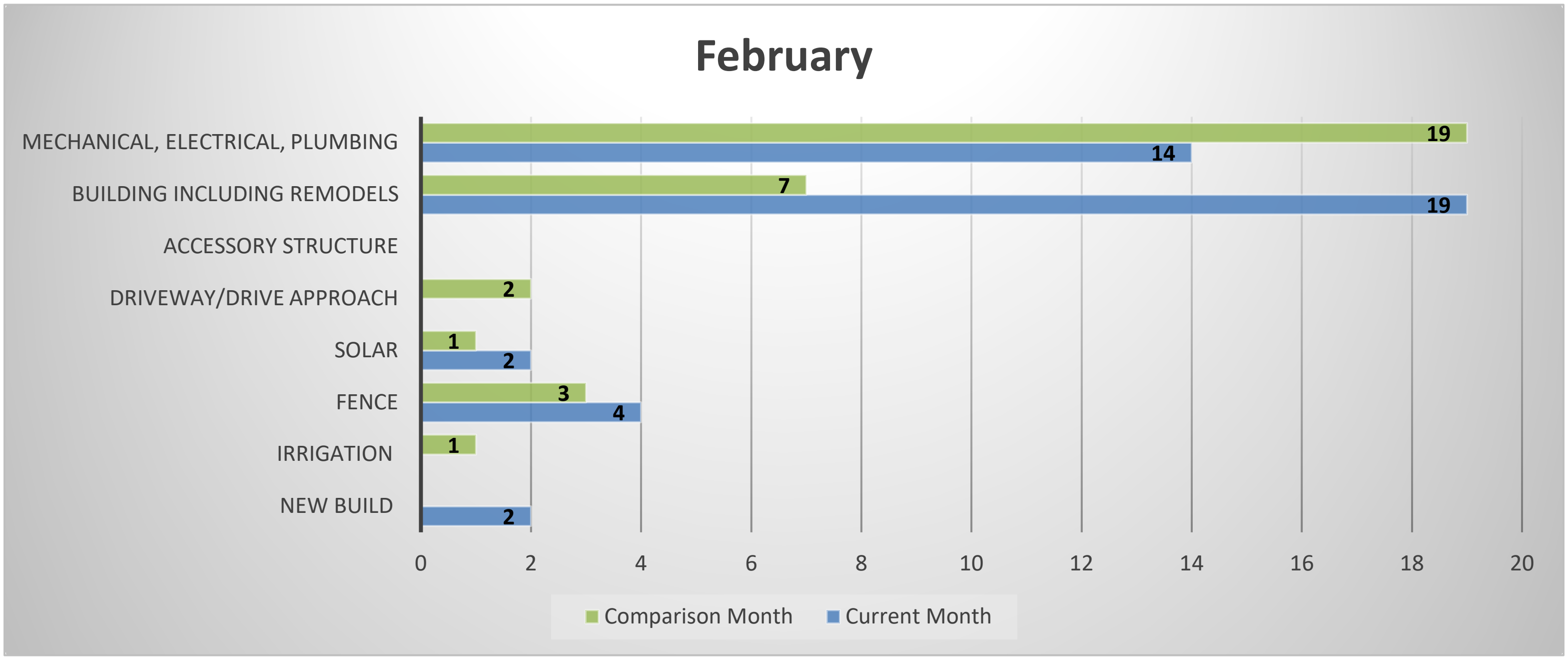
Attachments:

February Department Reports

Council Action Requested:

No Council Action

Development Services



	Mechanical Electrical Plumbing	Building Including Remodels	Accessory Structure	Driveway Drive Approach	Solar	Fence	Irrigation	New Build
Current Month Residential	13	16	0	0	2	4	0	2
Current Month Commercial	1	3	0	0	0	0	0	0
Current Fiscal Year 2024-2025	87	98	4	8	6	28	1	55
Previous Month Residential	15	7	0	2	1	3	1	0
Previous Month Commercial	4	0	0	0	0	0	0	0

	Current Month	Comparison Month Previous Year	Fiscal Year To Date 2024-2025
Sign Permit	3	1	11
ROW Permit	24	6	57
Garage Sale Permit	5	17	76
Zoning, SUP, Code Consults	1	5	8
Pool Permits	0	0	1

Business Summary

	Current Month	Comparison Month Previous Year	Fiscal Year To Date 2024-2025
Registered Rental CO's	1	8	31
Issued Commercial CO's	2	1	10
Mobile Food Vendor	0	1	1

Received Certificate of Occupancy

- A Chinese Wellness Center Inc, 3917 Booth Calloway Rd
- Gulf Highway Equipment LLC, 7204 Burns St

Number of Potential Business Certificate of Occupancy Meetings: 3

Number of Developmental Review Committee / Plan Review: 0

Finance

GENERAL FUND, UTILITY FUND AND LINK FUND

Fiscal Year 2024-2025, Period Ending 02/28/2025

Monthly Financial Report	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
General Fund (001)					
Revenue					
Property Taxes	$ 3,244,236	$ 748,707	$ 3,456,463	$ (212,227)	107%
Sales Tax	$ 5,430,000	$ 426,961	$ 1,317,937	$ 4,112,063	24%
Other Tax	$ 2,500	$ 192	$ 981	$ 1,519	39%
Franchise Fees	$ 548,800	$ 20,506	$ 58,513	$ 490,287	11%
Fines & Forfeitures	$ 464,100	$ 41,066	$ 195,897	$ 268,203	42%
Licenses & Permits	$ 272,625	$ 15,389	$ 170,269	$ 102,356	62%
Service Charges	$ 198,850	$ 5,119	$ 138,383	$ 60,467	70%
Miscellaneous	$ 501,827	$ 132,956	$ 262,051	$ 239,776	52%
Total Revenues	**$ 10,662,938**	**$ 1,390,895**	**$ 5,600,495**	**$ 5,062,443**	**53%**
Expenditures					
Municipal Court	$ 217,832	$ 14,538	$ 73,253	$ 144,579	34%
Administration	$ 717,955	$ 66,704	$ 362,034	$ 355,921	50%
Police	$ 2,650,274	$ 189,954	$ 1,115,823	$ 1,534,452	42%
Fire	$ 2,810,592	$ 165,975	$ 922,938	$ 1,887,654	33%
Street	$ 351,196	$ 20,423	$ 85,198	$ 265,998	24%
Library	$ 479,891	$ 35,781	$ 180,677	$ 299,214	38%
Recreation	$ 290,852	$ 28,266	$ 133,104	$ 157,748	46%
Parks/Grounds	$ 329,196	$ 10,806	$ 74,223	$ 254,973	23%
Community Development	$ 442,897	$ 65,504	$ 177,656	$ 265,241	40%
Community Compliance	$ 437,833	$ 37,090	$ 165,211	$ 272,622	38%
Legislative (City Secretary)	$ 155,910	$ 13,784	$ 61,521	$ 94,389	39%
Shared Services	$ 1,029,103	$ 72,474	$ 392,291	$ 636,812	38%
Transfers/Non Departmental	$ 1,443,107	$ 5,027	$ 14,233	$ 1,428,874	1%
Total Expenditures	**$ 11,356,638**	**$ 726,326**	**$ 3,758,161**	**$ 7,598,477**	**33%**
Rev/Exp	*$ (693,700)*	*$ 664,569*	*$ 1,842,334*		
Utility Fund (002)					
Revenue					
Water	$ 2,595,900	$ 256,172	$ 1,165,717	$ 1,430,183	45%
Sewer	$ 1,800,000	$ 169,333	$ 780,907	$ 1,019,093	43%
Misc. (incl. Garbage Billing)	$ 756,000	$ 77,929	$ 379,160	$ 376,840	50%
Total Revenues	**$ 5,151,900**	**$ 503,434**	**$ 2,325,784**	**$ 2,826,116**	**45%**
Expenses					
Shared Services	$ 372,267	$ 12,694	$ 144,147	$ 228,120	39%
Administration	$ 792,366	$ 36,500	$ 239,508	$ 552,858	30%
Water Services & Distr.	$ 1,810,171	$ 114,291	$ 850,031	$ 960,140	47%
Wastewater Service	$ 1,483,374	$ 152,714	$ 364,349	$ 1,119,025	25%
Trsfrs/Debt Service/Non-Dept.	$ 1,185,134	$ 81,780	$ 246,701	$ 938,433	21%
Total Expenses	**$ 5,643,312**	**$ 397,979**	**$ 1,844,736**	**$ 3,798,576**	**33%**
Rev/Exp	*$ (491,412)*	*$ 105,455*	*$ 481,048*		
Link Operating Fund (098)					
Revenue					
Recreation	$ 588,719	$ 46,157	$ 244,582	$ 344,137	42%
Transfers in	$ 200,000	$ -	$ -	$ 200,000	0%
Total Revenue	**$ 788,719**	**$ 46,157**	**$ 244,582**	**$ 544,137**	**31%**
Expenditures	$ 896,556	$ 51,833	$ 259,101	$ 168,417	77%
Operating/Personnel	**$ 896,556**	**$ 51,833**	**$ 259,101**	**$ 637,455**	**29%**
Rev/Exp	*$ (107,837)*	*$ (5,676)*	*$ (14,519)*		

***Unaudited**

Finance **SPECIAL REVENUE FUNDS**

Fiscal Year 2024-2025, Period Ending 02/28/2025

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Court Security Fund (24)					
Revenue	$ 12,000	$ -	$ 3,736	$ 8,264	31%
Expenditures	$ 12,000	$ 4,935	$ 4,935	$ 7,065	0%
Rev/Exp	$ -	$ (4,935)	$ (1,199)		
Court Technology Fund (39)					
Revenue	$ 4,800	$ -	$ 3,087	$ 1,713	64%
Expenditures	$ -	$ -	$ 2,115	$ (2,115)	
Rev/Exp	$ 4,800	$ -	$ 972		
Crime Control District (65)					
Revenue					
Sales Tax	$ 2,020,000	$ 159,484	$ 492,767	$ 1,527,233	24%
Investment Income	$ 20,000	$ 4,312	$ 20,336	$ (336)	102%
Grants/Transfers	$ 12,000	$ -	$ 2,430	$ 9,570	20%
Total Revenue	$ 2,052,000	$ 163,796	$ 515,533	$ 1,536,467	25%
Expenditures					
Public Safety	$ 1,142,080	$ 73,071	$ 389,578	$ 752,502	34%
Capital Expense	$ 235,130	$ -	$ 77,080	$ 158,050	33%
Transfers Out/Shared Ser.	$ 824,271	$ -	$ 271,848	$ 552,423	33%
Total Expenditures	$ 2,201,481	$ 73,071	$ 738,506	$ 1,462,975	34%
Rev/Exp	$ (149,481)	$ 90,726	$ (222,974)		
Hotel Occupancy Tax (77)					
Revenue					
HOT (Taxes)/Int Income	$ 258,000	$ 17,234	$ 69,026	$ 188,974	27%
Expenditures					
Operating Expense	$ 290,776	$ 3,495	$ 17,250	$ 273,526	6%
Debt Service	$ 102,250	$ -	$ 18,577	$ 83,673	18%
Total Expenditures	$ 393,026	$ 3,495	$ 35,826	$ 357,200	9%
Rev/Exp*	$ (135,026)	$ 13,739	$ 33,199		
TIF Fund (89)					
Revenue					
Property Tax Allocation	$ 305,600	$ -	$ -	$ 305,600	0%
Investment Income	$ 1	$ -	$ 12,588	$ (12,587)	0%
Sales Tax Transfer in	$ 120,000	$ -	$ -	120,000	0%
Total Revenue	$ 425,601	$ -	$ 12,588	$ 413,013	3%
Expenditures					
Operating	$ 2,700	$ -	$ 2,658	$ 42	98%
Improvement Incentive	$ 30,000	$ -	$ 4,250	$ 25,750	14%
Grants	$ -	$ -	$ -	$ -	0%
Capital Projects	$ 129,780	$ -	$ 8,423	$ 121,357	0%
Total Expenditures	$ 162,480	$ -	$ 15,331	$ 147,149	9%
Rev/Exp	$ 263,121	$ -	$ (2,743)		
Strategic Initiative Fund (107)					
Revenue	$ 812,700	$ -	$ -	$ 812,700	0%
Expenditures	$ 929,150	$ 16,470	$ 37,326	$ 891,824	4%
Rev/Exp	$ (116,450)	$ (16,470)	$ (37,326)		

Finance **CAPITAL FUNDS**

Fiscal Year 2024-2025, Period Ending 02/28/2025

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Oil & Gas Lease Fund (12)					
Revenue	$ 100,000	$ 13,210	$ 43,131	$ 56,869	43%
Expenditures	$ 48,750	$ 7,200	$ 27,188	$ 21,562	56%
Rev/Exp*	$ 51,250	$ 6,010	$ 15,943		
Road and Street Fund (25)					
Revenue					
Sales Tax	$ 2,015,000	$ 160,110	$ 494,227	$ 1,520,774	25%
Total Revenue	$ 2,015,000	$ 160,110	$ 494,227	$ 1,520,774	25%
Expenditures					
Street R&M	$ 3,595,000	$ -	$ 53,887	$ 3,541,113	1%
Total Expenditures	$ 3,595,000	$ -	$ 53,887	$ 3,541,113	1%
Rev/Exp*	$ (1,580,000)	$ 160,110	$ 440,339		
Vehicle Replace. Fund (30)					
Revenue					
Sale of vehicles	$ 74,913	$ -	$ -	$ 74,913	0%
Transfers in	$ 559,633	$ -	$ -	$ 559,633	0%
Total Revenue	$ 634,546	$ -	$ -	$ 634,546	
Expenditures					
Capital-Lease Expense	$ 404,196	$ -	$ 155,909	$ 248,287	39%
Capital- Purchases	$ 46,500	$ -	$ -	$ 46,500	0%
Gas/Maint	$ 178,850	$ -	$ 50,807	$ 128,043	28%
Operational	$ 5,000	$ -	$ -	$ 5,000	0%
Total Expenditures	$ 634,546	$ -	$ 206,717	$ 427,829	33%
Rev/Exp*	$ -	$ -	$ (206,717)		
ARPA Fund (101)					
Revenue-Transfers In/Interest	$ 385,000	$ 1,791	$ 10,070	$ 374,930	3%
Expenditures					
Project Appropriations	$ 413,212	$ -	$ 162,064	$ 251,148	39%
Total Expenditures	$ 413,212	$ -	$ 162,064	$ 251,148	39%
Rev/Exp	$ (28,212)	$ 1,791	$ (151,994)		

**Any overages in these funds are covered by fund balance.*

Finance

DEBT SERVICE FUND

Fiscal Year 2024-2025, Period Ending 02/28/2025

Monthly Financial Report

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Debt Service Fund (10)					
Revenue					
Property Taxes	$ 1,504,340	$ 324,268	$ 987,425	$ 516,915	66%
Interest Income	$ 11,000	$ 2,370	$ 13,323	$ (2,323)	121%
Total Revenues	$ 1,515,340	$ 326,638	$ 1,000,747	$ 516,915	66%
Expenditures					
Debt Service	$ 1,476,505	$ 311,915	$ 378,586	$ 1,097,919	26%
Rev/Exp	$ 38,835	$ 14,723	$ 622,161		

COMPONENT UNIT

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Richland Hills EDC (26)					
Revenue					
Sales Tax	$ 1,380,000	$ 106,740	$ 329,484	$ 1,050,516	24%
Interest Income	$ 36,000	$ 6,091	$ 34,384	$ 1,616	96%
Total Revenues	$ 1,416,000	$ 112,831	$ 363,869	$ 1,052,131	26%
Expenses					
Operating	$ 405,362	$ 22,964	$ 104,998	$ 300,364	26%
Transfers Out	$ 55,946	$ -	$ -	$ 55,946	0%
Capital	$ 853,733	$ -	$ 69,761	$ 783,972	8%
Debt Service	$ 227,600	$ -	$ 41,348	$ 186,252	18%
Total Expenditures	$ 1,542,641	$ 22,964	$ 216,107	$ 1,326,534	14%
Rev/Exp*	$ (126,641)	$ 89,867	$ 147,761		

**Any overages in these funds are covered by fund balance.*

DRAINAGE

	Budget	Current Month Actual	YTD Actual	Available Budget	% YTD of Total Budget
Drainage Fund (022)					
Revenue					
Billing/Interest	$ 913,700	$ 76,833	$ 387,685	$ 526,015	42%
				$ -	
Expenses				$ -	
Operating	$ 425,080	$ 16,169	$ 166,366	$ 258,714	39%
Capital	$ 150,000	$ -	$ 125,169	$ 24,831	83%
Debt Service	$ 477,041	$ 40,720	$ 40,720	$ 436,321	9%
Total Fund	$ 1,052,121	$ 56,889	$ 332,255	$ 719,866	32%
Rev/Exp*	$ (138,421)	$ 19,944	$ 55,430		

**Any overages in these funds are covered by fund balance.*

Fire

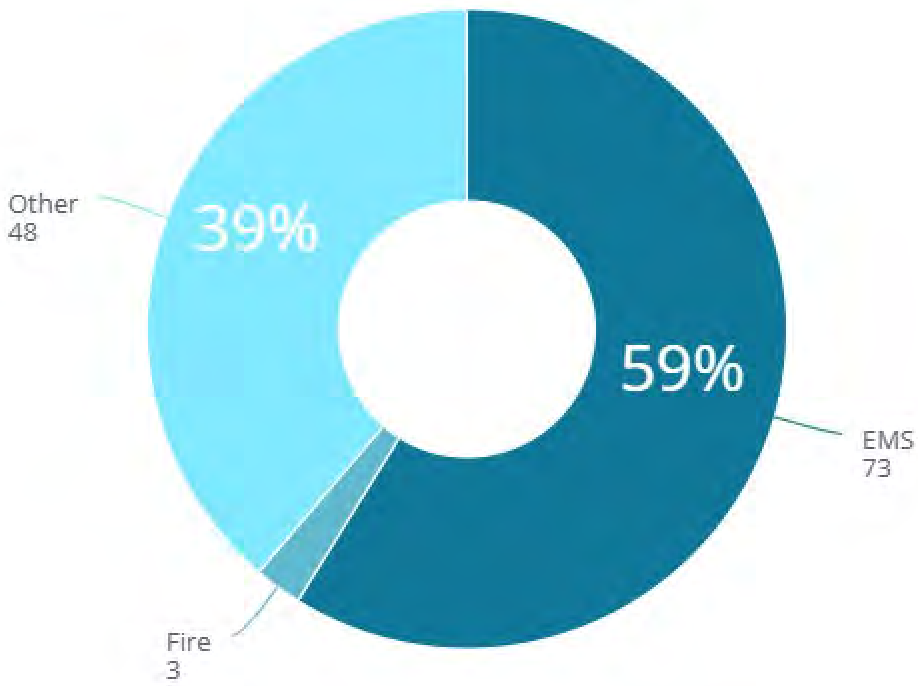
Fire Operations:

- Personnel completed **43** annual business inspections throughout the month.
- Members completed a combined **299** hours of training throughout the month.
- Turnout times averaged ***75 seconds*** for February. The national standard is 80 seconds or less.
- Response times for February averaged ***4 minutes 47 seconds*** from receipt of call-in dispatch to the first fire unit arriving on scene to assist.
- Personnel responded to one working fire in the city and two working fires in other communities during February.
- Ambulance billing revenue for January 2025 was **$1,338.29**
- Year to Date Ambulance Billing Collection is: **$39,426.51**
- Smoke alarms continue to be available to those who need them. There is no cost and FD personnel will install them. No smoke detectors were installed in February.
- Vial of Life emergency medical information pouches are available at the fire station and Library.
- Medication disposal pouches are also available at the fire station. The box is mounted on the wall in the lobby of the new fire station. Boxes have also been added at the library and at City Hall. Please help yourself.
- **The Public Safety Awards Banquet has been scheduled for Saturday, March 29th @ 6pm at The Link.**
- Calls in February 2025 were **7.5% Less** than calls in February 2024.

Operations Response Data:

Service Calls – Through February 28, 2025			
	Current Month	**February 2024**	**FY2025 Total**
Fire Calls	3	9	**15**
EMS/Major Accidents/ Rescues	73	83	**331**
Hazardous Conditions – No Fire	6	5	**23**
Public Assistance	17	7	**76**
Good Intent (No Service Rendered)	18	20	**52**
False Alarm	7	9	**31**
Severe Weather & Natural Disaster	0	0	**0**
Total Calls	**124**	**133**	**528**
Automatic / Mutual Aid			
	Current Month	**February 2024**	**YTD Total**
Aid Received	16	70	**108**
Aid Given	22	25	**55**

EMS/Fire Incident Breakdown



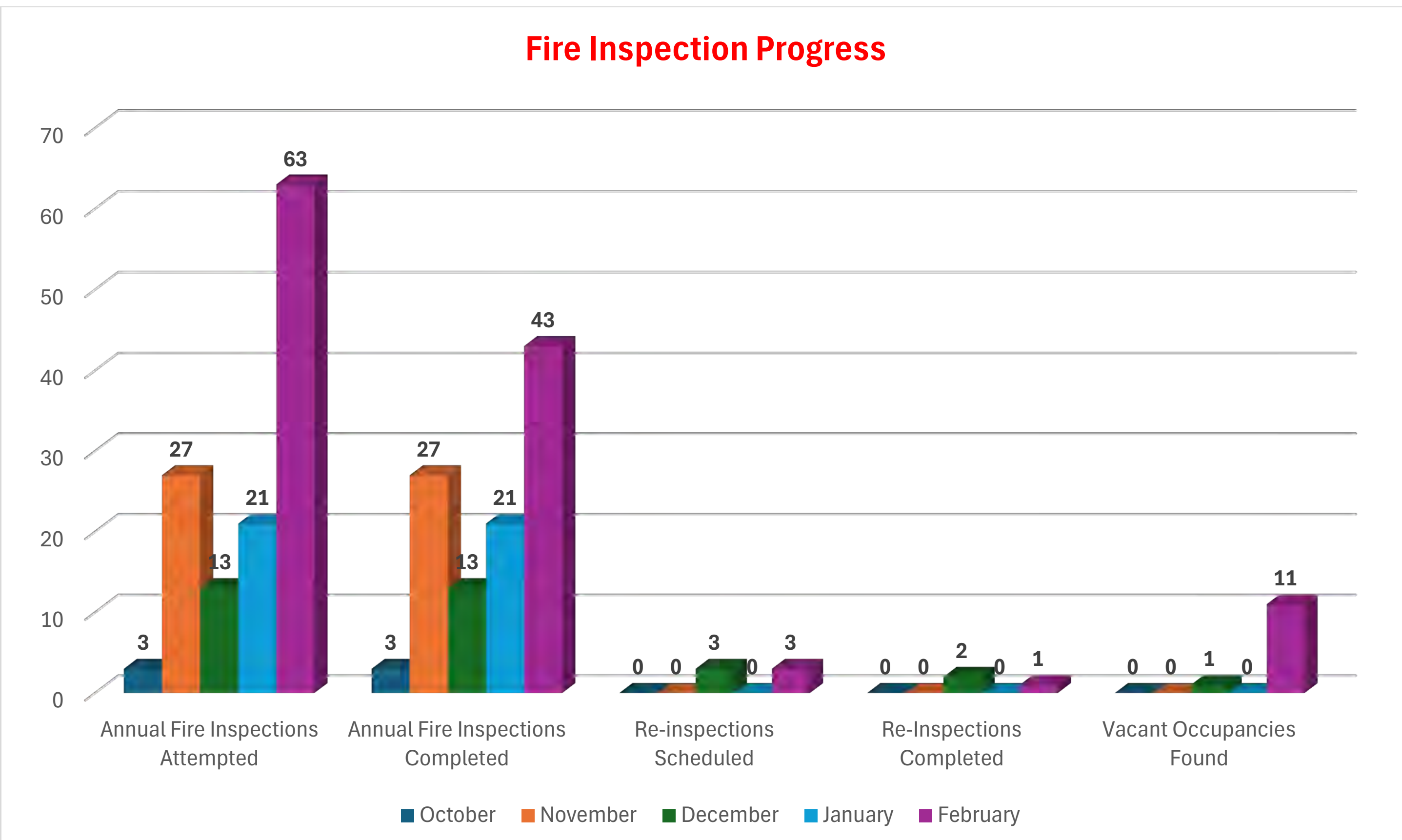
Medstar Response Data:

Priority	Count of Monthly Responses	Transports	Transport Percentage	Average Response Time
P1	3	1	33.33%	0:11:35
P2	21	16	76.19%	0:09:56
P3	9	7	77.78%	0:10:15
P4	1	1	100.00%	0:07:53
P5	42	29	69.05%	0:11:44
P6	0	0	0.00%	N/A
P7	6	3	50.00%	0:10:38
P8	7	3	42.86%	0:10:19
Overall Total:	**89**	**60**	**67.42%**	**0:10:20**
Priority Total:	**33**	**24**	**72.73%**	**0:10:35**
Non-Priority Total:	**56**	**36**	**64.29%**	**0:10:09**

Emergency Management:

- Monthly outdoor warning siren tests have been successful, and the new equipment seems to be working great.
- We continue to educate the public on the purpose of the sirens and the misconception that they should warn them inside their homes. Staff is planning to put together a public service announcement to further reinforce the intent and purpose of these warning tools.
- Staff have submitted all required documentation for the renewal process for our part in the Tarrant County Hazard Mitigation Plan which addresses hazards in the community related to natural disasters and events impacting the region.
- We received word in February that the plan has been accepted by the State of Texas, and it has been sent to FEMA for final review and approval.
- Staff will be assisting with the planning and implementation of a tabletop exercise with the NCTCOG related to the upcoming FIFA World Cup events that will be hosted across the Metroplex.

Fire Marshal's Office:



- Attended Fire Advisory Board Meeting for 2024 International Fire Code Local Amendments through NCTCOG
- Submitted for a Public Education Grant through Home Fire Sprinkler Coalition
- Met with a promotional company to provide Public Education shirts and magnets for Fire Dept. booth handouts at no cost.
- Fees invoiced: **$3,670.00**
- Fees collected: **$1,929.85**

EMS/Community Paramedic:

- 2 patients visited this month.
- Addressing one special concern with medical directors, Medstar, and OMD.
- 1 car seat inspection completed.
- Dryer, Brindley, and Scherer are scheduled to do Car seat safety technician certification in June which will bring our tech count to 5. We will be able to complete more car seat inspections on our scheduled events and have 1 tech per shift for walk-up appointments.
- Scheduled to speak at the Library for Senior day about CP program and to do blood pressure checks
- CCP class will start March 10 at FWFD public safety center. They do not have an end date but is similar to NEOP process. This will include the Critical Care Paramedic Certification after successfully completing IBSC testing.
- Community Paramedic online courses through Medstar will follow CCP course. OMD recommended one class at a time, and to do the CP one after CCP due to CCP not being a regularly scheduled reoccurring class.
- Still working with Dona on getting set up to speak at the Link's monthly senior luncheon. It has been difficult with all of the training for July 1 Ft Worth credentialing cut off.
- Working on AHA instructor classes. OMD will assist in obtaining these classes. I have completed mega code check offs with A and B shift minus 2 who were off. Will get those checked off individually. This was to meet the requirements for credentialing through OMD. C shift scheduled for mega codes 3/6.
- We scheduled education for our new protocols and procedures for all shifts starting April 7th. This will consist of 4 hours per day of lectures followed by hands-on training. OMD will come in to teach certain portions. There will be an extensive process for everyone including skills testing and written protocol testing.

RICHLAND HILLS PUBLIC LIBRARY

FEBRUARY • 2025

IMPACT

February was a big month for outreach! Library Staff attended World Read Aloud Day at Cheney Hills Elementary, Family Literacy Night at Binon Elementary, the State of City and the Link Senior Lunch.

Reading with Lady the Library Dog was popular for World Read Aloud Day. In addition to the people who read with Lady on this day, she had 180 total patron interactions in February.

The annual Adult Spelling Bee also took place in February. The Literary Club “Book Bees” defended their first place title! They will once again compete in the Regional Bee on May 3rd at Turning Point Brewery in Bedford.

KEY FACTS (LAST YEAR)

- 1122 Visitors (1198)
- 741 Program Attendance (337)
- 17 Programs & Events (17)
- 3262 Total Items Checked Out (2718)
- 1452 Questions Answered (1803)
- 0 Posters printed for other City Departments (Printer out of order)
- 219 Computer Sessions (307)
- 30 Wireless Prints (new service)

THE LINK REPORT

FEBRUARY 2025

MEMBERSHIP & DAY PASSES
$5,672

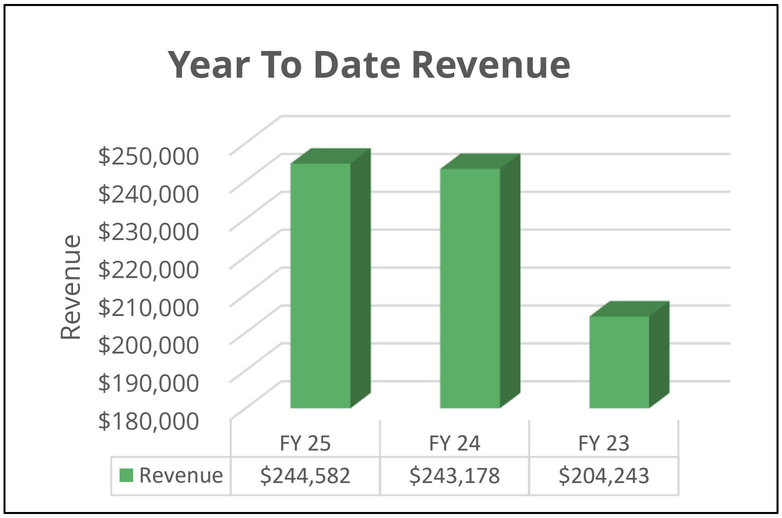
PROGRAMS & ACTIVITIES
$1,133

JANUARY REVENUE RECAP

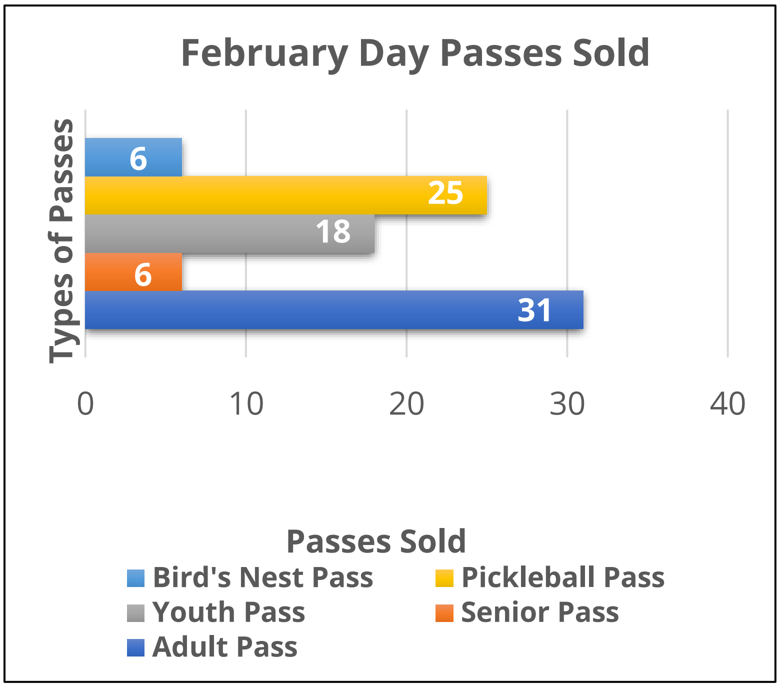
CHILDCARE PROGRAMS
$21,259

Highlights

- The Link's total February revenue was **$46,158.**
- Hosted 5 kids for Parent's Night Out on Valentine's Day.
- Hosted Virtus Pro a professional Esports team for 10 days.
- Added "Gentle Yoga" on Tuesday mornings to Group Ex.



Memberships & Day Passes	Qty.
Membership Scans	2,319
Unique Users	377
Memberships Sold	18
Memberships Expired	24



Program & Activities	Participants
Ballet	3
Basketball Lessons	8
Karate	8
Belly Dancing	4
Homeschool Recess	8
Parent's Night Out	5
Senior Lunch Bunch	96
Senior Brown Bag and Bingo	6
Senior Sweetheart Social	27
Trip - Cooper St. Antique Mall	9
Trip - Omni Theater	12
Pickleball Monthly Pass	39
Volleyball Monthly Pass	47

Childcare Programs	Enrollments
After School Program	106 students
February Day Camps	21 students

RENTALS & SPECIAL EVENTS

FEBRUARY 2025

Private Rentals

60 events | $12,800

February Events

Richland Youth Association Basketball League

Ongoing until Spring Break

Upcoming Events

DFW Diecast Extravaganza & Toy Show

March 8 from 8am-1pm

Mayor’s Bike Tour

March 15 at 10am

City Wide Scavenger Hunt

March 17 – 23

Easter Celebration

April 12 from 10am-12noon

Food Truck League

April 14 from 5:30-7:30pm

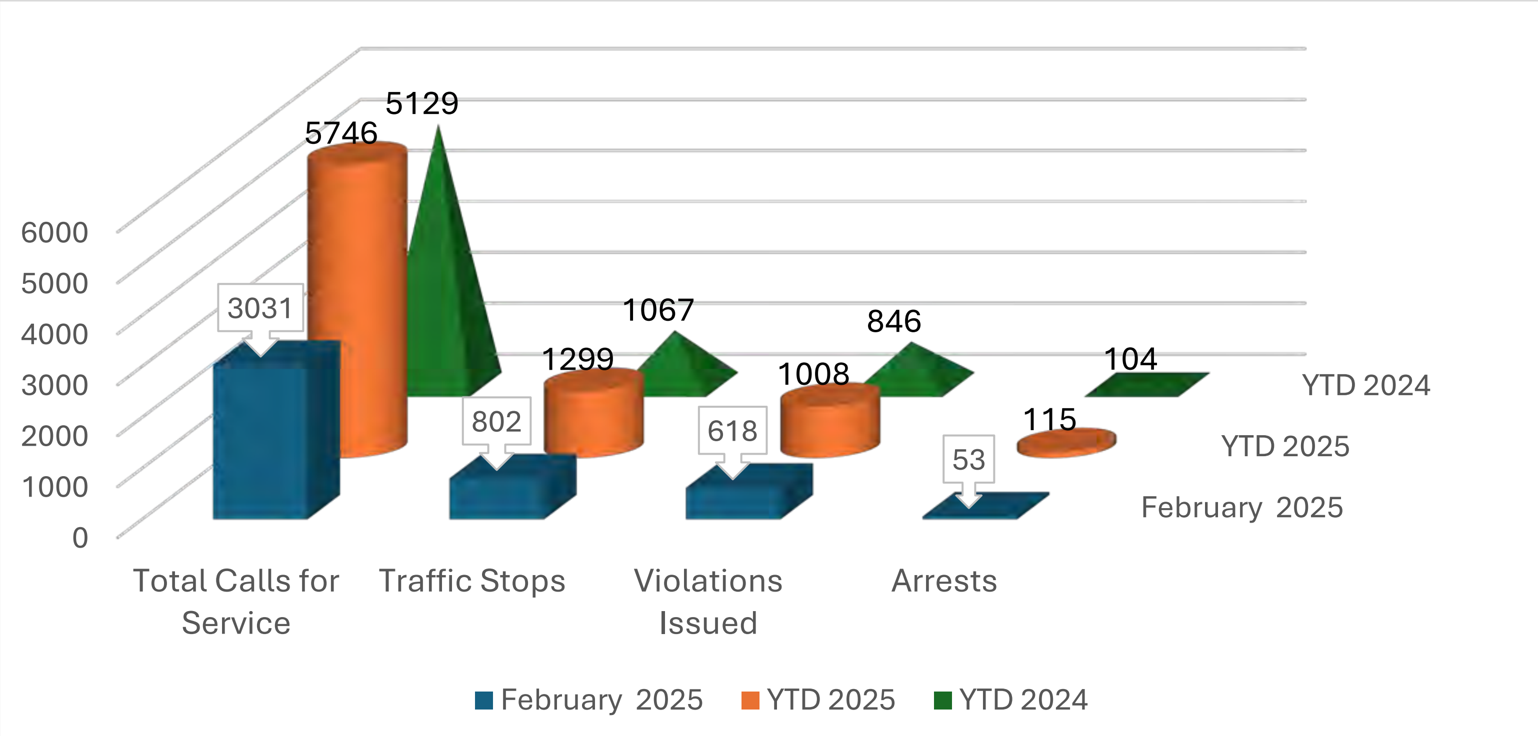
- **Story Book Signage Repair**
  Repaired damaged signage at the Story Book trail, ensuring clear and safe navigation for visitors.
- **Irrigation Repairs at The Link Recreation Center**
  Fixed multiple irrigation issues to improve water efficiency and maintain healthy landscaping around the facility.
- **Irrigation Repairs at the Library**
  Repaired the library's irrigation system to enhance water distribution and support landscaping health.
- **Fall Zone Repair at The Link Outdoor Playground**
  Restored the fall zone at The Link's outdoor playground, improving safety and ensuring compliance with safety standards.
- **City-Wide Survey Sign Installation**
  Installed survey signs at all city parks to gather public feedback and promote community engagement.
- **Texas Recreation and Parks Society (TRAPS) State Conference**
  Staff attended the TRAPS State Conference in Allen, Texas, participating in workshops and networking opportunities to stay current on industry trends and best practices.

Police Department

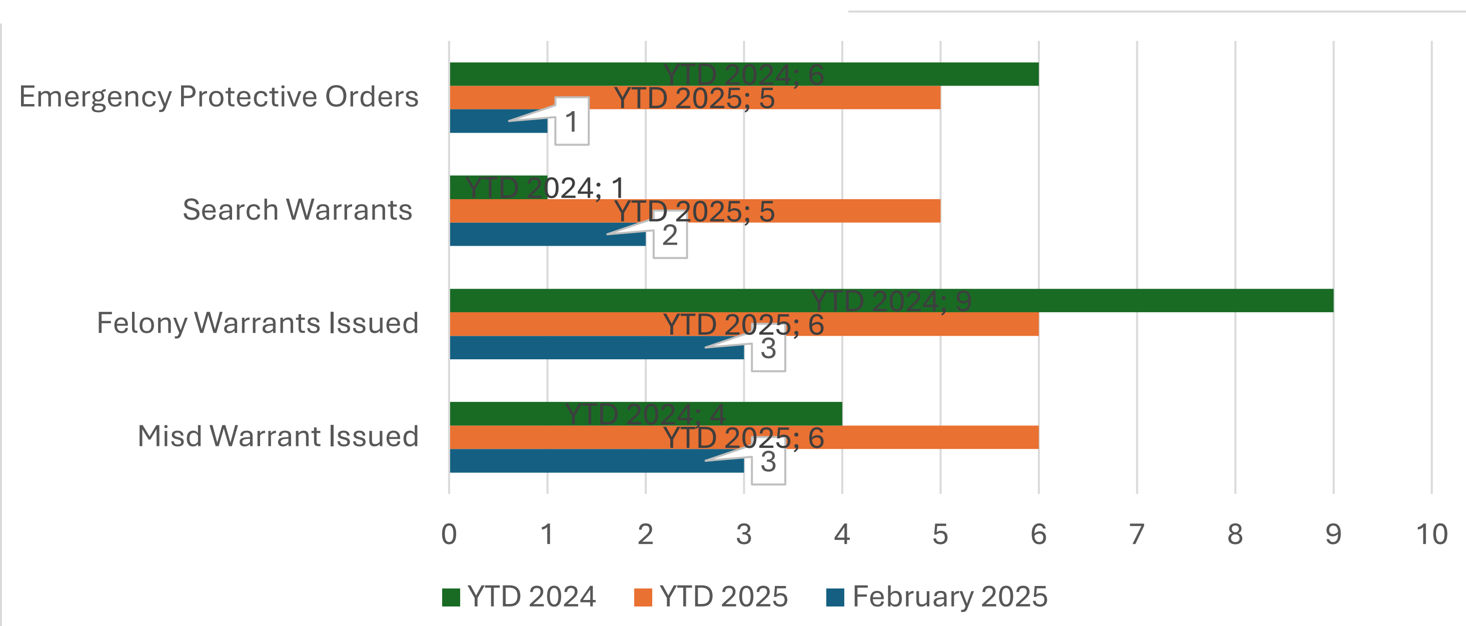
FEBRUARY 2025

Assistant City Manager/Chief of Police Kimberly Sylvester

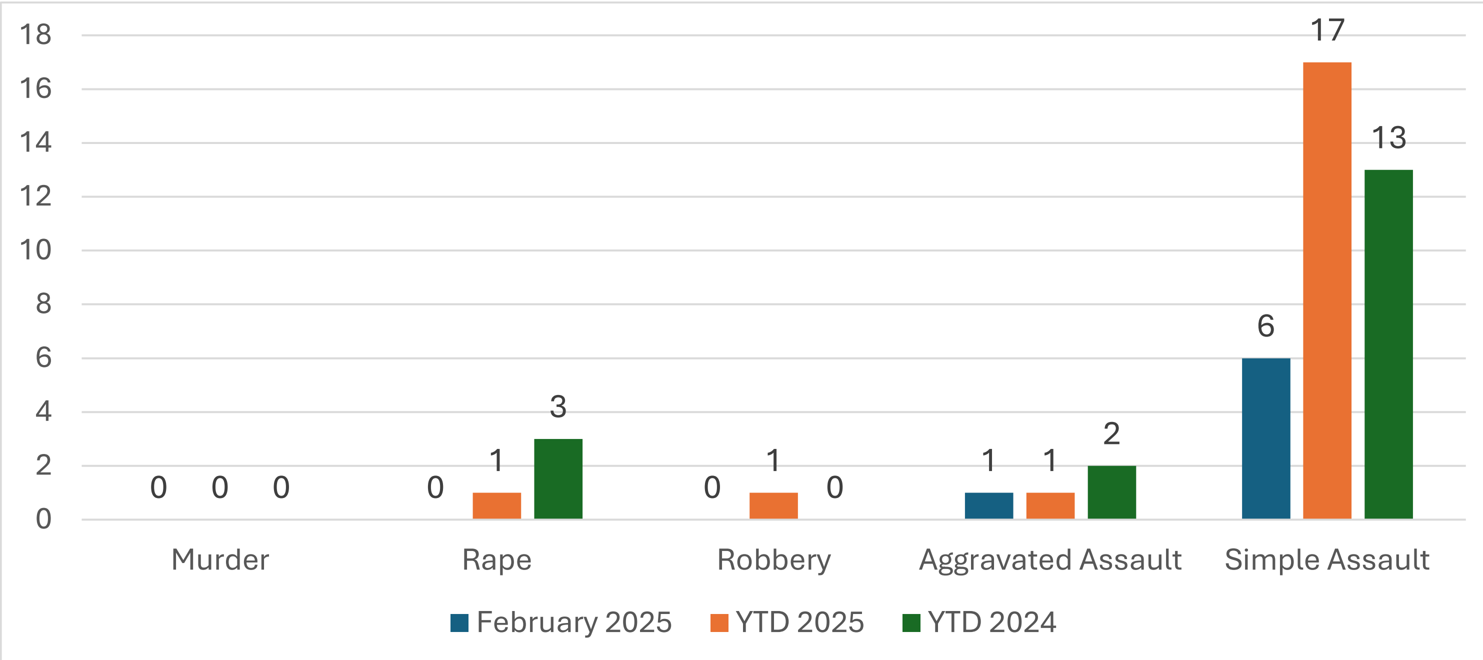
SERVICE CALLS



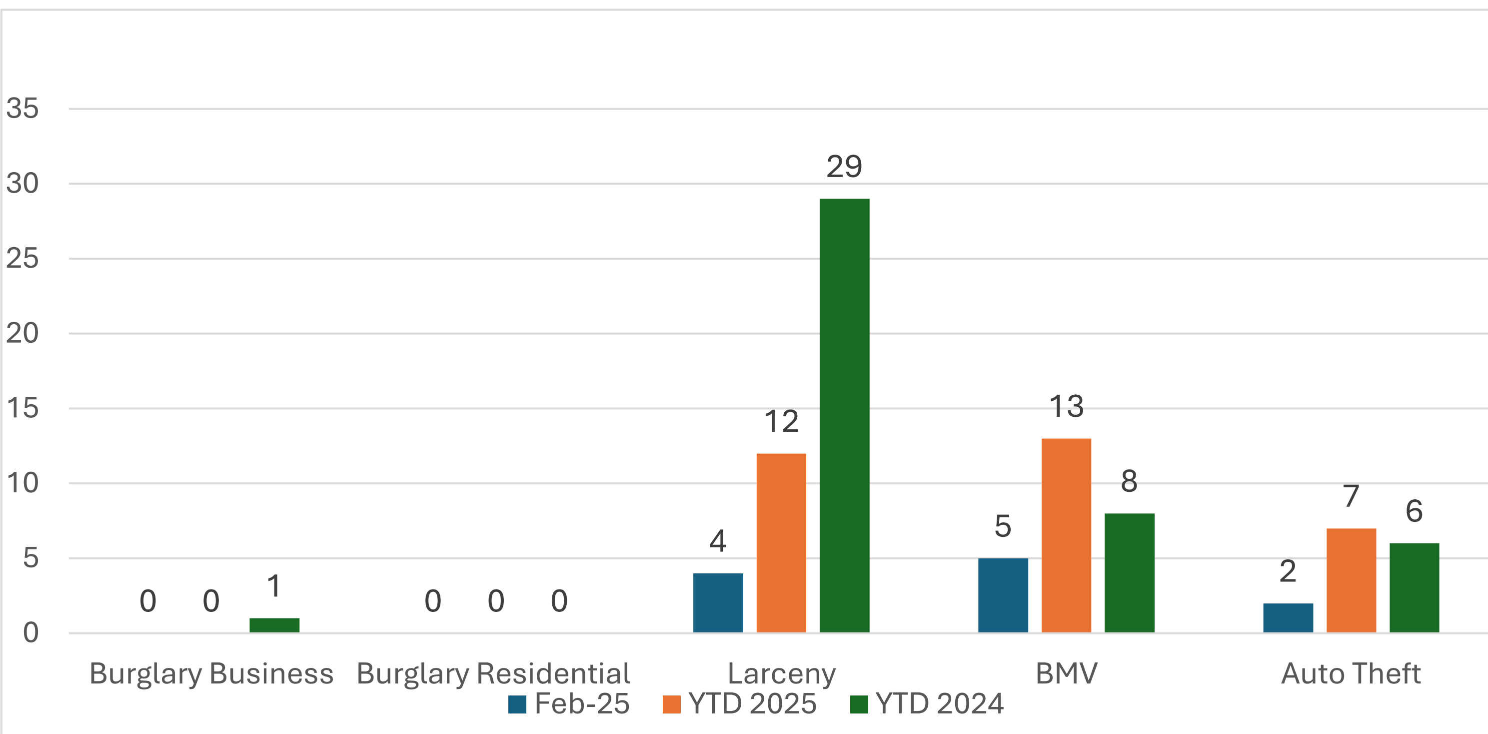
CRIMINAL INVESTIGATIONS



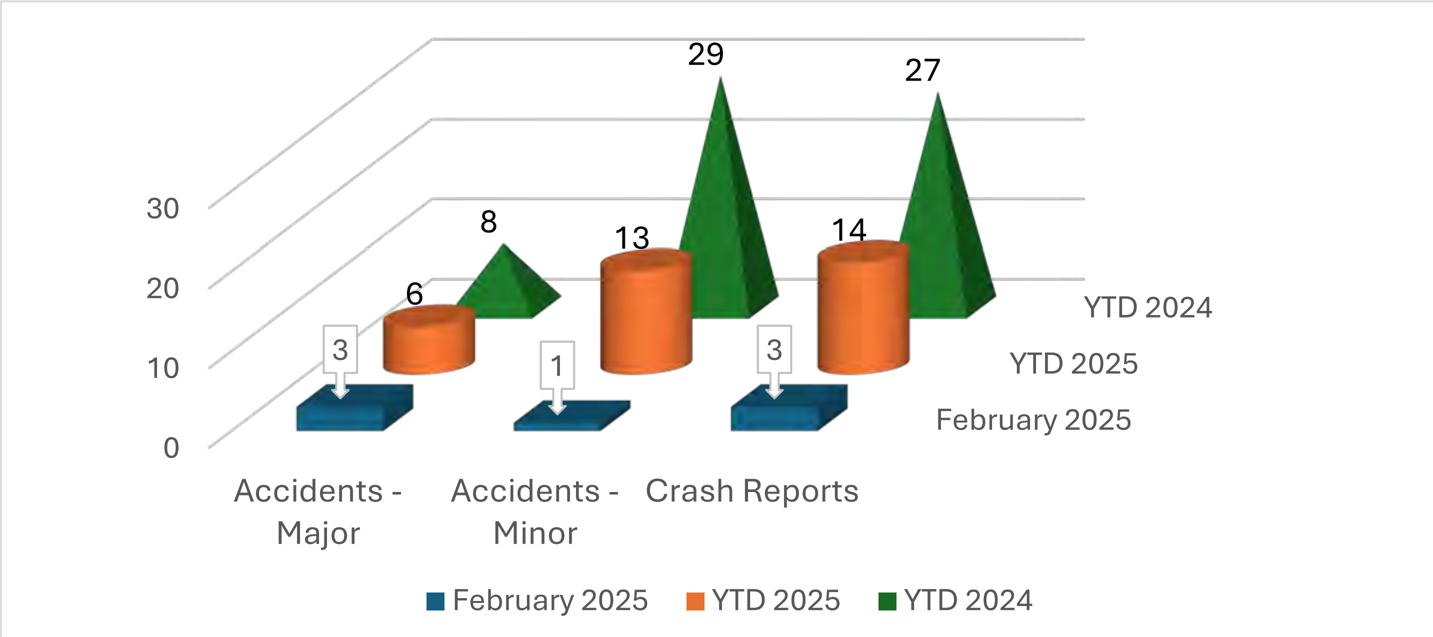
PART 1 VIOLENT CRIME



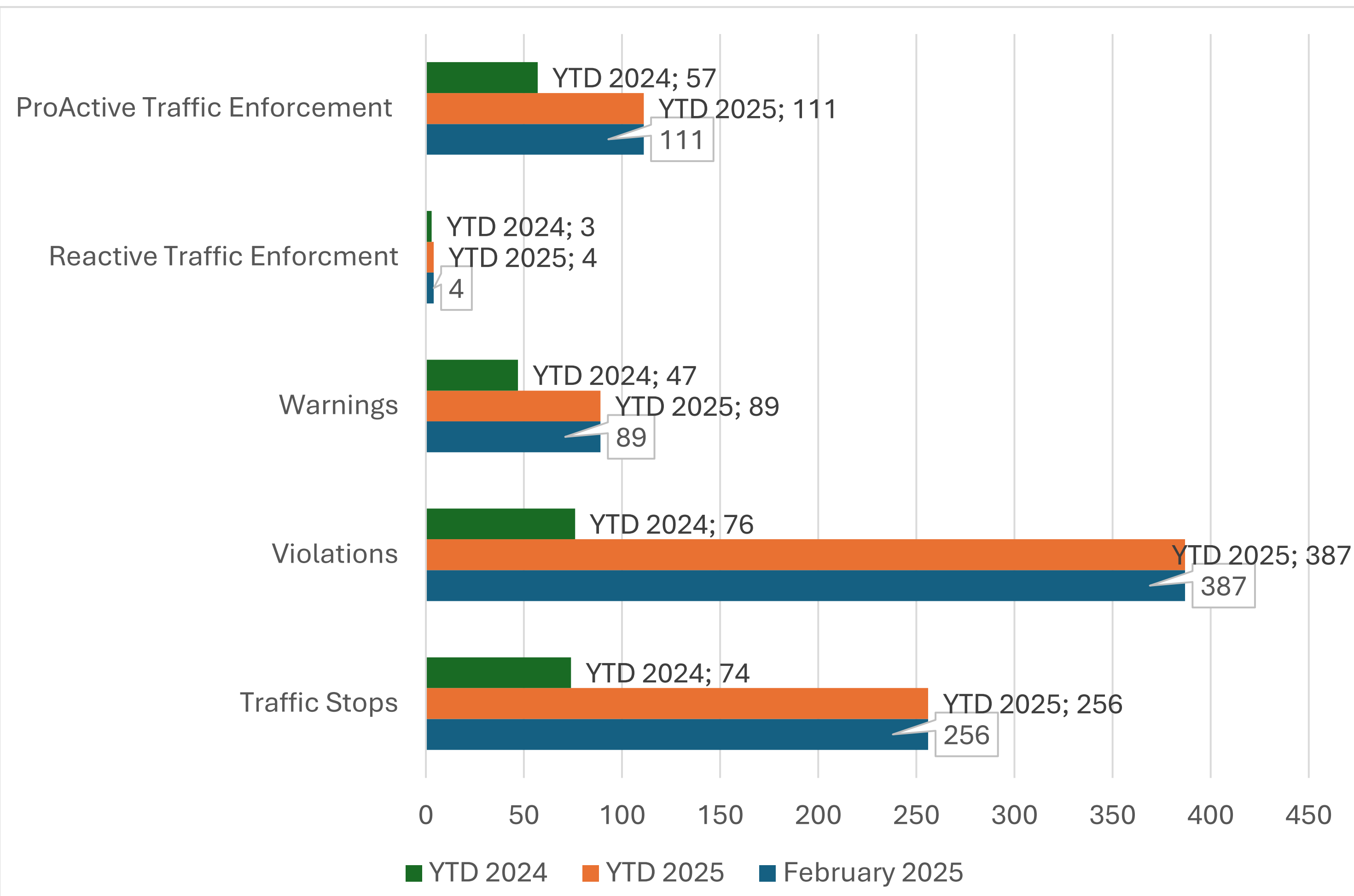
PART 1 PROPERTY CRIME



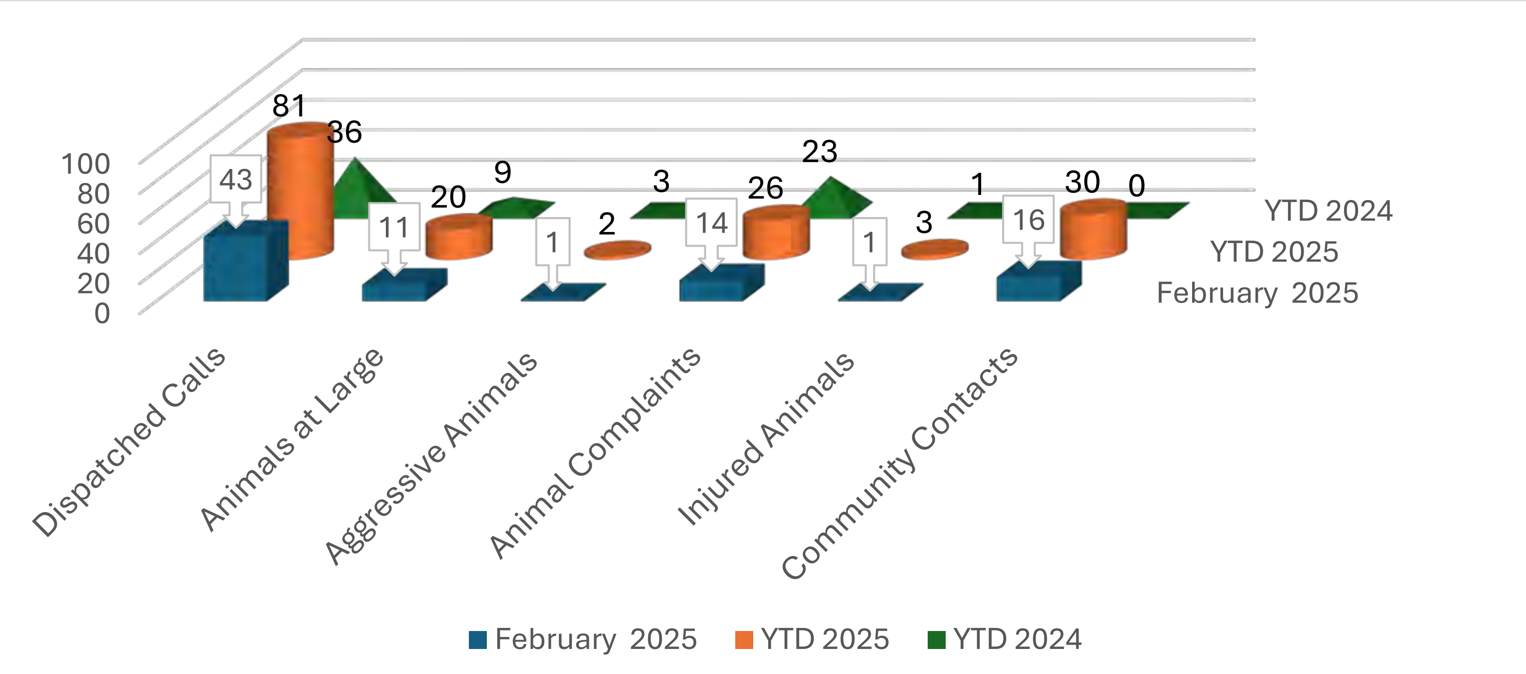
TRAFFIC ACCIDENTS



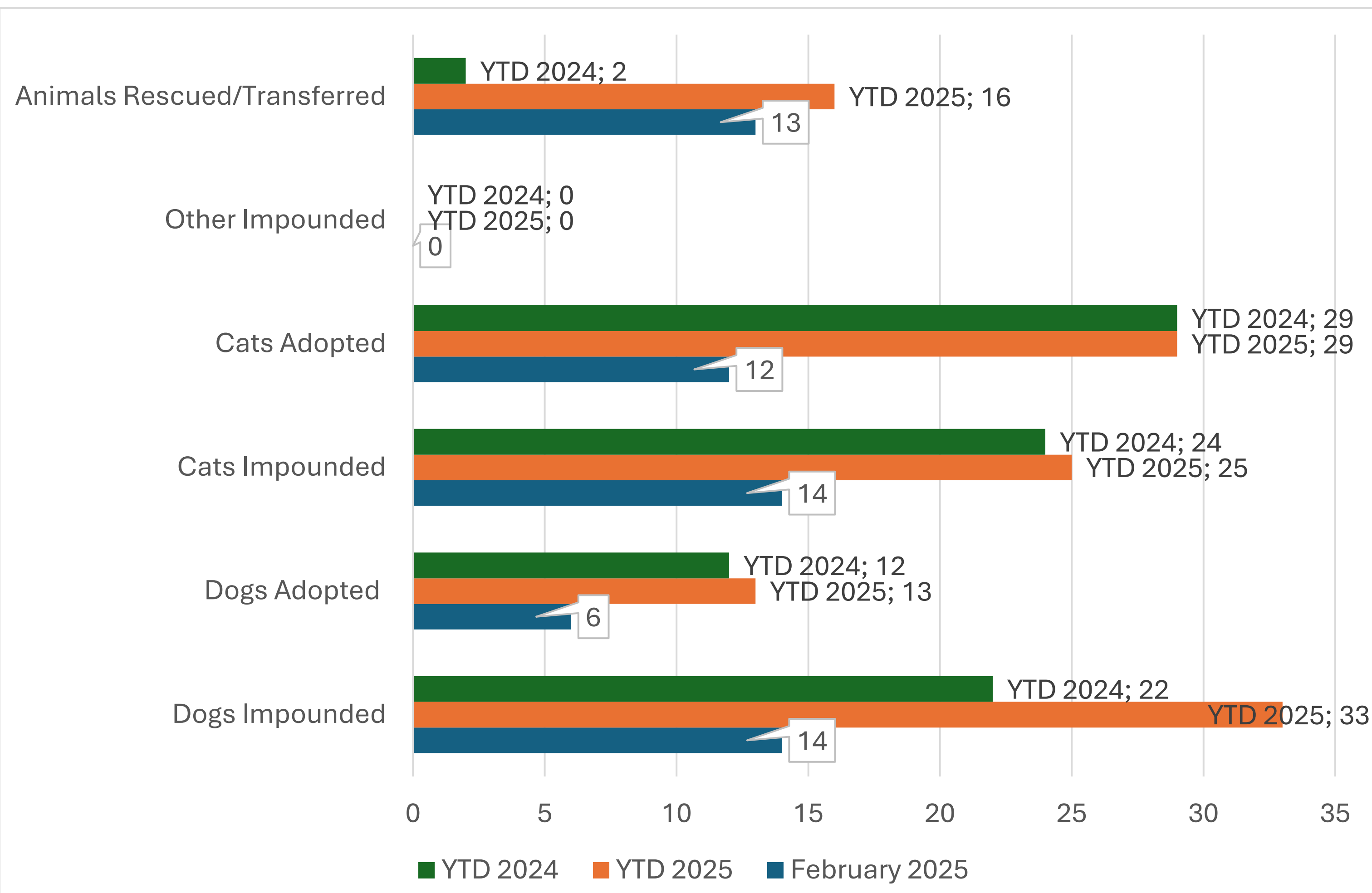
TRAFFIC UNIT



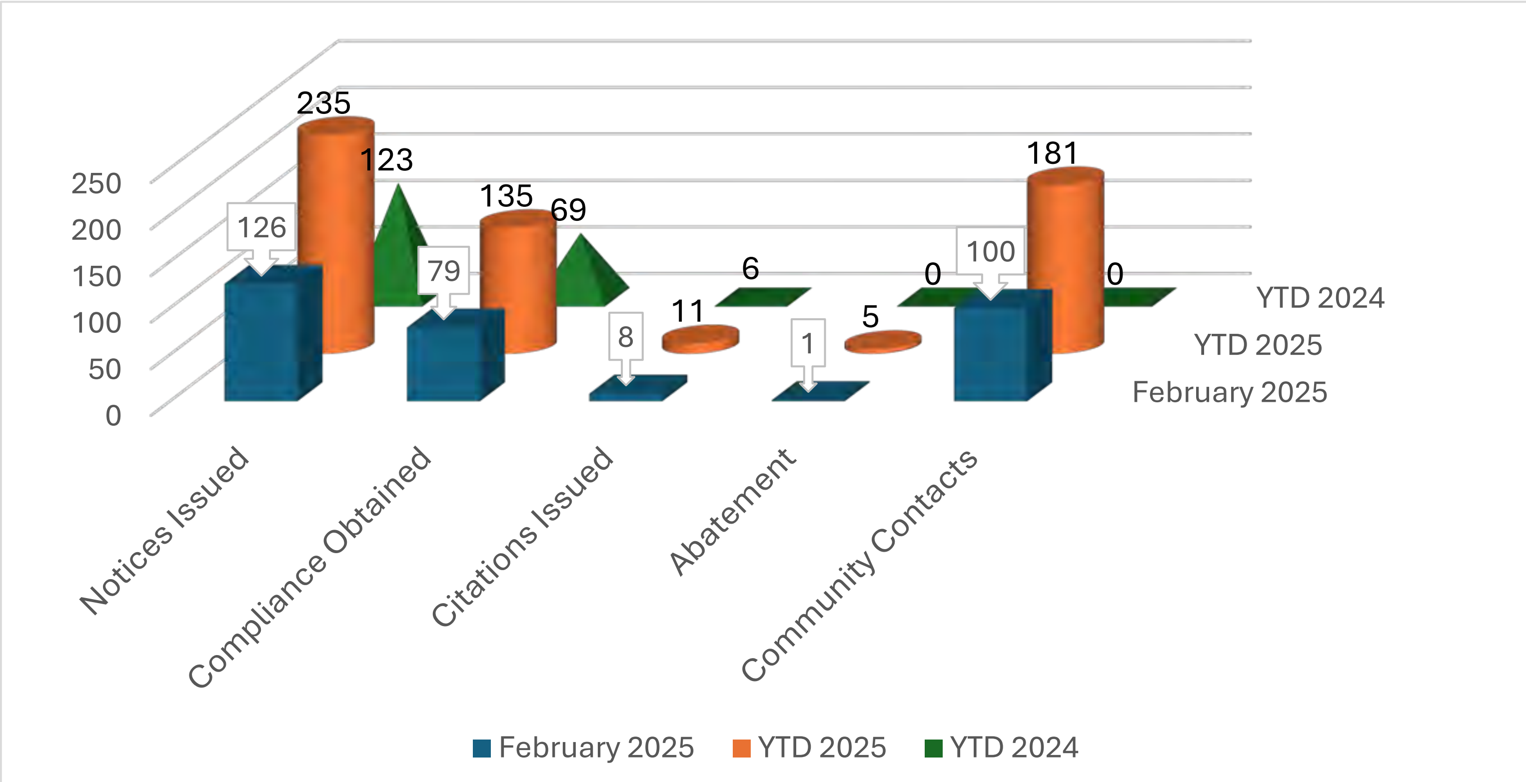
CALLS FOR SERVICE – ANIMAL SERVICES



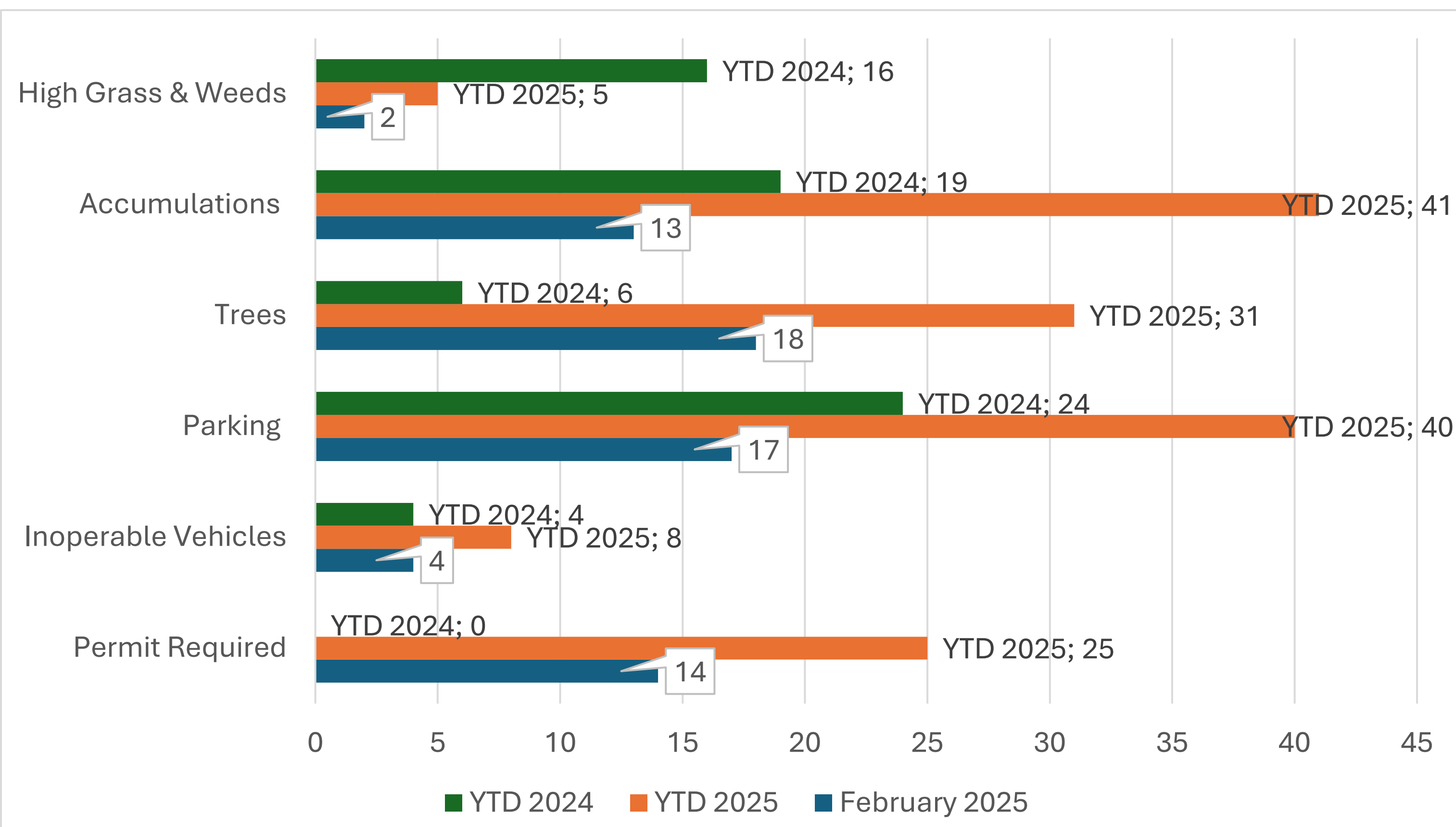
IMPOUNDS & ADOPTIONS



CALLS FOR SERVICE – CODE COMPLIANCE



CODE – COMMON VIOLATIONS



ACCOMPLISHMENTS

POLICE DEPARTMENT

- February 10th -14th – Lieutenant Gaytan attended the week-long Command Staff Leadership Series hosted by the Law Enforcement Management Institute of Texas.
- February 12th & 13th – Sergeant Promotional Process held
- February 22nd – Richland Hills Police Department partnered with McDonald’s to host the 2025 Coffee with Cops. Several community members attended the event.
- February 26th – Chief Sylvester and Lieutenant Miller attended the monthly North Texas Police Chief’s Association meeting hosted by the Grand Prairie Police Department honoring Special Olympics.
- February 27th – Promotional Ceremony recognizing Sergeant Pilar Roper-Foo and Stephen May

COMMUNITY COMPLIANCE

- In February, Vax Shack provided 41 surgeries and 120 immunizations.
- Next Vax Shack is scheduled for March 27, 2025.
- On February 9th, Animal Services participated in a joint fundraiser and adoption event with Furever Buddy LLC at McAlister’s Deli.
- February 19th – Animal Services participated in a remote adoption event at the City Market Chili Cook-Off event.
- On February 26th, Animal Services participated in a joint fundraiser and adoption event with Furever Buddy LLC at Red Robin in Hurst.
- From February 6th to 8th, Community Compliance Manager Fisk and Community Compliance Officer Perez attended the annual Code Enforcement Association of Texas Conference in Garland, Texas.
- February 24th – Completed abatement of a homeless camp located in the 3900 block of Booth Calloway.

PUBLIC WORKS – Work Orders — TOTAL WORK ORDERS: 359

STREETS

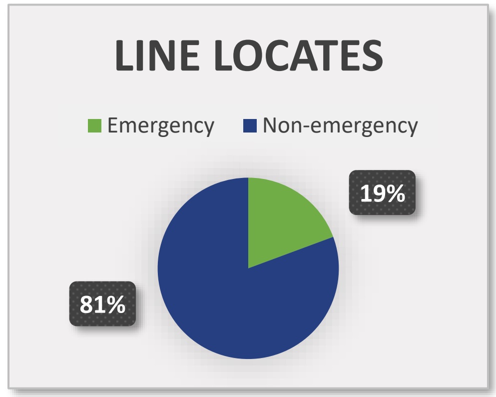
	CURRENT	YTD
Potholes	**34**	**48**
Street Patch	0	0
Debris Removal/Mowing	4	10
Sign Repair/Install	72	86
Manhole Repairs	1	2
After Hour Calls	6	8
Other (Mosquito Testing/Spray, etc.)	8	19

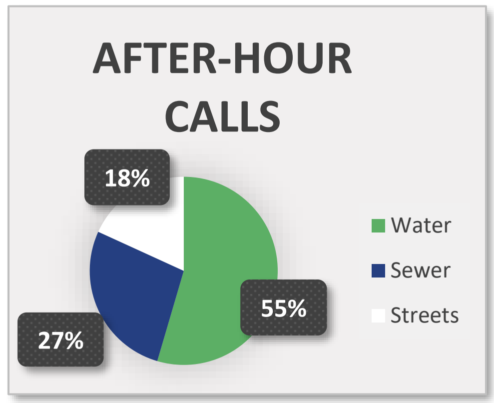
WATER

	CURRENT	YTD
Water Line Break	**1**	**2**
Water Line Repair	0	3
Meter Leak/Repair	9	23
After Hour Calls	5	11
Other (Water pressure, odor, etc.)	8	24

SEWER

	CURRENT	YTD
Sewer Line Break	**0**	**0**
Sewer Line Repair	2	3
Household Back-up	11	17
Drainage	4	7
After Hour Calls	2	3
Other (Odor, etc.)	1	10





UTILITIES – Work Orders — TOTAL WORK ORDERS: 105

SERVICES

	CURRENT	YTD
Meter Turn On	2	57
Service Shut Off	0	56
Final Reads	36	57
Service Starts	37	63
Re-Read Meter	2	4

GENERAL

	CURRENT	YTD
Possible Leak	9	24
Meter Repairs/Replacement	4	9
Reset Encoder	1	10
No Reads	7	37
Other (Low Consumption, Meter Tests, etc.)	7	24

Operational Updates

- 1000’ of sewer line cleaned.
- 56 man-hours spent reading wells and water sampling.
- 20 man-hours spent conducting NAP Testing.
- Lift Station Maintenance.
- Routine/Seasonal mowing throughout the city, including channels.
- Staff assisted the Parks Department with various projects throughout the parks.
- Magnolia Park project was completed.

RH Public Works

- Staff cleared out 2 homeless camps for Code Compliance.
- Staff continued the street sign switch-out with the new branded signage.
- Maguire began rehab of the Park water tank.

Staff Updates

- Maintenance Technicians I Daniel Tromanhauser and Renee Angulo attended Basic Water Operator Training.
- Maintenance Technicians I Daniel Tromanhauser and Renee Angulo completed Water Resiliency Training.
- Maintenance Technician I Juan Martinez attended Water Utility Safety Training.
- Maintenance Technician I Robert Freeman and Lead Pham Hoang attended Wastewater Collection Training.
- Leads Pedro Rodriguez, Jessie Pierson, and Hoang Pham attended training and became certified Stormwater Inspectors (MS4).