AGENDA
BENBROOK CITY COUNCIL
THURSDAY, MARCH 19, 2020
911 WINSCOTT ROAD, BENBROOK, TEXAS
PRE-COUNCIL WORKSESSION 7:00 P.M.
CENTRAL CONFERENCE ROOM
1. Review and discuss agenda items for regular meeting
2. COVID-19 Briefing
REGULAR MEETING 7:30 P.M.
COUNCIL CHAMBERS
ALL AGENDA ITEMS ARE SUBJECT TO FINAL ACTION

I. CALL TO ORDER

II. INVOCATION

Invocation To Be Given By Reverend Fr. Kenneth M. Bolin With St. Thomas Backet Catholic Church

PLEDGE OF ALLEGIANCE

III. CITIZEN COMMENTS ON ANY AGENDA ITEM

IV. MINUTES

1. Approve Minutes Of The Regular Meeting Held February 20, 2020

Documents:

CC MINUTES-02-20-20.PDF

V. PRESENTATION BY MAYOR AND MEMBERS OF COUNCIL

CC-2020-05 Resolution Supporting 2020 Census

Documents:

CC-2020-05 RESOLUTION CENSUS.PDF

CC-2020-06 Extension Of Official Order Declaring Local Disaster (Addendum Item)

Documents:

MAYOR ORDER.PDF

VI. PRESENTATION BY PLANNING AND ZONING COMMISSION

PZ-2020-02 ZTA 20-01 Adopt Ordinance Amending Chapter 17.79 - Benbrook Boulevard Corridor Overlay District, Title 17 – Zoning, Benbrook Municipal Code, Prohibiting Minor Auto Service/Repair Uses In The Benbrook Boulevard Corridor Overlay District Located Primarily Along Benbrook Boulevard (U.S. Hwy 377) Between Winscott Road And I-20/I-820. (Public Hearing)

Documents:

PZ-2020-02 TITLE 17 OVERLAY AMENDMENT - MINOR AUTO.PDF

PZ-2020-02 ORDINANCE AMENDING TITLE 17 - MINOR AUTO.PDF

VII. REPORTS FROM CITY MANAGER

A. GENERAL

G-2457 Adopt Resolution Authorizing Participation In Texas Coalition For Affordable Power (TCAP) Strategic Hedging Program (SHP)

Documents:

G-2457 PARTICIPATION IN TCAP.PDF
G-2457 RESOLUTION TCAP.PDF
G-2457 TCAP (PSA).PDF
G-2457 TCAP (CESA).PDF

G-2458 Accept Finance Report For Period Ending February 29, 2020

Documents:

G-2458 FINANCE REPORT FEB 20.PDF
G-2458 REVENUE CHART FEB 20.PDF
G-2458 EXPENDITURE CHART FEB 20.PDF
G-2458 SALES TAX COMPARISON FEB 20.PDF

G-2459 Accept Comprehensive Annual Finance Report For Fiscal Year Ended September 30, 2019

Documents:

G-2459 CAFR FISCAL YEAR 2019.PDF
G-2459 BENBROOK FINAL CAFR - 2019.PDF

G-2460 Adopt Resolution To Participate In Tarrant County 2020 HOME Program

Documents:

G-2460 TARRANT COUNTY 2020 HOME PROGRAM.PDF
G-2460 RESOLUTION 2020 HOME RESOLUTION.PDF

VIII. INFORMAL CITIZEN COMMENTS

State Law prohibits any deliberation of or decisions regarding items presented in informal citizen comments. City Council may only make a statement of specific information given in response to the inquiry; recite an existing policy; or request staff place the item on an agenda for a subsequent meeting. The exception to informal comments is that once an election date has been set by City Council comments relative to elections will not be broadcast on the City's cable channel. However, a copy of the tape containing citizens' comments will be available at city hall for review or purchase by interested citizens

IX. COUNCIL MEMBER AND STAFF COMMENTS

Announcements from City Councilmembers and City Staff may be made for items to include: expression of thanks; congratulations; condolence; recognition of public officials, employees or citizens; information regarding holiday schedules; reminders of community events or announcements involving an imminent threat to the public health and safety of the municipality that has arisen after the posing of the agenda. No discussion or formal action may be taken on these items at this meeting.

X. ADJOURNMENT

WORKSESSION

1. Discuss Municipal Complex

MINUTES
OF THE
MEETING OF THE
BENBROOK CITY COUNCIL
THURSDAY, FEBRUARY 20, 2020

The regular meeting of the Benbrook City Council was held on February 20, 2020 at 7:30 p.m. in the Council Chambers with the following Council members present:

Jerry Dittrich, Mayor
Renee Fraklin
Larry Marshall
Dustin Phillips
Jim Wilson
Laura Mackey
Jason Ward

Also Present:
Andy Wayman, City Manager
Joanna King, City Secretary
Jim Hinderaker, Assistant City Manager
Rick Overgaard, Finance Director
Beth Fischer, Deputy City Secretary

Citizens Present:
Bennett Howell, Public Services Director
Leslie Marshall, Accounting Supervisor
Bill Smith
Keith Bailey
Kent Williams
Thomas Casey
Dylan Mandel, Scout Troop 17
Corey Mandel

I. CALL TO ORDER

Meeting called to order at 7:30 p. m. by Mayor Jerry Dittrich.

II. INVOCATION/PLEDGE OF ALLEGIANCE

Invocation given by Elder Yancey with Encounter Church
The Pledge of Allegiance was recited.

III. CITIZEN COMMENTS ON ANY AGENDA ITEM

IV. MINUTES

1. Minutes of the regular meeting held February 6, 2020

Motion by Dr. Marshall, seconded by Ms. Mackey to approve the minutes of the regular meeting held February 6, 2020.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

V. PRESENTATION BY MAYOR AND MEMBERS OF CITY COUNCIL

CC-2020-04 Make appointment to Place 7 on Planning and Zoning Commission and Place 4 on Benbrook Economic Development Corporation Board of Directors

Motion by Ms. Franklin, seconded by Dr. Marshall to make the following appointments:

Hunter Brauer to Place 7, Planning and Zoning Commission to serve a term expiring December 30, 2021.

Thomas Casey to Place 4, Benbrook Economic Development Corporation Board of Directors to serve a term expiring December 30, 2020.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Motion carried unanimously.

VI. PRESENTATION BY PLANNING AND ZONING COMMISSION

PZ-2020-01 Adopt Ordinance updating the Benbrook Comprehensive Plan

Jim Hinderaker gave the following report: The Benbrook Comprehensive Plan update began in January 2019. The City Council appointed a seven-member Steering Committee, supported by Staff, to lead the update process. The committee met once a month to review and provide comment on the various plan elements. During the early months of the plan update, Staff met with key stakeholders and property owners to gain a better understanding of their desired land use goals. This information, along with existing and future land use and demographic data, was presented to the committee. The committee completed their work in August 2019.

In October 2019, during separate work sessions, Staff presented the Steering Committee's recommendations to the Benbrook Parks and Recreation Board and the Planning and Zoning Commission for their review and input. Both Boards were supportive of the Committee's recommendations. The plan was then presented to the public during a public open house held on November 12, 2019. Residents had an opportunity to review the key plan elements and provide comment.

Following the public open house, the plan was made available on-line and in-person for additional public review and comment through December 12, 2019. The comments were presented to the Planning and Zoning Commission during a final work session held on December 12, 2019. In accordance with State Law and the Benbrook City Charter, the Planning and Zoning Commission held a public hearing on January 9, 2020 and unanimously recommended approval of the updated Comprehensive Plan.

The primary objectives of the plan update were to remove out-of-date material, update the land use and transportation sections for vacant properties located within the City and its extraterritorial jurisdiction (ETJ) and to establish a more user friendly and readable plan. The plan further establishes a new overall vision for the City – "Making Benbrook Your Hometown", while maintaining the City's core tenets and principles. One of the more significant recommendations of the plan is the proposed establishment a new downtown area, anchored by a new municipal complex, along Winscott Road south of I-20.

The Benbrook Comprehensive Plan is a guidance document and does not contain any regulatory language.

The Planning and Zoning Commission recommends acceptance of the ordinance adopting the Comprehensive Plan.

Mayor Dittrich opened the public hearing at 7:44 p.m. No one spoke to the item. Mayor Dittrich closed the public hearing at 7:45 p.m.

Motion by Mr. Wilson, seconded by Ms. Franklin to adopt Ordinance No. 1455 with the additional language to the Transportation Element located on pages 28 and 30 to read "The City will work toward complete streets for new and reconfigured roadways."

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Nomination carried unanimously.

Ordinance No. 1455 being "**AN ORDINANCE OF THE CITY OF BENBROOK, TEXAS, AMENDING AND UPDATING THE COMPREHENSIVE PLAN OF THE CITY; PROVIDING THAT THIS COMPREHENSIVE PLAN SHALL SUPERSEDE AND REPLACE ANY PREVIOUSLY ADOPTED COMPREHENSIVE PLAN; PROVIDING FOR A PURPOSE AND APPLICATION SECTION; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN PAMPHLET FORM; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE. "**

SECTION 9
EFFECTIVE DATE

This ordinance shall be in full force and effect from and after its passage and publication as required by law.

VII. REPORTS FROM CITY MANAGER

A. GENERAL

G-2455 Accept Finance Report for period ending January 31, 2020

Rick Overgaard gave the following report: General Fund revenues for the month of January were $4,586,056. Major revenues collected for the month include property taxes of $3,839,380, franchise taxes of $82,897, fines and forfeitures of $65,630, charges for services of $50,754 and a transfer in of $100,000 from the Road Damage Fund. Sales tax collected and recognized as revenue in January was $318,986. Fiscal year-to-date sales tax is 15.75% greater than last year at this time. General Fund revenues collected through the end of January were $12,935,784 or 61.4% of the budget.

General Fund expenditures for the month of January were $2,550,967, which includes a budgeted transfer out of $1,150,000 for various capital projects. Fiscal year-to-date expenditures were $7,044,311 or 33.5% of the adopted budget.

Total General Fund revenues of $12,935,784 were greater than General Fund expenditures of $7,044,311 by $5,891,473.

Debt Service Fund revenues for the month of January totaled $1,224,732. $134,844 was from property tax and $1,089,888 was a transfer in from the Stormwater Fund and TIF Fund to cover their respective debt service. Fiscal year-to-date revenues total $1,470,838. Debt service payments of $1,497,770 were made the end of January. Total expenditures of $1,497,770 exceeded total revenues of $1,470,838 by $26,932.

EDC revenues as of January 31, 2020, were $602,850. EDC expenditures through the end of January were $480,071, which includes the purchase of land. Total revenues exceeded total expenditures by $122,779.

Total revenues received through January 31, 2020 were $1,148,190 from Stormwater Utility fees, mineral lease revenue, interest earnings, and a transfer in of $900,000 from the General Fund. Total expenditures for the Capital Projects Fund were $1,560,078 through the end of January, which includes the transfer out of $1,089,888 to the Debt Service Fund for Stormwater and TIF debt service payments. January expenditures included the following projects: Chapin Road Culvert, Van Deman Road Drainage, and Clearfork Emergency Access Bridge. Total expenditures exceeded total revenues by $411,888. Sufficient funds are available in the current fund balances of the Capital Projects Fund. This fund operates on a project basis rather than a specific fiscal year.

On January 31, 2020, the City had $22,110,172 invested at varying interest rates; the EDC had $4,623,198 available.

Motion by Dr. Marshall seconded by Mr. Phillips to approve the finance report for the period ending January 31, 2020.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Nomination carried unanimously.

G-2456 Accept a drainage easement located on Lots 6 & 7, Block 2, Whitestone Ranch Phase 4 Addition

Jim Hinderaker gave the following report: In order to properly convey public storm water negatively impacting multiple properties in the Whitestone Ranch Phase 4 Addition, Staff seeks to secure a 10-foot wide drainage easement from Melvin and Sunny Stanley, the owners of Lot 6, Block 2, Whitestone Ranch Phase 4 Addition (10900 Claret Court) and Christy and Joseph Koennecke, the owners of Lot 7, Block 2 of said addition (10904 Claret Court).

The easement grants the City authority to enter the property to make improvements. Upon acceptance of the drainage easement, construction of a 4-foot wide concrete valley flume will begin. The City is typically completing small drainage projects (like this one) on an ongoing, routine basis.

Motion by Ms. Franklin, seconded by Mr. Ward to approve the drainage easement located on Lots 6 & 7, Block 2, Whitestone Ranch Phase 4 Addition.

Vote on the Motion:

Ayes: Ms. Franklin, Dr. Marshall, Mr. Phillips, Mayor Dittrich, Mr. Wilson, Ms. Mackey, Mr. Ward

Noes: None

Nomination carried unanimously.

VIII. INFORMAL CITIZEN COMMENTS

IX. COUNCIL MEMBER AND STAFF COMMENTS

X. ADJOURNMENT

Meeting adjourned at 8:00 p.m. followed by a Worksession:

1. Discuss Perimeter Walls

APPROVED:

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Jerry B. Dittrich, Mayor

ATTEST:

_____

Joanna King, City Secretary

RESOLUTION NO. 2020-01

A RESOLUTION OF THE CITY OF BENBROOK, TEXAS, TO SUPPORT PARTICIPATION IN THE 2020 CENSUS

WHEREAS, Article 1, Section 2 of the United States Constitution mandates that the country conduct an enumeration of all persons living in the United States and its territories once every 10 years; and

WHEREAS, the results of the census determine the number of seats each state will have in the United States House of Representatives, and is further used to draw congressional and state legislative districts; and

WHEREAS, the results of the census will inform decisions about allocating billions of dollars in federal funding to communities across the country – for roads and infrastructure, emergency services, community development block grants, and other critical programs and services; and

WHEREAS, the decennial census is an enormous undertaking that requires cross-sector collaboration and partnership with governmental entities, businesses, community-based and faith-based organizations, educators, media and other in order to achieve a complete and accurate count; and

WHEREAS, City departments use census data in planning for the delivery of City services, and

WHEREAS, the City of Benbrook is committed to ensuring that every person is counted regardless of race, ethnicity, religion or gender; and

WHEREAS, the information collected by the United States Census Bureau is confidential and protected by law.

NOW THEREFORE, BE IT RESOLVED, that the City of Benbrook recognizes the importance of the decennial census and hereby encourages all persons to participate in the 2020 Census.

PASSED AND APPROVED this 19th day of March 2020.

APPROVED:

_____

Jerry B. Dittrich, Mayor

ATTEST:

_____

Joana King, City Secretary

OFFICIAL ORDER OF THE MAYOR
March 16, 2020

The virus that causes 2019 Coronavirus disease (COVID-19) is easily transmitted through person-to-person contact, especially in group settings, and it is essential that the spread of the virus be slowed to protect the ability of public and private health care providers to handle the influx of new patients, and to safeguard public health and safety.

Because of the risk of the rapid spread of the virus, and the need to protect the most vulnerable members of the community, this Order prohibits community gatherings of 250 persons or more anywhere in the city of Benbrook, Texas, beginning at 12:01 a.m., March 16, 2020, as defined by Section 3 herein.

For all individuals, the City of Benbrook, the Office of the Tarrant County Judge, and Tarrant County Public Health strongly recommend following the "social distancing" protocols included in this Order, including canceling, rescheduling, or not attending events with more than 250 persons.

Additionally, the City of Benbrook, the Office of Tarrant County Judge Glen Whitley, and Tarrant County Public Health also strongly urge high-risk individuals, as defined by the Centers for Disease Control and Prevention (CDC), to cancel, reschedule, avoid and/or not attend events that will have, or will likely have, 10 or more people.

UNDER THE AUTHORITY OF TEXAS GOVERNMENT CODE CHAPTER 418, SECTION 108, BENBROOK MAYOR JERRY B. DITTRICH ORDERS:

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1. **EFFECTIVE AS OF 12:01 a.m., March 16, 2020,** public or private Community Gatherings (as defined in Section 3 below) are prohibited anywhere in the city of Benbrook.

2. **STATE, COUNTY, AND CDC GUIDELINES**
   In addition, the Centers for Disease Control and Prevention, the Texas Department of State Health Services, and Tarrant County Public Health strongly recommend canceling, rescheduling, or not attending events with more than 250 persons.

3. **HIGH-RISK POPULATIONS**
   The City of Benbrook, the Office of Tarrant County Judge Glen Whitley, and Tarrant County Public Health strongly urge organizations that serve high-risk populations to cancel gatherings of more than 10 people. These recommendations are based on the "social distancing" practices included in this Order, as well as the Implementation of Mitigation Strategies for Communities with Local COVID-19 Transmission, issued by the Centers for Disease Control and Prevention (CDC).

4. **NON-ESSENTIAL GATHERINGS**
   The City of Benbrook, the Office of Tarrant County Judge Glenn Whitley, and Tarrant County Public Health urge people to not attend non-essential gatherings during the duration of this Order, in order to help slow the spread of the COVID-19 virus.
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3. DEFINITIONS

a. For purposes of this Order, a "community gathering" is any indoor or outdoor event or convening, subject to the exceptions and clarifications below, that brings together, or is likely to bring together, two-hundred-fifty (250) or more persons at the same time in a single room or other single, confined or enclosed space, such as an auditorium, theater, indoor or outdoor stadium, arena or event center, meeting hall, conference center, large cafeteria, or any other confined indoor or confined outdoor space.

b. A prohibited outdoor "community gathering" under this Order includes events in confined outdoor spaces, which means an outdoor space that:

(i) is enclosed by a fence, physical barrier, or other structure; and

(ii) where people are present and within arm's length of one another for extended periods.

c. This order does **NOT** prohibit:

(i) gatherings of people in multiple, separate, enclosed spaces in a single building, such as a multiplex movie theater, school or office tower, so long as 250 people or more are not present in any single space at the same time.

(ii) the use of enclosed spaces where 250 or more people may be present at different times during the day, so long as 250 or more people are not present in the space at the same time.

For any gathering covered by this subsection c., the City of Benbrook, the Office of Tarrant County Judge Glen Whitley, and Tarrant County Public Health strongly encourage organizers and participants to provide hand sanitizer and tissues, perform regular cleaning/disinfecting of commonly touched surfaces, and comply with the CDC guidelines on social distancing.

The CDC defines social distancing as "remaining out of congregate settings, avoiding mass gatherings, and maintaining distance (approximately 6 feet or 2 meters) from others when possible."

d. For purposes of clarity, as long as visitors are generally not within arm's length of one another for extended periods, a "community gathering" does **not** include the following:

(i) spaces where 250 or more persons may be in transit or waiting for transit, such as airports, bus stations, or terminals;
(ii) office space or residential buildings;
(iii) grocery stores, shopping malls, or other retail establishments where large numbers of people are present, but it is unusual for them to be within arm's length of one another for extended periods; and,
(iv) hospitals and medical facilities.

In all such settings, the City of Benbrook, the Office of Tarrant County Judge Glen Whitley, and Tarrant County Public Health strongly recommend following social distancing guidelines and providing hand sanitizer and tissue when possible.

4. DURATION
This Order shall be effective until it is rescinded, superseded, or amended, pursuant to applicable law.

5. DISTRIBUTION
The City of Benbrook must promptly post this order on the City website and make printed copies available to the public. In addition, the owner, manager, or operator of any facility that is likely to be impacted by this order is strongly encouraged to post a copy of this order onsite and to provide a copy to any member of the public asking for a copy.

6. VALIDITY AND APPLICATION
If any subsection, sentence, clause, phrase, or word of this Order or any application of it to any person, structure, gathering, or circumstance is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, then such decision will not affect the validity of the remaining portions or applications of this Order.

SIGNED THIS 16TH DAY OF MARCH, 2020.

Jerry B. Dittrich, Benbrook Mayor

Original on file

City of Benbrook

CITY COUNCIL COMMUNICATION

DATE:	REFERENCE NUMBER:	SUBJECT:	PAGE:
03/19/2020	**PZ-2020-02** **ZTA-2020-01**	**Adopt an ordinance amending Chapter 17.79 - Benbrook Boulevard Corridor Overlay District, Title 17 – Zoning, Benbrook Municipal Code, prohibiting minor auto service/repair uses in the Benbrook Boulevard Corridor Overlay District located primarily along Benbrook Boulevard (U.S. Hwy 377) between Winscott Road and I-20/I-820.**	**1 of 2**

This ordinance amends the land use section of the Benbrook Boulevard Corridor Overlay District (Overlay District) as adopted on April 19, 2018 via Ordinance No. 1426. The Overlay District primarily located along Benbrook Boulevard (U.S. Hwy 377) between Winscott Road and I-20/I-820, restricts and/or prohibits certain commercial land uses deemed incompatible to desired new development and redevelopment along the corridor. The Overlay District further established higher design standards and required the Planning and Zoning Commission to approve Minor Auto Service/Repair uses by conditional use permit.

Unfortunately, during the 86th Texas State Legislative Session, the legislature passed HB 2439 effectively removing municipal authority to regulate exterior building materials and aesthetic methods, directly or indirectly. Because the city's architectural and aesthetic standards are no longer enforceable, staff recommends added minor auto service/repair to the list of prohibited uses within the Benbrook Boulevard Corridor Overlay District.

Specifically, staff recommends that Section 17.79.040 – Definitions of Chapter 17.79 – Benbrook Boulevard Corridor Overlay District of Title 17 – Zoning of the Benbrook Municipal Code be amended by revising the "Minor auto service/repair" definition, with deleted text shown with a signal line strikethrough, as follows:

> "Minor Auto Service/Repair." The maintenance, repair, or replacement of the alternator, electronic sensors, starter, water pump, battery, brakes, exhaust, tires and wheels or other minor part thereof; minor tune-up (which consists of ignition adjustment, fuel injector cleaning, or spark plug replacement or other minor part adjustment thereof); change of oil and filter, fan belt, or hoses; lamp replacement; repair of flat tires and lubrication; state vehicle inspections and the minor repairs necessary to pass the state requirements; and facilities which sell and install minor automotive accessories for customizing cars and trucks such as mirrors, window tinting or replacement, bumpers, trailer hitches, decals, sound systems, security systems, etc. are also included. Repairs are routinely completed while the customer waits. Minor auto service also includes passenger vehicle wash or car detailing facilities ~~with service attendants~~.

That Section 17.79.050 – Land use standards of Chapter 17.79 – Benbrook Boulevard Corridor Overlay District of Title 17 – Zoning of the Benbrook Municipal Code be amended by revising Section 17.79.050 (C) and (D), with proposed additions of text being shown in <u>underlined print</u>, and deleted text shown with a single line strikethrough, as follows:

C. Conditional uses. The following uses are permitted land uses in the district with an approved Conditional Use Permit in accordance with Chapter 17.80 – Conditional Uses of the Benbrook Municipal Code.

SUBMITTED BY:	DISPOSITION BY COUNCIL: ☐ APPROVED ☐ OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

~~3. Minor auto service/repair~~

D. Prohibited uses. The following principle uses are prohibited in the district.
   6. Minor auto service/repair

Following the public hearing held on February 13, 2020, the Planning and Zoning Commission recommended approval of the proposed ordinance in a 7-0 decision.

Recommended Motion
The Planning and Zoning Commission recommends that the City Council move to adopt the attached ordinance amending Title 17.

ORDINANCE NO. 1456

AN ORDINANCE OF THE CITY OF BENBROOK, TEXAS, AMENDING TITLE 17 – ZONING OF THE BENBROOK MUNICIPAL CODE, AS AMENDED, BY AMENDING CHAPTER 17.79 – BENBROOK BOULEVARD CORRIDOR OVERLAY DISTRICT; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY FOR VIOLATIONS HEREOF; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION IN PAMPHLET FORM; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; PROVIDING FOR PUBLICATION IN THE OFFICIAL NEWSPAPER; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Benbrook (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, Chapter 211 of the Local Government Code authorizes municipalities to regulate land use, structures, businesses, and related activities within its corporate limits for the purpose of promoting the public health, safety, and general welfare of the community and protecting and preserving places and areas of historical, cultural, and architectural importance and significance; and

WHEREAS, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public through the protection of a key commercial corridor in the City thus providing an enhanced quality of life for the citizens within the City; and

WHEREAS, the City has previously adopted zoning regulations as Title 17 of the Benbrook Municipal Code (1985), as amended through Ordinance 1442; and

WHEREAS, the City Council now deems the provisions of the present zoning regulations inadequate, because of changing conditions since its passage, to accomplish the foregoing objectives, and that said Title 17 shall be amended and superseded by the provisions of this ordinance; and

WHEREAS, the City Council has given published notice and held public hearings with respect to the amendment to the Zoning Ordinance as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BENBROOK, TEXAS:

SECTION 1

That Section 17.79.040 – Definitions of Chapter 17.79 – Benbrook Boulevard Corridor Overlay District of Title 17 – Zoning of the Benbrook Municipal Code, as amended, is hereby amended by revising the "Minor auto service/repair" definition, with deleted text being shown with a signal line strikethrough, as follows:

"Minor Auto Service/Repair." The maintenance, repair, or replacement of the alternator, electronic sensors, starter, water pump, battery, brakes, exhaust, tires and wheels or other minor part thereof; minor tune-up (which consists of ignition adjustment, fuel injector cleaning, or spark plug replacement or other minor part adjustment thereof); change of oil and filter, fan belt, or hoses; lamp replacement; repair of flat tires and lubrication; state vehicle inspections and the minor repairs necessary to pass the state requirements; and facilities which sell and install minor automotive accessories for customizing cars and trucks such as mirrors, window tinting or replacement, bumpers, trailer hitches, decals, sound systems, security systems, etc. are also included. Repairs are routinely completed while the customer waits. Minor auto service also includes passenger vehicle wash or car detailing facilities ~~with service attendants~~.

SECTION 2

That Section 17.79.050 – Land use standards of Chapter 17.79 – Benbrook Boulevard Corridor Overlay District of Title 17 – Zoning of the Benbrook Municipal Code, as amended, is hereby amended by amending Section 17.79.050 (C) and (D), with proposed additions of text being shown in <u>underlined print</u>, and deleted text being shown with a single line strikethrough, as follows:

C. Conditional uses. The following uses are permitted land uses in the district with an approved Conditional Use Permit in accordance with Chapter 17.80 – Conditional Uses of the Benbrook Municipal Code.
   ~~3. Minor auto service/repair~~

D. Prohibited uses. The following principle uses are prohibited in the district.
   <u>6.</u> <u>Minor auto service/repair</u>

SECTION 3

That all other provisions of Chapter 17.79 – Benbrook Boulevard Corridor Overlay District of Title 17 – Zoning of the Benbrook Municipal Code, not included in this amendment, shall remain in full force and effect, except for necessary modifications to Section numbering and the "Table of Contents" affecting page numbering.

SECTION 4
CUMULATIVE CLAUSE

This Ordinance shall be cumulative of all provisions of ordinances and of the Benbrook Municipal Code Texas (1985), as amended, except where the provisions of this ordinance are in direct conflict with the provisions of such ordinances and such Code, in which event the conflicting provisions of such ordinances and such Code are hereby repealed.

SECTION 5
SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and Sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or Section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and Sections of this

ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or Section.

SECTION 6
PENALTY CLAUSE

Any person, firm, or corporation who violates, disobeys, omits, neglects, or refuses to comply with or who resists the enforcement of any of the provisions of this Ordinance shall be fined not more than Two Thousand Dollars ($2,000.00) for all violations involving zoning, fire safety, or public health and sanitation, including dumping of refuse, and shall be fined not more than Five Hundred Dollars ($500.00) for all other violations of this Ordinance. Each day that a violation is permitted to exist shall constitute a separate offense.

SECTION 7
SAVINGS CLAUSE

All rights and remedies of the City of Benbrook are expressly saved as to any and all violations of the provisions of the Benbrook Municipal Code (1985), as amended, or any ordinances regulating platting or Zoning which have accrued at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances, same shall not be affected by this ordinance but may be prosecuted until final disposition by the courts.

SECTION 8
PUBLICATION IN PAMPHLET FORM

The City Secretary of the City of Benbrook is hereby authorized to publish this ordinance in book or pamphlet form for general distribution among the public, and the operative provisions of this ordinance as so published shall be admissible in evidence in all courts without further proof than the production thereof, as provided in Section 3.10 of the Charter of the City of Benbrook.

SECTION 9
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Benbrook is hereby directed to engross and enroll the Ordinance by copying the caption, penalty clause, and effective date clause of this ordinance in the minutes of the City Council and by filing the Ordinance in the Ordinance records of the City.

SECTION 10
PUBLICATION IN OFFICIAL NEWSPAPER

The City Secretary of the City of Benbrook is hereby directed to publish the caption, penalty clause, publication clause, and effective date clause of this ordinance for two (2) days in the official newspaper of the City of Benbrook, as authorized by Section 52.013 of the Local Government Code.

SECTION 11
EFFECTIVE DATE

This ordinance shall be in full force and effect from and after its passage and publication as required by law.

PASSED AND APPROVED this 19th day of March 2020.

_____
Jerry B. Dittrich Mayor

ATTEST:

_____
Joanna King, City Secretary

City of Benbrook

CITY COUNCIL COMMUNICATION

DATE:	REFERENCE NUMBER:	SUBJECT:	PAGE:
03/05/2020	G-2457	Adopt Resolution authorizing participation in Texas Coalition for Affordable Power (TCAP) Strategic Hedging Program (SHP)	1 of 2

The City of Benbrook is a member of the Texas Coalition for Affordable Power, Inc. (TCAP), a nonprofit, political subdivision corporation, owned and controlled by its 171 political subdivision members, the vast majority of whom are cities. TCAP was formed in 2011 and is governed by a 15-member board of directors, all of whom must be city employees or elected city officials.

In addition to assisting with regulatory issues, TCAP negotiates the purchase of wholesale electricity on behalf of its member political subdivisions. The collective (and significant) electricity consumption of the coalition leverages superior pricing compared to individual political subdivisions seeking market pricing on their own.

The TCAP Board and its consultants have developed a new procurement strategy known as the Strategic Hedging Program (SHP). Under the program, TCAP will purchase power two years in advance of delivery on behalf of its members via a series of monthly competitive auctions. This creates greater flexibility and optionality in addressing market volatility and lower prices. SHP should eliminate risk premiums associated with multi-year power contracts, and therefore, result in prices that are never "out-of-market." Also, SHP allows the opportunity on an annual basis to switch to a fixed-price, fixed-term agreement like the current contract. Power purchases will commence next January 2021 for consumption to begin January, 2023.

Even though TCAP will go out to the wholesale market for energy purchases, Texas Law requires that TCAP use a retail electric provider (REP) for billing services. Gexa Energy was chosen by the TCAP Board through an RFP process for that function. Gexa Energy has no role in the wholesale energy procurement process. This works in TCAP members favor because if TCAP is not happy with the REP (billing, customer service), it can switch REPs' without changing the energy provider or energy rate.

Action Requested from TCAP Members

City Council must adopt a resolution that authorizes participation in TCAP's future procurement process. The resolution authorizes the City Manager to sign two agreements necessary for participation in SHP. The first is a Professional Services Agreement ("PSA") which authorizes TCAP to purchase power for TCAP members and defines services provided by TCAP to members. The second is a Commercial Electric Services Agreement ("CESA") that facilitates the SHP relationship between TCAP members and TCAP's designated Retail Electric Provider ("REP").

SUBMITTED BY:	DISPOSITION BY COUNCIL: ☐ APPROVED ☐ OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

RECOMMENDATION

Staff recommends that City Council adopt a resolution authorizing participation in the Strategic Hedging Program by entering into TCAP's Professional Services Agreement and GEXA Energy's Commercial Electric Service Agreement for power to be provided on and after January 1, 2023.

RESOLUTION NO. 2020-02

RESOLUTION OF THE CITY OF BENBROOK, TEXAS ADOPTING TCAP'S PROFESSIONAL SERVICES AGREEMENT AND GEXA ENERGY'S COMMERCIAL ELECTRIC SERVICE AGREEMENT FOR POWER TO BE PROVIDED ON AND AFTER JANUARY 1, 2023

WHEREAS, the City of Benbrook is a member of Texas Coalition For Affordable Power, Inc. ("TCAP"), a non-profit, political subdivision corporation of the State of Texas; and

WHEREAS, TCAP has previously arranged for the City to purchase power through Gexa Energy with a contract set to expire December 31, 2022; and

WHEREAS, TCAP has designed a new procurement strategy that will involve TCAP initially committing to purchase power two years in advance of delivery on behalf of its members who desire participation in a Strategic Hedging Program ("SHP") that will involve a series of monthly competitive auctions; and

WHEREAS, TCAP has prepared a Professional Services Agreement ("PSA"), attached as Exhibit A, that, in addition to enumerating services and benefits to members of TCAP, provides TCAP with specific authority to procure power in the wholesale market on behalf of members who choose to participate in the SHP; and

WHEREAS, approval of the PSA is a necessary, but not sufficient, prerequisite to participation in the SHP; and

WHEREAS, the PSA is a relational contract that defines services provided by TCAP to members regardless of whether a member decides to commit to the SHP; and

WHEREAS, the industry-standard retail contract is a Commercial Electric Service Agreement ("CESA") offered by a Retail Electric Provider ("REP"); and

WHEREAS, TCAP has negotiated modifications to the current CESA between the City and Gexa Energy to reflect participation in the SHP; and

WHEREAS, the CESA that will facilitate participation in the SHP effective for power deliveries in and beyond 2023 (attached as Exhibit B) will need to be approved and signed prior to October 1, 2020; and

WHEREAS, the City desires to participate in the SHP.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BENBROOK, TEXAS:

SECTION 1. That the City Manager is authorized to sign Exhibit A, TCAP's Professional Services Agreement, and Exhibit B, Gexa Energy's CESA, and send the agreements to TCAP, 15455 Dallas Parkway, Ste 600, Addison, TX 75001.

PASSED AND APPROVED this 19th day of March 2020.

_____
Jerry B. Dittrich, Mayor

ATTEST:

_____
Joanna King, City Secretary

Exhibit A

PROFESSIONAL SERVICES AGREEMENT BETWEEN

CITY OF BENBROOK AND TEXAS COALITION FOR AFFORDABLE POWER, INC.

This Professional Services Agreement ("AGREEMENT") is made and entered by and between Texas Coalition for Affordable Power, Inc. ("TCAP"), a non-profit, political subdivision corporation, and City of Benbrook ("MEMBER"), a TCAP member.

SECTION 1 DURATION:
This AGREEMENT becomes effective as of signing by MEMBER and shall remain effective as long as MEMBER is being served by TCAP and MEMBER's electric load included in a current TCAP procurement.

SECTION 2 PURPOSE OF AGREEMENT:
The purpose of this AGREEMENT is to define services and obligations of TCAP to MEMBER and obligations of MEMBER to TCAP and other members. In furtherance of this AGREEMENT, MEMBER will enter into a Commercial Electric Service Agreement ("CESA") with a retail electric provider ("REP") selected by TCAP pursuant to the terms set forth herein; provided that nothing in this AGREEMENT is intended to alter the price or other terms of MEMBER's current CESA in effect through December 31, 2022.

SECTION 3 OBLIGATIONS OF TCAP TO MEMBER:
MEMBER authorizes TCAP to contract for the purchase of energy for MEMBER in the wholesale market from an energy manager selected by TCAP ("Energy Manager") and to select an acceptable, cost-beneficial REP to serve MEMBER's electric accounts. TCAP shall provide procurement services, which services shall consist of securing wholesale power for MEMBER through an alternative procurement strategy, such as TCAP's Strategic Hedging Program ("SHP"), as may be authorized and defined by TCAP's Board of Directors. MEMBER may elect to consider fixed-price, fixed-term offers for wholesale power supply, such election to be communicated to TCAP separately in writing by providing an Authorized Election Form to TCAP, the form of which has been attached to this AGREEMENT as Exhibit A. If MEMBER has provided to TCAP an Authorized Election Form, TCAP's procurement services to MEMBER shall also consist of arranging fixed-price, fixed-term offers to MEMBER following solicitation of competitive offers. TCAP consultants and attorneys will negotiate terms and conditions of all contracts, monitor performance of Energy Managers and REPs, work to avoid and remedy problems that may be encountered by MEMBER where possible, assist MEMBER with wires company issues, and represent MEMBER in energy related matters before State agencies, the courts or legislature. TCAP will provide additonal customer services to MEMBER that are defined in SECTION 5.

SECTION 4 OBLIGATIONS AND RIGHTS OF MEMBER:
MEMBER will honor the terms of its CESA and promptly pay or promptly dispute invoices from its REP. MEMBER will comply with the confidentiality and non-disclosure obligations contained in its CESA and Section 7 of this AGREEMENT. MEMBER will designate one or more individuals to receive notices and updates from TCAP and will promptly update contact information. MEMBER will pay aggregation fees to support the non-profit functions of TCAP assessed annually by the TCAP Board of Directors and recovered as part of the energy charges paid to REP. Also, MEMBER will pay or receive refunds equal to the Quarterly Adjustment and the Annual Adjustment mutually agreed upon by TCAP and the Energy Manager to address certain variable costs and charges, including costs imposed by ERCOT, such payment or receipt of funds subject to the reserve account as further described herein. TCAP members will fund, and TCAP will maintain and administer, a reserve account to facilitate the reconciliation of any Quarterly Adjustments or Annual Adjustments by collecting any excess amounts paid and/or paying any deficient amounts incurred (as possible). The reserve account balance will be maintained at a minimum level to cover anticipated future needs for up to two (2) years. The TCAP Board may vote to refund to members amounts in excess of future anticipated needs. Any monies remaining in the reserve account at the dissolution of TCAP will be refunded to current membership at the time of dissolution. TCAP is owned and controlled by its members and is governed by a Board of Directors consisting of employees or elected officials of members. Consistent with TCAP's Bylaws, each MEMBER has a right to nominate its representative to serve on the Board of Directors and has a right to vote in annual elections of Board members. MEMBER has a right to attend or monitor each Board meeting. TCAP has a financial audit performed each year and MEMBER has a right to a copy of the annual audit upon request.

SECTION 5 TCAP SERVICES TO MEMBER:

A. Procurement of Energy Supplies and REP Services

1. TCAP Procurement Services and Capabilities

TCAP will assist prospective members in reviewing market conditions and in estimating the most price opportune time to contract for energy supplies. TCAP will work with MEMBER to achieve a competitive price that balances supply security and risk tolerance while maintaining superior billing and customer services. As a political subdivision corporation, offering electricity procurement to political subdivisions, TCAP has the ability to procure wholesale energy supplies and REP services separately to secure the most effective combination of competitively priced energy supplies and superior billing and customer services. TCAP may utilize either wholesale or retail sources of power, or some combination of both. TCAP may utilize multiple suppliers with different generation resources. TCAP will solicit bids from multiple sources for energy supplies. TCAP aggregates the load of all members to maximize clout in negotiating contract terms. TCAP's objective in negotiations with suppliers is to continue obtaining favorable terms

regarding band widths for annual usage based on total load of all members (rather than based on MEMBER's individual load) and to minimize fees for adding or deleting accounts. TCAP will monitor the wholesale and retail markets for favorable hedging opportunities. TCAP will also monitor, evaluate and issue requests for proposals for power development opportunities beneficial to its MEMBERS, including renewable projects (each, a "Power Project").

2. MEMBER Procurement Options

If MEMBER elects a fixed-price contract for a fixed period by submitting an Authorized Election Form, TCAP will function as MEMBER'S agent in the wholesale energy marketplace in soliciting, evaluating and negotiating each such fixed-price contract. Absent an election, MEMBER shall participate in other procurement strategy options offered by TCAP, such as TCAP's SHP, and TCAP will function as MEMBER's electric energy procurer. As such, TCAP will (i) oversee the Energy Manager, (ii) will direct the Energy Manager to solicit wholesale energy market quotes, (iii) will cause the Energy Manager to transact at the most favorable executable market quotes and (iv) will negotiate and develop the Energy Price in MEMBER'S CESA (the "CESA Energy Price"). The CESA Energy Price shall be developed and agreed upon by TCAP, the Energy Manager and the REP and shall include the wholesale energy market transactions as well as Energy Manager's estimate of any non-fixed charges, including zonal congestion charges, ancillaries service charges, and other charges in connection with MEMBER'S load. If MEMBER elects to purchase power from a Power Project solicited and chosen by TCAP via a competitive RFP process (or other similar process), TCAP will function as MEMBER'S electric energy procurer, and will direct the Energy Manager to include the value of the power procured from such projects in the development of MEMBER'S CESA price.

B. Customer and Billing Services Provided by TCAP

1. REP Portal

TCAP consultants oversee the development and presentation of the REP's portal for TCAP members; the REP will be responsible for operation of the portal. TCAP provides training and assistance regarding portal use.

2. REP Customer Service

TCAP negotiates with the REP regarding service standards and annually reviews REP performance. TCAP maintains a right to replace a REP for unsatisfactory performance without affecting the price of wholesale power, so long as the replacement REP has a credit rating acceptable to the Energy Manager. TCAP continuously monitors customer billings and will alert both the REP and MEMBER, when appropriate, of any billing errors and the adjustments needed to ensure accurate and reliable billings to MEMBER. TCAP will advocate on behalf of MEMBER when needed to resolve billing or customer service issues.

TCAP will review customer billings and make MEMBER aware of inactive accounts that MEMBER may be able to disconnect to save monthly charges.

3. TCAP Assistance with Budgets and Required Filings and Assistance with TDSP Issues

TCAP monitors Public Utility Commission ("PUC") and ERCOT activity and will provide MEMBER a forecast of changes in non-by passable charges that may impact MEMBER's annual budget estimates. TCAP will prepare an annual electricity cost estimate for MEMBER. TCAP will assist MEMBER in preparation of energy related reports that may be necessary for MEMBER to file in response to legislative or agency mandates. TCAP will assist MEMBER in understanding non-bypassable charges included in REP invoices, and assist in resolving issues caused by errors of MEMBER'S Transmission and Distribution Service Provider ("TDSP" aka "wires company").

4. Information Services

TCAP maintains a member web site, www.tcaptx.com. In addition to regular blog postings on energy news relevant to MEMBER, TCAP has prepared and posted major reports on the history of deregulation in Texas and a history of ERCOT. TCAP consultants continuously monitor the Nymex gas market, ERCOT energy market, and economic conditions that may affect MEMBER, as well as activities at the PUC and ERCOT. Important trends are noted in consultant reports to the Board of Directors and are attached to Board Minutes. TCAP's Executive Director prepares and distributes a monthly newsletter and coordinates TCAP activities with various city coalitions and Texas Municipal League ("TML"). The Executive Director monthly newsletters will also include important or trending issues in the energy markets.

5. Demand Response, Distributed Generation and Cost Savings Strategy

TCAP will work with relevant service providers to make available to MEMBER competitive demand reduction programs that facilitate MEMBER's participation in TDSP and ERCOT cost reduction strategies approved by the PUC. Upon request, TCAP will monitor and evaluate demand reduction program performance metrics. TCAP will assist MEMBER in reviewing, analyzing and developing distributed generation programs that can reduce wires and energy costs and/or provide backup power to specific facilities. TCAP will assist MEMBER in meeting renewable energy goals established by MEMBER, including behind-the-meter solar projects and local wind projects.

6. Regulatory and Legislative Representation

TCAP will provide representation and advocacy services on energy issues relevant to MEMBER in regulatory and legislative areas including, but not limited to, ERCOT stakeholder meetings, PUC projects and dockets, and legislative actions.

7. Strategic Hedging

To the extent that there is sufficient interest and commitment of load of TCAP members within an ERCOT zone, and to the extent MEMBER has not elected a fixed-price contract for a fixed period, MEMBER will perpetually (subject to potential charter or ordinance constraints on length of contracts) commit to two-year participation obligations. MEMBER may terminate participation in the SHP, without energy price penalties and with minimal other termination fees, by providing sufficient notice as set forth herein (Section 6). A SHP price will be determined at least 9 months prior to the effective date of the price by averaging the winning bids from periodic competitive auctions that occur throughout the 24 months preceding the effective date. TCAP will direct Energy Manager to conduct the periodic competitive auctions. TCAP will have the right to audit the auction results. The auction process will be designed to identify competitively priced energy supplies from a variety of creditworthy suppliers, resulting in prices that are rarely, if ever, significantly above prevailing market prices and that should generally be less than pricing for long-term fixed priced contracts (when evaluated from a common contract start date and term). Designed to take advantage of the characteristics of the nation's well supplied energy markets, the SHP will also be flexible enough to respond to market changes when and if they occur in the future. Participation in the SHP may be viewed as a series of 24 -month forward year-to-year contracts for as long as desired by MEMBER. If MEMBER participates in the SHP, MEMBER agrees that TCAP is authorized to direct Energy Manager to procure electric energy in the wholesale market on MEMBER's behalf and that TCAP is authorized to commit MEMBER's load to periodic competitive auctions.

SECTION 6 MEMBER RIGHT OF TERMINATION:
A. Fixed-Term, Fixed-Price Contract

MEMBER may terminate a CESA prior to the end-of-term specified in a contract subject to payment of "Liquidated Damages" prescribed in MEMBER's CESA. If MEMBER commits to a fixed multi-year term, fixed-price contract and wants to terminate the agreement prior to the end of the fixed multi-year term, liquidated damages will be based on the differential in the price of electric energy futures contracts used to support the fixed-price agreement and the price of comparable electric energy contracts at time of termination and shall also include damages prescribed herein and in the CESA, as applicable. If electric energy prices are lower at the point of termination than they were at time of contracting, MEMBER should expect to pay energy price damages upon early termination. In any event, any termination payment will be calculated and assessed in accordance with MEMBER's CESA.

B. Strategic Hedging Program

Since the SHP is based on a series of one-year term contracts, MEMBER is entitled to exit the program so long as notice of termination can be given prior to inclusion of MEMBER's load in the competitive auction process for a future year's price. TCAP will periodically notify MEMBER of expected procurement schedules and provide no less than 90 days

prior notice of any upcoming solicitiation, and MEMBER may notify TCAP that it wants to exclude its load from the competitive auction process by giving notice at least 60 days prior to the next procurement date. Termination of involvement in SHP without appropriate notice will require calculation of damages as prescribed by CESA under Edison Electric Institute ("EEI") principles with the intent of making the REP and Energy Manager whole for the termination. Liquidated damages will be based on the differential in the price of electric energy futures contracts used to support the SHP price and the price of comparable electric energy contracts at time of termination and shall also include damages prescribed herein and in the CESA, as applicable. If electric energy prices are lower at the point of termination than they were at time of contracting, MEMBER should expect to pay energy price damages upon early termination. In any event, any termination payment will be calculated and assessed in accordance with MEMBER's CESA.

C. Participation in Power Projects

If MEMBER has chosen to purchase power from a Power Project through TCAP, in accordance with a signed Project Addendum attached to MEMBER'S CESA, MEMBER's termination rights with respect to its commitment to purchase power from the Power Project shall be contained in the Project Addendum.

SECTION 7 CONFIDENTIALITY:

MEMBER is a governmental body subject to public information laws, including Chapter 552 of the Texas Government Code. If MEMBER receives a valid request under applicable public information laws for information related to this AGREEMENT or its CESA, it shall provide TCAP notice of the request including a description the information sought prior to MEMBER's release of information so that TCAP has the opportunity to determine whether such information is subject to an exception as trade secret, competitive, comercial, or financial information. With the exception of the preceding disclosures pursuant to public information laws, a Party (that party, the "Receiving Party") shall keep confidential and not disclose to third parties any information related this AGREEMENT, except for disclosures to Authorized Parties or as otherwise required by law; and provided that MEMBER authorizes TCAP to provide Energy Manager and REP with any relevant information concerning MEMBER's account, usage and billings. The provisions of this Section 7 apply regardless of fault and survive termination, cancellation, suspension, completion or expiration of this AGREEMENT for a period of two (2) years. "Authorized Parties" means those respective officers, directors, employees, agents, representatives and professional consultants of MEMBER and TCAP and each of their respective affiliates that have a need to know the confidential information for the purpose of evaluating, performing or administering this AGREEMENT.

SECTION 8 PARAGRAPH HEADINGS:

The paragraph headings contained in this AGREEMENT are for convenience only and shall is no way enlarge or limit the scope or meaning of the various and several paragraphs.

SECTION 9 COUNTERPARTS:
This AGREEMENT may be executed in multiple counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

SECTION 10 DEFINITIONS:

"Annual Adjustment" shall mean either a credit to MEMBER for the over-collection of funds, or a charge to MEMBER for under-collection of funds, related to Power Project settlements, if applicable. For those MEMBERS that participate in SHP, the Annual Adjustment shall also include (i) adjustments related to the loss factor for each specific ERCOT zone and (ii) adjustments related to load reconciliation as determined by TCAP, the Energy Manager and the REP.

"Energy Manager" means the wholesale market participant selected by TCAP to conduct SHP procurements at TCAP's direction, in accordance with Section 5A and Section 7 of this Agreement. The Energy Manager may sell all or a portion of the required wholesale energy to TCAP or TCAP's REP.

"Power Project" means a power generation project identified by TCAP to supply electric energy to one or more TCAP Members.

"Project Addendum" means the Addendum for a Power Project, if any, signed and attached as an Exhibit to MEMBER'S CESA.

"QSE Services Fee" means the QSE Services Fee in affect during the Delivery Term, as agreed between TCAP and Energy Manager.

"Quarterly Adjustment" shall mean either a credit to MEMBER for the over-collection of funds, or a charge to MEMBER for under-collection of funds, related to (i) ERCOT zonal congestion charges and (ii) ancillary services charges and other charges imposed by governmental agencies or ERCOT upon wholesale suppliers or REPs under statutes, regulations or courts for services within ERCOT zones. Said charges or refunds will be proportional to MEMBER's relative contribution to TCAP load within specific ERCOT zones.

"**Retail Electric Provider" or "REP"** means the Retail Electric Provider that is party to (i) the REP Services Agreement with TCAP and (ii) the CESA between itself and MEMBER for the provision of retail electric service.

"Strategic Hedging Program" or "SHP" means an energy procurement strategy approved by TCAP's Board of Directors, overseen by TCAP's designated consultants, and administered by TCAP's appointed Energy Manager, whereby wholesale energy is solicited and procured at agreed upon intervals, as directed by TCAP.

EXECUTED on this the _____ day of _____, 20_____.

MEMBER:

By: _____

Printed Name: _____

Title: _____

TCAP:

By: _____

Printed Name: _____

Title: _____

EXHIBIT A

MEMBER'S AUTHORIZED ELECTION FORM

MEMBER hereby grants TCAP Authorization to solicit, evaluate, and select fixed-price, fixed-term power supply offers for the purpose of fixing all or a portion of MEMBER'S Energy Price for all or a portion of MEMBER'S CESA Term, in accordance with the terms below:

Fixed Price Term Start Date: _____

Fixed Price Term End Date: _____

Fixed Price not to exceed $_____ / MWh

Upon TCAP's selection of a winning fixed-price, fixed-term offer, MEMBER authorizes TCAP to set the Energy Price for MEMBER'S CESA in accordance with MEMBER's CESA and as agreed upon by TCAP, TCAP's Energy Manager, and the REP.

Authorized on this the day of , 20 .

MEMBER:

By: _____

Printed Name: _____

Title: _____

COMMERCIAL ELECTRICITY SERVICE AGREEMENT

This Commercial Electricity Service Agreement, including all of the Attachments, Schedules, and Exhibits, which are attached and incorporated (collectively, the "**Agreement**"), is entered into between Gexa Energy, LP ("**Gexa**"), a Texas limited partnership, and City of Benbrook ("**Customer**"). Gexa and Customer may be referred to individually as a "**Party**" or collectively as the "**Parties**".

SECTION 1: RETAIL ELECTRIC SALES AND SERVICES

1.1 Appointment and Scope. Customer appoints Gexa as its Retail Electric Provider ("**REP**") for the ESI ID(s) served under this Agreement. Customer authorizes Gexa to: (i) act as Customer's REP for all purposes; and (ii) provide the services required of a REP including, without limitation, the procurement, scheduling and delivery of electricity throughout the Term to each of the ESI ID(s) in accordance with the terms set forth in this Agreement, including the Terms and Conditions of Service set forth in Attachment A. Customer's appointment imposes no other duties on Gexa other than those specified in this Agreement and the REP Services Agreement.

1.2 Agreement to Purchase. Customer shall purchase its electricity requirements from Gexa throughout the Term for each of the ESI ID(s) except as otherwise provided. The electricity and services Customer receives from Gexa is for Customer's exclusive proprietary use. Customer alone shall pay for electricity and services provided and for electricity and services Customer fails to take pursuant to its contractual obligations. If Gexa fails to deliver sufficient quantities of electricity to the TDSP for delivery to Customer or fails to schedule the delivery of sufficient quantities of electricity (collectively, a "**Scheduling Failure**") the TDSP is obligated by law and by its tariff to deliver sufficient electricity to satisfy Customer's needs. If a Scheduling Failure occurs, Gexa shall financially settle, at no additional cost or expense to Customer, with its Qualified Scheduling Entity (as defined by ERCOT) for the purchase of electricity necessary to cover the Scheduling Failure.

1.3 Membership in TCAP. Customer is a current member of the Texas Coalition for Affordable Power, Inc. ("**TCAP**"), and has entered into the Professional Services Agreement (the "PSA") authorizing the purchase of wholesale energy on behalf of the Customer by TCAP and/or TCAP's Energy Manager. Such wholesale energy purchases will affect the calculation of the Energy Price throughout the Term of this Agreement as described in Section 2. If, at any time during the Term, Customer elects to participate in a Power Purchase Agreement with a project to be developed for TCAP's members, and executes the Project Addendum for such project, then the Project Addendum will be attached hereto as Schedule I. Notwithstanding Customer's TCAP membership status, Customer agrees to fulfill all of its obligations under this Agreement, the PSA and, if applicable, the Project Addendum throughout the Term of this Agreement.

1.4 Term.

(a) Effective Date and Termination Date. Gexa shall provide retail electric service under this Agreement to each ESI ID beginning on the Effective Date and Terminating on the Termination Date, as further defined in this Section 1.4(a) (such period, the "**Term**"). The Effective Date will occur either (i) on the date occurring on or after the Expected Start Date stated in Attachment B on which each such ESI ID is enrolled with Gexa's service for any new customer, or (ii) if Customer is an existing customer then the Expected Start Date is the meter read date following the expiration of the Customer's prior Agreement with Gexa. Gexa shall continue to provide retail electric service to each ESI ID unless or until the Customer gives notice to TCAP and Gexa of its intent to terminate its membership with TCAP ("Termination Notice"). The Termination Date will occur on each respective ESI ID meter read date during the last month of the calendar year for which electricity has been purchased on Customer's behalf by either TCAP or the Energy Manager in accordance with the PSA prior to the Termination Notice, except that in no event will the Term exceed beyond December 31, 2037. For avoidance of doubt, the Termination Date for each respective ESI ID shall be the sooner to occur of (i) the meter read date occurring in the last month of the calendar year for which electricity has been purchased by either TCAP or the Energy Manager on behalf of the Customer prior to the Termination Notice or (ii) the meter read date occurring in December 2037. As a result of variations in the timing of the Effective Date described in this Section 1.3 the Term may include a partial calendar month in addition to the number of months set forth in Attachment B, if any.

(b) Delayed Effective Date. Gexa shall use commercially reasonable efforts to cause the Effective Date for each ESI ID to occur on the Expected Start Date. If the Effective Date for an ESI ID occurs more than 20 days after the Expected Start Date, Customer may provide Gexa with evidence of the amount of electricity purchased by Customer from its current REP in connection with that ESI ID during the period on and after the 21st day after the Expected Start Date until the Effective Date (the "**Delayed Effective Date Period**"), and the total amount paid by Customer to its current REP for the electricity it purchased during the Delayed Effective Date Period (the "**Delayed Effective Date Electricity Amount**"). Upon receipt of evidence from Customer Gexa shall calculate and provide Customer a credit against future purchases under this Agreement equal to the positive amount resulting from the following calculation: (a) the Delayed Effective Date Electricity Amount minus (b) the amount that Customer would have paid to Gexa pursuant to this Agreement during the Delayed Effective Date Period for the same amount of electricity purchased by Customer from its

current REP during that period in connection with the affected ESI ID(s); provided, that Gexa shall not be required to provide a credit with respect to any period during a Delayed Effective Date Period where the delay was caused by an event outside of Gexa's control.

(c) Service After Term. If, for any reason, service continues beyond the Term, it will be on a month-to-month basis, and the Agreement will continue in effect for the ESI ID(s) except that the Energy Price will be the greater of: (i) the Energy Price as set forth in Section 2.1 below, or (ii) the aggregate weighted average of the Market Rate (as defined herein) as determined for all of the ESI ID(s), for as long as service continues. If Customer has not switched from Gexa to another supplier at the expiration of the Term, Gexa shall serve Customer at the rate set forth in this Section for a minimum of 60 days. After those 60 days, Gexa may continue to serve Customer or terminate the Agreement and disconnect Customer.

1.5 Modifications to ESI IDs. Gexa shall work with Customer in good faith during the Term to reasonably accommodate and assist Customer with the management of its electricity needs. If at any time during the Term, Customer wants to i) add or delete one or more ESI IDs, ii) otherwise modify the ESI ID information as a result of a decision by Customer to open, close or sell a facility owned or leased by Customer, iii) expand an existing facility, or iv) increase an existing facility's metered load, then Customer shall provide written notice to Gexa of such change ("ESI ID Change Notice") . If such change to the ESI ID is expected to occur prior to the first month of any calendar year for which the Energy Price has been established as of the date of the ESI ID Change Notice, in accordance with Section 2.1 (a) of this Agreement, such notice shall include Customer's election of the "Special Load Threshold," as defined below, which will apply to such change in load. If, in Gexa's reasonable judgment, i) the addition is a separately metered load which does not exceed the applicable Special Load Threshold; or ii) does not result in a net increase in excess of the applicable Special Load Threshold for an existing facility, Gexa shall use commercially reasonable efforts to promptly implement such changes, including providing required notices to ERCOT. If the addition is a separately metered load which exceeds the applicable Special Load Threshold, or results in a net increase in excess of the applicable Special Load Threshold after consideration of any contemporaneous offsetting load decreases, Gexa shall provide service to that ESI ID and shall determine any incremental charge or credit to provide service to any changed ESI IDs. Gexa shall apply such charge or credit to the affected ESI IDs, after such charges have been reviewed by TCAP. "Special Load Threshold" shall mean additional peak demand that is reasonably expected during the first twelve months following commercial operations to exceed, at Customer's election, either (i) 0.25 MW at any time or an annual average load of 0.125 MW or (ii) 1.0 MW at any time or an annual average load of 0.5 MW. Gexa shall make periodic reports regarding changes to the billing status of any ESI ID(s) available to Customer and TCAP. Amendments that add or remove ESI ID(s) as a result of changes made pursuant to this section are incorporated into this Agreement, and are effective on the Effective Date for each ESI ID(s) added to this Agreement or the date that retail electric service for any removed ESI ID(s) ceases or is transferred to another REP.

SECTION 2: RETAIL ELECTRIC ENERGY SERVICE CHARGES

2.1 Energy Price.

(a) If Customer has elected to fix all or a portion of the Energy Price for a fixed term by providing an Authorized Election Form to TCAP in accordance with the PSA, the Energy Price shall equal the fixed price as determined by TCAP in accordance with the PSA, and the Authorized Election Form. Any portion of the Energy Price that is not fixed shall be noted in the Authorized Election Form, and shall be settled with Customer in accordance with Section 2.2 of this Agreement. If Customer has not made such an election, the Energy Price shall be determined in accordance with the PSA, as follows:

(i) TCAP shall periodically solicit, or direct its designated Energy Manager to solicit, wholesale energy market quotes, and may direct the Energy Manager to transact at the lowest of the market quotes obtained for the purpose of serving customer's load, in accordance with the PSA (each such transacted quote, a "**Wholesale Transaction**").

(ii) Once TCAP has directed its Energy Manager to enter into Wholesale Transactions sufficient to serve Customer's load for a given calendar year, Energy Manager and TCAP shall establish the Energy Price for that Calendar Year in accordance with those procedures outlined in the PSA, which Customer hereby acknowledges it has reviewed and accepted. TCAP shall set the Energy Price for a given Calendar Year no later than nine (9) months prior to the start of such Calendar Year. If Customer elects to participate in a project and executes the Project Addendum, the Energy Price shall include an estimate of the Project Settlement for each month of the Calendar Year in accordance with the Project Addendum.

(b) For the purposes of Section 3 the Energy Price shall be converted to dollars per kWh.

2.2 Energy Price Adjustments.

(a) Energy Manager shall have the right to reconcile the revenues received from the Customer with Energy Manager's Supplier Cost on (i) a quarterly basis, by determining the Quarterly Adjustment in the manner specified in the PSA and (ii) on an annual basis, by determining the Annual Adjustment in the manner specified in the PSA. The Quarterly Adjustment and Annual Adjustment may be either a charge or a credit, and shall be collected from or remitted to Customer, as appropriate, in the manner specified in the PSA.

(b) TCAP and Energy Manager may mutually agree to fix certain component charges comprising Customer's Energy Price for a given Calendar Year, if TCAP determines that fixing these charges is likely to benefit Customer. Charges that are fixed by TCAP and Energy Manager for a given Calendar Year shall not be included in the calculation of either the Quarterly Adjustment or the Annual Adjustment for such Calendar Year, in accordance with the PSA.

2.3 Additional Pass-Through Charges. Gexa shall pass through and identify separately on Customer's bill with no mark-up Delivery Charges, Non-Recurring Charges, or Taxes that are not included in the Energy Price(s). All charges are exclusive of Taxes. Pass-Through charges may include charges related to amounts owed to Gexa and/or Wholesale Supplier in accordance with Section1.3.

2.4 Tax Exempt Status. Customer shall provide Gexa with all required exemption certificates if Customer is exempt from paying any Taxes. Gexa shall not recognize an exemption without the exemption certificates and shall not be required to refund or credit previously paid Taxes unless the taxing entity sends the refund to Gexa. Gexa shall, however, assign to Customer any applicable claims for refund.

SECTION 3: BILLING AND PAYMENT

3.1 Billing and Payment. Gexa shall invoice Customer's accounts on a monthly basis and shall bill Customer on a consolidated basis for all ESI IDs upon Customer's request. Gexa shall provide a summary bill for all accounts and detailed information for each account. Customer shall remit payment within 30 days of receiving the invoice. Gexa shall base the invoice amount on actual data provided by ERCOT and the TDSP. If ERCOT or the TDSP does not provide actual data in a timely manner, Gexa shall use estimated data to calculate the invoice and, upon receipt of actual data, reconcile the charges and adjust them as needed in subsequent invoices.

3.2 Project Settlement Agent Services. Gexa shall remit the total Project Settlement to the Project on a monthly basis, in accordance with the REP Services Agreement.

3.3 Late Penalties, Interest on Overdue Payments, Invoice Disputes. If Customer fails to remit all undisputed amounts on or before the due date, interest will accrue on any due and unpaid amounts from the due date at a rate of one percent per month, or the highest rate permitted by law, whichever is less. If Customer disputes a portion of an invoice it shall provide Gexa a written explanation specifying the amount in dispute and the reason for the dispute within 20 days of the invoice date. If Customer does not provide timely notice, Customer shall owe all amounts by the due date. Notwithstanding the above, if Customer notifies Gexa of a disputed invoice, regardless of whether Customer has already paid the invoice, Gexa shall make records in its possession that are reasonably necessary for Customer to determine the accuracy of the invoice available to Customer during normal business hours; provided, however that neither party may request an adjustment or correction of an invoice unless written notice of such dispute is given within twelve months after the due date of such invoice; provided further, that such twelve month limit does not apply in the case of TDSP meter tampering charges first billed to Gexa that prevent Gexa from reasonably adjusting invoices prior to the twelve month period. In all cases, Gexa and Customer shall use good faith efforts to resolve disputes. In the event the Parties are unable to resolve a dispute within ten days of the notice date, either Party may begin legal proceedings to seek resolution. Any amounts determined owed shall be paid within three days after a decision.

3.4 Aggregator Fees. Pursuant to the REP Services Agreement between Gexa and TCAP, Gexa is obligated to pay TCAP an amount determined by multiplying a TCAP Aggregation Fee by the volume consumed in association with the ESI IDs (the "**Aggregator Fee**"). Customer shall pay the Aggregator Fee. The initial TCAP Aggregation Fee is $0.001 per kWh, however, it may be changed by the TCAP Board of Directors at any time. Gexa shall state the Aggregator Fee as a separate line item on the Customer's bill.

3.5 Billing Guarantee. Gexa shall issue an invoice based on actual or estimated usage to Customer for every ESI ID at least one time per month. If, for reasons other than Force Majeure, Gexa fails to invoice an ESI ID within 120 days of any scheduled meter read, Gexa irrevocably waives its right to invoice Customer for any energy consumed at that ESI ID for the meter read cycle that should have been invoiced, unless not less than 10 days prior to the expiration of such 120 day period, Gexa provides Customer with a written explanation of the circumstances that prevent Gexa from issuing that invoice and the expected time by which an invoice can be issued. In such event, Customer and Gexa shall determine a reasonable extension period, not to exceed 30 days, within which an invoice will be issued. Gexa shall adjust or true-up each invoice no more than twice and Gexa shall issue such adjustments within 210 days of the initial issue date. Notwithstanding the foregoing, Gexa may issue an invoice or partial invoice arising from meter tampering charges without limitation and within a reasonable time after first billed to Gexa by the TDSP.

SECTION 4: CUSTOMER INFORMATION, CREDIT AND DEPOSITS

4.1 Customer Information. By entering into this Agreement and appointing Gexa as Customer's agent for electricity service, Customer authorizes Gexa to obtain certain information that Gexa may need to provide Customer's electric service, including Customer's address, telephone number, account numbers, historical usage information, and historical payment information from Customer's TDSP, and Customer further authorizes its TDSP to release that information to Gexa.

4.2 Deposits and Other Security. A Party (the "**Requesting Party**") may require the other Party (the "**Providing Party**") to provide a deposit (or additional deposit if an initial deposit was also required), letter of credit, or other form of credit assurance reasonably acceptable to the Requesting Party (collectively, "**Performance Assurance**") during the Term of this Agreement if: (i) the Requesting Party determines in its reasonable discretion that there has been a material adverse change in the Providing Party's or its guarantor's (if applicable) credit status or financial condition (which, if applicable, will mean that its credit or bond rating has dropped lower than BBB- by Standard & Poor's Rating Group or Baa3 by Moody's Investor Services or ceases to be rated by either of these agencies); or (ii) Customer has been delinquent in paying the electric bill by more than seven days more than twice during the past twelve months. Any Performance Assurance, less any outstanding balance owed by Providing Party to the Requesting Party, will be returned to the Providing Party once the Providing Party's or its guarantor's (if applicable) credit or financial condition becomes satisfactory or, if applicable, to a credit or bond rating of BBB- or Baa3 or higher, whichever occurs earlier; or, if the Performance Assurance relates to delinquent payments, the Providing Party has paid all outstanding balances and has made all payments within the dates set forth in this Agreement for a period of six consecutive months.

SECTION 5: EARLY TERMINATION; DAMAGES

5.1 Cancellation by Customer for Insufficient Appropriations. If, during Customer's annual appropriations determination, the applicable governmental authorities do not allocate sufficient funds to allow Customer to continue to perform its obligations under this Agreement (an "**Appropriations Failure**"), then Customer or Gexa shall have the right to terminate this Agreement in full or as to any affected ESI ID upon 30 days advance written notice effective at the end of the period for which appropriations are made; provided, that if appropriations are subsequently allocated for electricity for the ESI IDs covered by this Agreement, then the termination may be revoked at Gexa's option and those appropriations shall continue to apply to this Agreement and shall not be used for an electricity supply agreement with another REP. Upon a termination of this Agreement for Appropriations Failure, in full or as to any ESI ID(s), Customer shall pay all amounts due Gexa under this Agreement, including the Customer Early Termination Damages.

5.2 Customer Early Termination Damages. Except in connection with the closure of a facility associated with an ESI ID pursuant to Section 1.4, in connection with a Force Majeure Event, or as otherwise provided or excused in this Agreement, if Customer cancels this Agreement before the end of the Term and refuses to accept electric supply delivery from Gexa for any ESI ID(s), Gexa may charge Customer early termination damages equal to the sum of (a) the Retail Termination Payment, (b) the QSE Services Termination Payment, (c) the Quarterly and Annual Adjustment Payment, and (d) the Wholesale Transaction Termination Payment, as each of these terms are defined below (the sum total of these, the "**Customer Early Termination Damages**"). The "**Retail Termination Payment**" shall equal the product of (a) the Expected Usage for each ESI ID subject to Customer's cancelation or refusal of electric supply delivery ("**Customer Terminated Usage**") *multiplied by* (b) the sum of (i) the Aggregator Fee and (ii) the REP Services Fee specified in the REP Services Agreement. The "**QSE Services Termination Payment**" shall equal the product of (a) the Customer Terminated Usage grossed up for losses *multiplied by* (b) the QSE Services Fee, as defined in the PSA. The **"Quarterly and Annual Adjustment Payment"** shall be calculated by the Energy Manager in accordance with the PSA, and shall include any Quarterly and Annual Adjustment amounts for electricity provided to the Customer under this Agreement prior to the termination of this Agreement, which have not yet been charged or credited to Customer, as appropriate. For avoidance of doubt, the Quarterly and Annual Adjustment Payment may be either a charge or a credit to Customer, as calculated in accordance with the PSA. If the Customer Early Termination Damages are charged due to an Event of Default by Customer, then the Customer Early Termination Damages will also include Gexa's reasonable costs relating to the determination and collection of Customer Early Termination Damages, including attorney and consultant fees incurred. The provisions in Section 3 related to Billing and Payment apply to the billing, due date, and collection of Customer Early Termination Damages. Customer agrees that Customer Early Termination Damages are a reasonable estimate of the damages due Gexa for failure to accept electric supply, and are not punitive in nature.

5.3 Termination for Wholesale Supply Failure. If, during the Term, the Wholesale Transactions are terminated as a result of a default by the Energy Manager ("**Wholesale Supply Failure**"), then this Agreement will also terminate effective on the date the Wholesale Agreement terminates. In the event of a termination for Wholesale Supply Failure, Gexa shall pay Customer a Wholesale Termination Payment if required by Section 5.5.

5.4 Gexa Early Termination Damages. Except for a Wholesale Supply Failure, a Force Majeure Event, or as otherwise provided or excused in this Agreement, if Gexa cancels this Agreement and refuses to provide electric supply delivery to Customer for any or all ESI ID(s), Customer shall have the right to charge Gexa an early termination penalty equal to the amount determined as follows: the product of (i) the Expected Usage for each ESI ID subject to Gexa's cancellation or refusal of electric supply delivery ("**Gexa Terminated Usage**") *multiplied by* (ii) the REP Services Fee

specified in the REP Services Agreement (that result the "**Gexa Early Termination Damages**"). If the Gexa Early Termination Damages are charged due to an Event of Default by Gexa, then the Gexa Early Termination Damages will also include Customer's reasonable costs relating to the determination and collection of Gexa Early Termination Damages, including attorney and consultant fees incurred. Gexa agrees the Gexa Early Termination Damages are a reasonable estimate of the damages due Customer for failure to deliver electric supply, and are not punitive in nature.

5.5 Wholesale Transaction Termination Payment. If the Wholesale Transactions are terminated then Gexa shall calculate the portion of the termination payment paid under each Wholesale Transaction attributable to Customer's load. The termination payment under each Wholesale Transaction shall be calculated by subtracting the Wholesale Supplier's actual cost for the portion of the Wholesale Transaction still outstanding for the remainder of the Term from the current market value of comparable electric energy futures contracts. Energy Manager, in its sole discretion, shall determine the current market value of a comparable electricity futures contract within three (3) business days of the termination of a Wholesale Transaction, and shall be either (i) the value of the Wholesale Transaction actually sold to a third-party market participant or (ii) a third-party market quote for a comparable electricity energy future contracts. Energy Manager shall sum Customer's prorata share of each termination payment for each Wholesale Transaction attributable to Customer's Load to determine a total Wholesale Transaction Termination Payment under this Agreement (the "**Wholesale Transaction Termination Payment**"). Customer or Gexa shall pay the Wholesale Transaction Termination Payment to the other, as appropriate, in the manner described below and without regard to who is a defaulting party. If the Wholesale Transaction Termination Payment is negative, Customer shall pay Gexa the Wholesale Transaction Termination Payment. If the Wholesale Transaction Termination Payment is positive, Gexa shall pay Customer the Wholesale Transaction Termination Payment. To the extent a termination payment due from Gexa to the Energy Manager is adjusted in Gexa's account to reflect the full benefit of TCAP transacting with a replacement REP, Gexa shall make corresponding adjustments to the Wholesale Transaction Termination Payment on a pro-rata basis. Gexa shall remit a Wholesale Transaction Termination Payment due Customer, within 30 days of Gexa receiving the payment from the Energy Manager. Customer shall remit a Wholesale Transaction Termination Payment due Gexa within 30 days of Gexa's invoice. Gexa shall use commercially reasonable efforts to collect Termination Payments from the Energy Manager that include amounts due Customer.

SECTION 6: NOTICES AND PAYMENT

6.1 General Notice. Except as otherwise required by Applicable Law, all notices are deemed duly delivered if hand delivered or sent by United States, prepaid first class mail, facsimile, or by overnight delivery service. Notice by facsimile or hand delivery is effective on the day actually received, notice by overnight United States mail or courier is effective on the next business day after it is sent, and notice by U.S. Mail is effective on the second day after it is sent. The Parties shall send notices to the addresses below or any other address one Party provides to the other in writing:

a. If to Customer:
City of Benbrook
911 Winscott Road
Benbrook, TX 76126

b. If to Gexa:
Gexa Energy, LP
20455 State Highway 249, Suite 200
Houston, Texas 77070

6.2 Payments. The Parties shall send payments to the addresses below or any other address one Party provides to the other in writing:

a. If to Customer:
City of Benbrook
911 Winscott Road
Benbrook, TX 76126

b. If to Gexa:
Gexa Energy, LP
20455 State Highway 249, Suite 200
Houston, Texas 77070

SECTION 7: DEFINITIONS

7.1 Definitions. In addition to terms defined elsewhere in this Agreement, when used with initial capitalization, whether singular or plural, capitalized terms have the meanings set forth in this Section 7.1. All other capitalized terms not otherwise defined shall have the meanings given them in the following documents, with any conflicting definitions contained in those documents applied in the following order: PURA, the PUCT Substantive Rules, and the ERCOT Protocols.

1. "**Actual Usage**" means the actual amount of electric energy (in kWh) used at the ESI ID(s) as determined by the TDSP.

2. "**Delivery Charges**" means those charges or credits from the TDSP pursuant to its tariff, including, but not limited to: Transmission and Distribution Charges, System Benefit Fund Charge, Nuclear Decommissioning Charge, Competitive Transition Charge, Standard Customer Metering Charge, Customer Charge, Merger Savings and Rate Reduction Credit, Excess Mitigation Credit and Utility Imposed Reactive Power Charges.

3. "**EEI Master Agreement**" mean an EEI Master Agreement between Gexa and the Energy Manager governing the Wholesale Transactions entered into by the Energy Manager in accordance with Section 2.1 and transferred by the Energy Manager to Gexa.

4. "**Effective Date**" means the date of the first meter reading of an ESI ID provided to Gexa by the TDSP after the TDSP and ERCOT shall have timely performed any required enrollment and cancellation procedures necessary to switch Customer's REP to such ESI ID to Gexa.

5. "**Electricity Related Charges**" means, unless noted otherwise: Ancillary Services Charge, Congestion, ERCOT Administrative Fee, Delivery Loss Charge, Transmission Loss Charge, Renewable Energy Credit Charge, Residential Energy Credit Charge, Unaccounted For Energy Charge, Qualified Scheduling Entity Charge, Imbalance Settlement Charge.

6. **Energy Manager**" means the wholesale market participant designated by TCAP to perform the services described in the PSA.

7. "**Energy Price(s)**" means the rates per unit of measure specified in Section 2.1 and includes all Electricity Related Charges.

8. "**ERCOT**" means the Electric Reliability Council of Texas.

9. "**ERCOT Protocols**" means the document adopted, published, and amended from time to time by ERCOT, and initially approved by the PUCT, to govern electric transactions in the ERCOT Region, including any attachments or exhibits referenced in the document, that contains the scheduling, operating, planning, reliability, and settlement policies, rules, guidelines, procedures, standards, and criteria of ERCOT, or any successor document thereto.

10. "**ESI ID(s)**" means the Electric Service Identifiers for the property service addresses identified on Attachment B to this Agreement or if Customer is an existing Gexa customer then the list of service addresses currently served by Gexa, as such list may be modified from time to time as provided in Section 1.4.

11. "**Expected Usage**" means either the amount stated in Attachment B calculated for the remaining Term, or if no amounts are stated or Customer is an existing Gexa customer then the average actual monthly Customer energy usage from the comparable month from the previous year (or if an average cannot be computed due to limited service by Gexa or other circumstances, an average monthly usage as is reasonably determined by Gexa) times the number of months remaining in the Term as outlined in Section 1.4.

12. "**kWh**" means kilowatt hour.

13. "**LMP**" or "**Locational Marginal Price**" means the price calculated for the applicable trading hub pursuant to the ERCOT Protocols.

14. "**Market Rate**" means 135% of the load-weighted average of the hourly LMPs at the corresponding load zone, as determined for any delivery period.

15. "**Nodal Market**" means the implementation of wholesale market design by ERCOT with locational marginal pricing for resources.

16. "**Nodal Congestion**" means the positive difference in price between the real-time settlement point price as determined by ERCOT for the trading hub and the real-time settlement point price as determined by ERCOT for the load zone associated with the customer Facilities.

17. "**Non-Recurring Charges**" means any charges imposed by the TDSP or other third parties on a non-recurring basis for services, repairs or additional equipment needed for Customer's electric service.

18. *"***PUCT***"* means Public Utility Commission of Texas.

19. "**Project Settlement Payment**" means the Project Settlement Payment as defined in the Project Addendum, attached as Schedule I to this Agreement.

20. **"QSE Services Fee"** means the fee owed from Customer to Gexa, and remitted from Gexa to Energy Manager, for QSE Services performed by Energy Manager for the Term, as mutually agreed between TCAP and Energy Manager, the Customer having authorized TCAP to negotiate such fee on behalf of Customer in the PSA. The QSE Services Fee shall be included in the Energy Price for the Term.

21. **"REP Services Agreement"** means the REP Services Agreement currently in effect during the Term, as amended from time to time, between Gexa and TCAP.

22. **"REP Services Fee"** means the fee owed from Customer to Gexa, for REP services rendered during the Term, as mutually agreed between TCAP and Gexa, the Customer having authorized TCAP to negotiate such fee on behalf of Customer in the PSA. The REP Services Fee shall be included in the Energy Price for the Term.

23. "**Taxes**" means all taxes, assessments, levies, duties, charges, fees and withholdings of any kind levied by a duly-constituted taxing authority and all penalties, fines, and additions to tax, and interest thereon that are directly related to the services provided under this Agreement, but does not include the System Benefit Fund fee and fees and charges imposed by ERCOT. By way of example only, Taxes includes: Sales Tax, Miscellaneous Gross Receipts Tax, PUCT Assessment Fees and Franchise Fees.

24. *"***TCAP***"* means Texas Coalition for Affordable Power, an aggregation pool of governmental and other entities organized and administered by TCAP of which Customer is a member for the ESI IDs.

25. **"TDSP"** or **"Transmission and Distribution Service Provider"** means an entity regulated by the State of Texas, which transmits or distributes electric energy.

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Attachments:

Attachment A	Terms and Conditions of Service
Attachment B (for new TCAP Customers only)	Offer Sheet (ESI ID list and Expected Start Date)

CUSTOMER: **City of Benbrook**	**GEXA:** **Gexa Energy, LP, By its General Partner Gexa Energy GP, LLC**
By:	By:
Printed: Andy Wayman	Printed:
Title: City Manager	Title:
Date:	Date:

Terms and Conditions of Service
Attachment A

These Terms and Conditions of Service form an integral part of the Commercial Electricity Service Agreement between Customer and Gexa. In addition to the terms defined elsewhere in this Agreement, when used with initial capitalization, whether singular or plural, capitalized terms have the meanings set forth in Section 7.1 of this Agreement. Customer should thoroughly review the entire Agreement, including these Terms and Conditions of Service, before executing this Agreement.

A. REPRESENTATIONS AND WARRANTIES

A.1 Customer's Representations and Warranties. As a material inducement to entering into this Agreement, Customer represents and warrants to Gexa as follows: (a) it is a duly organized entity and is in good standing under the laws of Texas; (b) the execution and delivery of the Agreement are within its powers, have been duly authorized by all necessary action, and do not violate the terms or conditions of contracts it is party to or laws applicable to it; (c) performance of this Agreement will be duly authorized by all necessary action and will not violate the terms or conditions of contracts it is party to; (d) as of the date sales of electricity by Gexa to Customer under the Agreement start, Customer will have all regulatory authorizations necessary for it to legally perform its operations and such performance will not violate the terms or conditions of contracts it is party to or laws applicable to it; (e) this Agreement is a legal, valid, and binding obligation of Customer enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and other laws affecting creditor's rights generally, and with regard to equitable remedies, subject to the discretion of the court before which proceedings to obtain the same may be pending; (f) there are no bankruptcy, insolvency, reorganization, receivership, or other similar proceedings pending or being contemplated by it, or to its knowledge threatened against it; (g) there are no suits, proceedings, judgments, rulings, or orders by or before any court or any government authority that could materially adversely affect its ability to perform the Agreement; and (h) as of the Effective Date and throughout the Term, there is no other contract for the purchase of electricity by Customer for the ESI ID(s), or, if such a contract presently exists, that it will terminate prior to delivery under this Agreement.

A.2 Gexa's Representations and Warranties. As a material inducement to entering into this Agreement, Gexa represents and warrants to Customer as follows: (a) it is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation and is qualified to conduct its business in those jurisdictions necessary to perform the Agreement; (b) the execution and delivery of the Agreement are within its powers, have been duly authorized by all necessary action, and do not violate the terms or conditions of its governing documents or contracts it is party to or any laws applicable to it; (c) performance of the Agreement will be duly authorized by all necessary action and will not violate the terms or conditions of its governing documents or contracts it is party to; (d) as of the date sales of electricity by Gexa to Customer under the Agreement start, Gexa will have all regulatory authorizations necessary for it to legally perform its operations and such performance will not violate the terms or conditions of its governing documents, contracts it is party to, or laws applicable to it; and (e) the Agreement constitutes a legal, valid, and binding obligation of Gexa enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, reorganization, and other laws affecting creditor's rights generally, and with regard to equitable remedies, subject to the discretion of the court before which proceedings to obtain the same may be pending.

A.3 Forward Contract. (i) This Agreement constitutes a forward contract within the meaning of the United States Bankruptcy Code ("**Code**"); (ii) Gexa is a forward contract merchant; and (iii) either Party is entitled to the rights under, and protections afforded by, the Code.

B. DISCLAIMERS OF WARRANTIES; LIMITATION OF LIABILITIES

B.1 LIMITATIONS OF LIABILITY. LIABILITIES NOT EXCUSED BY REASON OF FORCE MAJEURE OR AS OTHERWISE PROVIDED, ARE LIMITED TO DIRECT ACTUAL DAMAGES. GEXA IS NOT LIABLE TO CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES OR LOSS OF REVENUES OR PROFIT. THESE LIMITATIONS APPLY WITHOUT REGARD TO THE CAUSE OF ANY LIABILITY OR DAMAGE. EXCEPT FOR (a) THE GEXA EARLY TERMINATION DAMAGES DUE IF GEXA DEFAULTS, (b) THE CUSTOMER EARLY TERMINATION DAMAGES DUE IF CUSTOMER DEFAULTS, AND (c) THE WHOLESALE TRANSACTION TERMINATION PAYMENT, THE LIABILITY OF EITHER PARTY TO THE OTHER FOR ANY OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE AGGREGATE AMOUNT OF ALL DOLLARS PAID BY CUSTOMER TO GEXA (IF CUSTOMER) OR RECEIVED BY GEXA (IF GEXA) PURSUANT TO THIS AGREEMENT. THERE ARE NO THIRD PARTY BENEFICIARIES TO THIS AGREEMENT.

B.2 Duty to Mitigate. Each Party shall mitigate damages and use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's performance or non-performance.

B.3 WAIVER OF CUSTOMER PROTECTION RULES AND CONSUMER RIGHTS. THE PARTIES FURTHER ACKNOWLEDGE THAT THE CUSTOMER PROTECTION RULES ADOPTED BY THE PUBLIC UTILITY COMMISSION (AS CONTAINED IN ITS SUBSTANTIVE RULES 25.471 ET SEQ.) ("**CUSTOMER PROTECTION RULES**") THAT PERTAIN TO RETAIL ELECTRIC SERVICE RELATED TO RESCISSION RIGHTS, CUSTOMER DISCLOSURES, DELIVERY OF CUSTOMER CONTRACTS TO CUSTOMERS, RECORDKEEPING, INTEREST PAID ON DEPOSITS AND CUSTOMER NOTICES DO NOT APPLY TO THIS AGREEMENT. EXCEPT AS SET FORTH IN THIS SECTION, CUSTOMER EXPRESSLY WAIVES THE CUSTOMER PROTECTION RULES THAT PERTAIN TO RETAIL ELECTRIC SERVICE RELATED TO RESCISSION RIGHTS, CUSTOMER DISCLOSURES, DELIVERY OF CUSTOMER CONTRACTS TO CUSTOMERS, RECORDKEEPING, INTEREST PAID ON DEPOSITS AND CUSTOMER NOTICES TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW. CUSTOMER FURTHER WAIVES ITS RIGHTS UNDER THE DECEPTIVE TRADE PRACTICES--CONSUMER PROTECTION ACT, SECTION 17.41, ET. SEQ., BUSINESS & COMMERCE CODE, A LAW THAT GIVES CONSUMERS

SPECIAL RIGHTS AND PROTECTIONS. CUSTOMER REPRESENTS AND WARRANTS TO GEXA THAT: (a) CUSTOMER IS NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION IN RELATION TO GEXA; (b) CUSTOMER IS REPRESENTED BY LEGAL COUNSEL THAT WAS NEITHER DIRECTLY NOR INDIRECTLY IDENTIFIED, SUGGESTED OR SELECTED BY GEXA; AND (c) CUSTOMER VOLUNTARILY CONSENTS TO THIS WAIVER AFTER CONSULTATION WITH ITS LEGAL COUNSEL.

B.4 UCC/Disclaimer of Warranties. The electricity delivered is a "good" as that term is understood in the Texas B&CC (UCC §2.105). The Parties waive the UCC to the fullest extent allowed by law and the UCC requirements do not apply to this Agreement, unless otherwise provided. If there is a conflict between the UCC and this Agreement, this Agreement controls. Neither Party controls nor physically takes possession of the electric energy prior to delivery to Customer's ESI ID(s). Therefore, neither Party is responsible to the other for any damages associated with failure to deliver the electric energy, nor for damages it may cause prior to delivery to Customer's ESI ID(s). Once the electric energy is delivered to Customer's ESI ID(s) it is deemed in possession and control of Customer. ELECTRICITY SOLD UNDER THIS AGREEMENT WILL MEET THE QUALITY STANDARDS OF THE APPLICABLE LOCAL DISTRIBUTION UTILITY AND WILL BE SUPPLIED FROM A VARIETY OF SOURCES. GEXA MAKES NO REPRESENTATIONS OR WARRANTIES OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT, AND GEXA EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. GEXA EXPRESSLY NEGATES ALL OTHER REPRESENTATIONS OR WARRANTIES, WRITTEN OR ORAL, EXPRESS OR IMPLIED, INCLUDING ANY REPRESENTATION OF WARRANTY WITH RESPECT TO CONFORMITY, TO MODELS OR SAMPLES, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.

B.5 Force Majeure. Gexa shall make commercially reasonable efforts to provide electric service, but does not guarantee a continuous supply of electricity. Gexa does not generate electricity nor does it transmit or distribute electricity. Causes and events out of the control of Gexa and Customer ("**Force Majeure Event(s)**") may result in interruptions in service or the ability to accept electricity. If either Party is unable to perform its obligations, in whole or in part, due to a Force Majeure Event, then the obligations of the affected Party (other than the obligation to pay any amounts owed to Gexa that relate to periods prior to the Force Majeure Event) are suspended to the extent made necessary by such Force Majeure Event. Therefore, neither Party is liable to the other Party for damages caused by Force Majeure Events, including acts of God, acts of, or the failure to act by, any governmental authority (including the PUCT or ERCOT and specifically including failure by ERCOT to make Customer meter read data available), accidents, strikes, labor troubles, required maintenance work, events of "force majeure" or "uncontrollable force" or a similar term as defined under the applicable transmission provider's tariff, inability to access the local distribution utility system, non-performance by the supplier or the local distribution utility, changes in laws, rules, or regulations of any governmental authority (including the PUCT or ERCOT) that would prevent the physical delivery of energy to Customer's facilities, or any cause beyond such Party's control. The Parties agree that Appropriations Failures and Scheduling Failures are not Force Majeure Events.

C. CONFIDENTIALITY AGREEMENT

C.1 Confidentiality. Customer is a governmental body subject to public information laws, including Chapter 552 of the Texas Government Code. If Customer recieves a valid request under applicable public information laws for information related to this Agreement, it shall provide Gexa notice of the request including a description the information sought prior to Customer's release of information so that Gexa has the opportunity to determine whether such information is subject to an exception as trade secret, competitive, comercial, or financial information. With the exception of the preceding disclosures pursuant to public infromation laws, a Party (that party, the "**Receiving Party**") shall keep confidential and not disclose any to third parties Confidential Information which is disclosed to the Receiving Party by the other Party (that party, the "**Disclosing Party**") except for disclosures to Authorized Parties or as required by law. "**Confidential Information**" means information in written or other tangible form which is marked as "Confidential" when it is disclosed to the Receiving Party, except that Confidential Information shall not include information which (i) is available to the public, (ii) becomes available to the public other than as a result of a breach by the Receiving Party of its obligations hereunder, (iii) was known to the Receiving Party prior to its disclosure by the Disclosing Party, or (iv) becomes known to the Receiving Party thereafter other than by disclosure by the Disclosing Party. The provisions of this Section apply regardless of fault and survive termination, cancellation, suspension, completion or expiration of this Agreement for a period of two (2) years. Customer authorizes Gexa to provide TCAP with all information requested by TCAP about Customer's account and billings. "**Authorized Parties**" means those officers, directors, employees, agents, representatives and professional consultants of the Parties, and of the Parties' affiliates, that have a need to know the Confidential Information for the purpose of evaluating and performing this Agreement.

D. DEFAULT AND REMEDIES

D.1 Events of Default. An event of default ("**Event of Default**") means: (a) the failure of Customer to make, when due, any payment required under this Agreement for any undisputed amount if that payment is not made within fifteen (15) business days after receipt of written notice (facsimile or electronic mail are valid forms of notice for this paragraph) from Gexa; or (b) any representation or warranty made by a Party proves to be false or misleading in any material respect; (c) except as provided in clause (a) above or otherwise in this section D.1, the failure of any Party to perform its obligations under this Agreement and that failure is not excused by Force Majeure and remains uncured following 20 business days written notice of the failure; (d) the defaulting Party (i) makes an assignment or any general arrangement for the benefit of creditors; or (ii) files a petition or otherwise commences, authorizes or acquiesces to a bankruptcy proceeding or similar proceeding for the protection of creditors, or has such a petition filed against it and that petition is not withdrawn or dismissed within 20 business days after filing; or (iii) otherwise becomes insolvent; or (iv) is unable to pay its debts when due; or (v) fails to establish, maintain or extend Credit in form and in an amount acceptable to Gexa when required; or (e) the Wholesale Transaction is terminated due to a default by Gexa under CESAs with other TCAP members or due to a default by the Energy Manager under the

Wholesale Transaction. If an Event of Default listed in subsection (d) of this Section occurs, it is deemed to have automatically occurred prior to such event.

D.2 Remedies upon an Event of Default. If an Event of Default occurs and is continuing, upon written notice to the defaulting Party, the non-defaulting Party may (a) commence an action to require the defaulting Party to remedy such default and specifically perform its duties and obligations in accordance with the Agreement; (b) exercise any other rights and remedies it has at equity or at law, subject to the Agreement's Limitations of Liabilities; and/or (c) suspend performance; provided, however, that suspension shall not continue for longer than ten (10) Business Days unless the non-defaulting Party has declared an early termination with proper notice. If Customer is responsible for an Event of Default and fails to cure within ten (10) days of written notice (such additional cure period does not apply to default for non-payment), in addition to its other remedies, Gexa may (i) terminate this Agreement; and (ii) charge Customer the Customer Early Termination Penalty pursuant to Section 5 of this Agreement. Notwithstanding the above, Gexa shall not disconnect or order disconnection of service to Customer unless the following events have all occurred: (1) Customer has an Event of Default for nonpayment under Section D.1(a) above, (2) Gexa gives Customer a ten (10) day written disconnection notice; and (3) Customer does not pay all undisputed outstanding payments owed by the end of the ten (10) day notice period. .

E. MISCELLANEOUS PROVISIONS

E.1 Disclaimer. This Agreement does not constitute, create, or otherwise recognize the existence of a joint venture, association, partnership, or other formal business entity of any kind among the Parties and the rights and obligations of the Parties are limited to those set forth in this Agreement.

E.2 Headings. The descriptive headings of the Articles and Sections of this Agreement are inserted for convenience only and are not intended to affect the meaning, interpretation or construction of this Agreement.

E.3 Waiver. Except as otherwise provided, failure of a Party to comply with an obligation, covenant, agreement, or condition may be waived by the other Party only in a writing signed by the Party granting the waiver, but that waiver does not constitute a waiver of, or estoppel with respect to a subsequent failure of the first Party to comply with that obligation, covenant, agreement, or condition.

E.4 Assignment. Except as provided in the REP Services Agreement, Customer shall not assign this Agreement, in whole or in part, or any of its rights or obligations purusant to the Agreement without Gexa's prior written consent, which shall not be unreasonably withheld. Gexa may withold consent if a proposed assignee fails to be at least as creditworthy as Customer as of the Effective Date. Gexa may: (a) transfer, sell, pledge, encumber or assign the revenues or proceeds of this Agreement in connection with any financing or other financial arrangement; (b) transfer or assign this Agreement to a Gexa affiliate with operating capability and financial condition substantially similar to Gexa; (c) transfer or assign this Agreement to any person or entity succeeding to all or substantially all of the assets of Gexa with an operating capability and financial condition substantially similar to Gexa as of the execution date of this Agreement; and/or (d) transfer or assign this Agreement to a certified REP with an operating capability and financial condition substantially similar to Gexa as of the execution date of this Agreement. In the case of (b), (c), or (d), any such assignee shall agree in writing to be bound by these Terms and Conditions of Service, and upon assignment, Gexa shall have no further obligations under this Agreement. Gexa shall not assign the Agreement to a non-affiliated entity (including its guarantor) that has a credit rating lower than BBB- without the prior written consent of TCAP, which shall not be unreasonably withheld.

E.5 No Third-Party Beneficiaries. This Agreement does not confer any rights or remedies on any person or party other than the Parties, their successors and permitted assigns; except that the Parties recognize that TCAP is entitled to receive the Aggegator Fee .

E.6 Severability. If a provision of this Agreement is held to be unenforceable or invalid by a court or regulatory authority of competent jurisdiction, the validity and enforceability of the remaining provisions are unaffected by that holding, and the Parties shall, to the extent possible, negotiate an equitable adjustment to the provisions of this Agreement in order to preserve the original intent and purpose of this Agreement.

E.7 Entire Agreement; Amendments. This Agreement constitutes the entire understanding between the Parties, and supersedes any and all previous understandings, oral or written, with respect to the subjects it covers. This Agreement may be amended only upon the mutually signed, written agreement of the Parties.

E.8 Further Assurances. The Parties shall promptly execute and deliver, at the expense of the Party requesting such action, any and all other and further instruments and documents which are reasonably requested in order to effectuate the transactions contemplated in this Agreement.

E.9 Emergency, Outage and Wire Service. In the event of an emergency, outage or service need, Customer shall call the TDSP for the service area of the ESI ID experiencing the emergency, outage or service need.

E.10 Customer Care. Customer may contact Gexa Customer Care if Customer has specific comments, questions, disputes, or complaints toll free at 1-866-961-9399, Monday to Friday 7:00 a.m. – 8:00 p.m. CST and Saturday from 8:00 a.m. – 2:00 p.m.. Gexa shall assist and cooperate with Customer regarding communications with a TDSP relating to service to any ESI ID served by Gexa under this Agreement.

E.11 Governing Law.

a. This Agreement is governed by and construed and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas, without regard to the State of Texas conflict of laws provisions.

b. All disputes between the Parties under this Agreement which are not otherwise settled will be decided by a court of competent jurisdiction in Harris County, Texas, and the Parties submit to the jurisdiction of the courts of the State of Texas and the Federal District Courts in Houston, Harris County, Texas. All disputes are governed under the laws of the State of Texas.

c. Subject to the provisions of E.11.a. above, this Agreement is subject to, and in the performance of their respective obligations under this Agreement the Parties shall comply with, all applicable federal, state and local laws, regulations and requirements (including the rules, regulations and requirements of quasigovernmental and regulatory authorities with jurisdiction over the Parties, including ERCOT) (collectively, "*Applicable Law*").

E.12 No Presumption Against Drafting. Both Parties contributed to the drafting of this Agreement. The rule of construction that any ambiguity is construed against the party who drafted this Agreement does not apply to this Agreement.

E.13 Counterparts; Facsimile Copies. This Agreement may be executed in counterparts, all of which constitute one and the same Agreement and each is deemed an original. A facsimile copy of either Party's signature is considered an original for all purposes, and each Party shall provide its original signature upon request.

E.15 Offer for Electric Service; Refusal of Service. This Agreement, including these Terms and Conditions of Service, constitute an offer for electric service, and is expressly conditioned on acceptance of this Agreement by Gexa. Gexa may refuse to provide electric service to Customer subject to the requirements of Applicable Law.

City of Benbrook

CITY COUNCIL COMMUNICATION

DATE:	REFERENCE NUMBER:	SUBJECT:	PAGE:
03/19/20	G-2458	Accept finance report for period ending February 29, 2020	1 of 2

GENERAL FUND

General Fund revenues for the month of February were $2,297,400. Major revenues collected for the month include Property taxes of $1,577,772, Franchise taxes of $171,174, Fines and Forfeitures of $84,574, Charges for Services of $65,576, and Other Agencies of $115,513. Sales tax collected and recognized as revenue in February was $241,710. Fiscal year to date sales tax is 16.09% greater than last year at this time. A separate summary of sales tax revenue collections is provided for informational purposes. General Fund revenues collected through the end of February were $15,147,249 and 71.9% of the budget.

General Fund expenditures for the month of February were $1,394,559. Fiscal year to date expenditures were $8,438,871 and 40.1% of the adopted budget.

Total General Fund revenues of $15,147,249 were greater than General Fund expenditures of $8,438,871 by $6,708,378.

DEBT SERVICE

Debt Service revenues for the month of February totaled $55,413 and were all from property tax. Fiscal year to date revenues total $1,526,252. There were no expenditures in February. The next debt services payments will be made the end of July. Total revenues of $1,526,252 exceeded total expenditures of $1,497,770 by $28,482.

ECONOMIC DEVELOPMENT CORPORATION (EDC)

EDC revenues as of February 29, 2020, were $729,327. EDC expenditures through the end of February were $530,431. Total revenues exceeded total expenditures by $198,896.

CAPITAL PROJECTS

Total revenues received through February 29, 2020 were $1,424,374 from stormwater utility fees, mineral lease revenue, and interest earnings. Total expenditures for the Capital Projects Fund were $2,100,577 through the end of February. February expenditures included the following projects: Van Deman Road Drainage, Two Way Conversion, and Clearfork Emergency Access Bridge. Total expenditures exceeded total revenues by $676,203. Sufficient funds are available in the current fund balances of the Capital Projects Fund. This fund operates on a project basis rather than a specific fiscal year.

SUBMITTED BY:	DISPOSITION BY COUNCIL: ☐ APPROVED ☐ OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

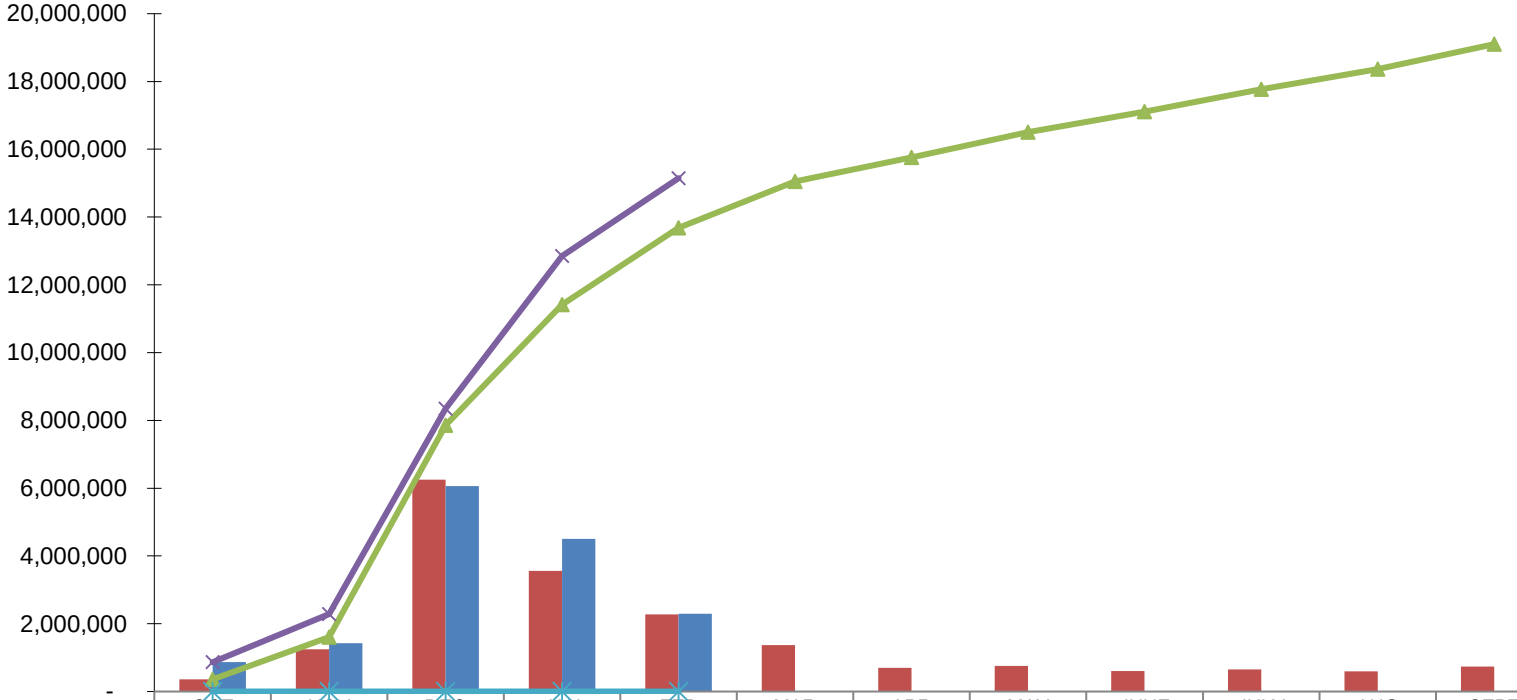
CASH & INVESTMENTS

On February 29, 2020, the City had $22,503,137 invested at varying interest rates; the EDC had $4,750,735 available.

RECOMMENDATION

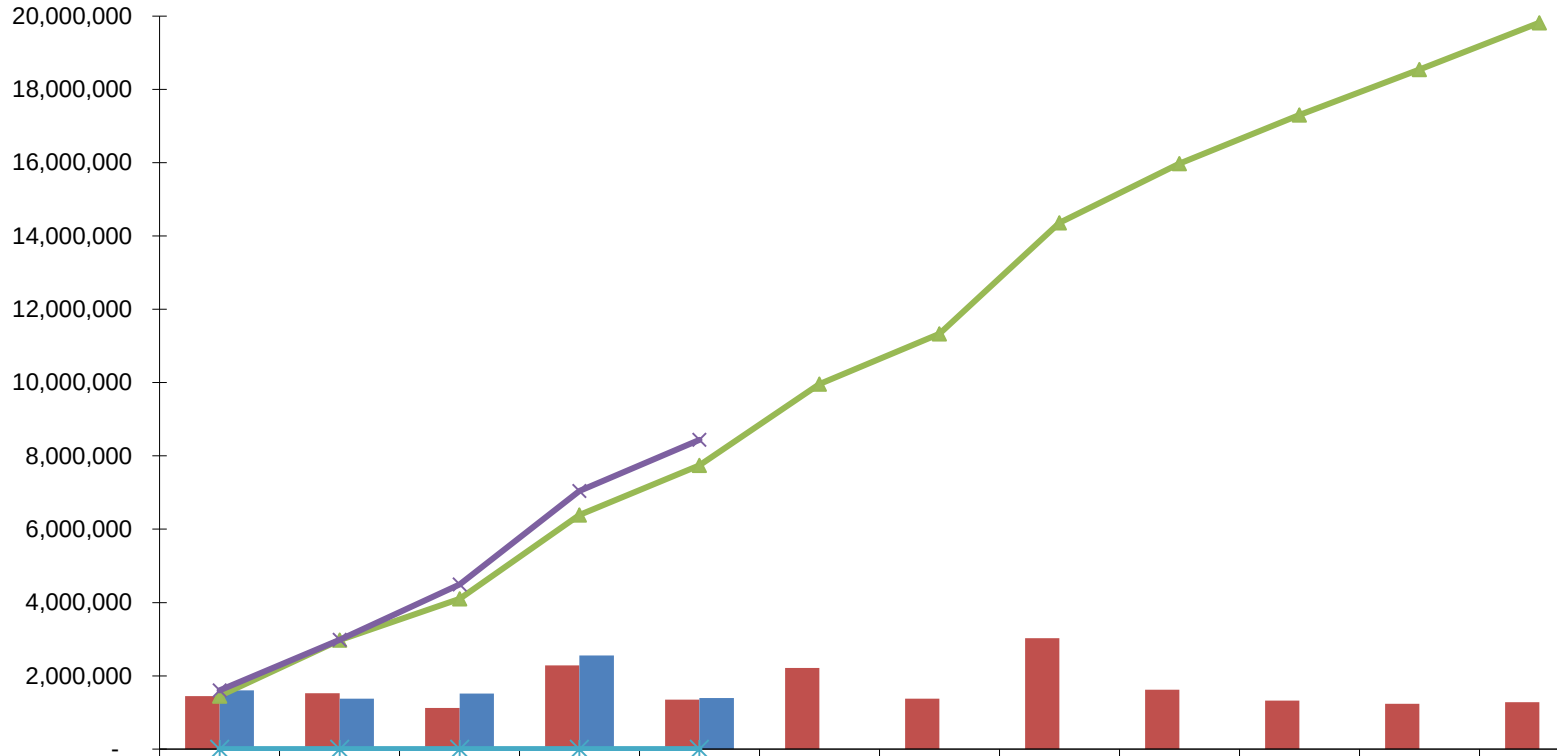
Staff recommends that City Council accept the finance report for the period ending February 29, 2020.

General Fund
Revenue Trend Comparison



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT
2018-19	358,790	1,242,504	6,252,635	3,557,063	2,271,202	1,372,967	702,644	750,772	603,282	653,566	597,849	737,573
2019-20	863,841	1,424,314	6,061,573	4,500,121	2,297,400							
YTD 2018-19	358,790	1,601,295	7,853,930	11,410,993	13,682,195	15,055,162	15,757,806	16,508,578	17,111,860	17,765,426	18,363,275	19,100,848
YTD 2019-20	863,841	2,288,155	8,349,728	12,849,849	15,147,249							
% Increase 18-19 to 19-20	140.76%	42.89%	6.31%	12.61%	10.71%							

General Fund
Expenditure Trend Comparison

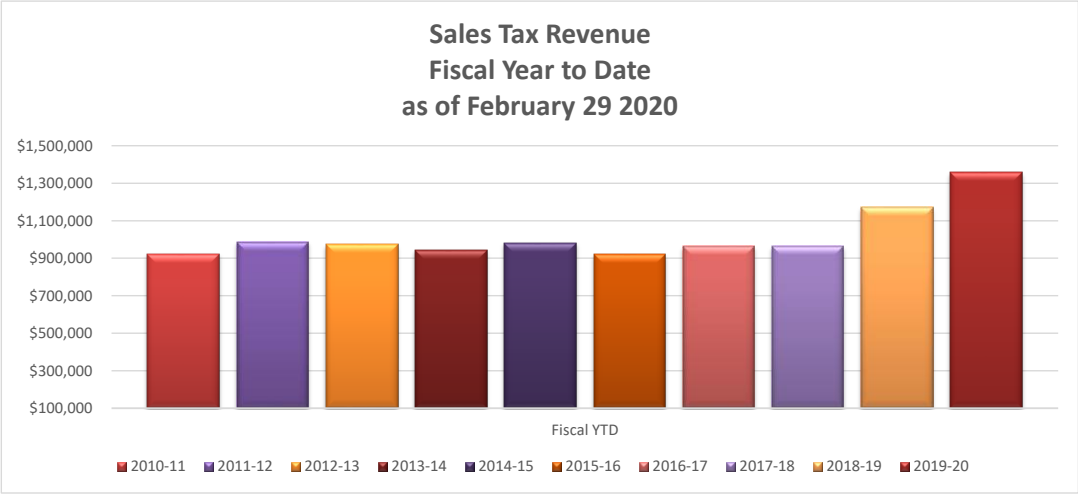


	OCT	NOV	DEC	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT
2018-19	1,448,756	1,527,703	1,127,262	2,287,202	1,351,028	2,213,906	1,376,133	3,027,182	1,617,604	1,327,789	1,234,612	1,282,199
2019-20	1,602,872	1,376,041	1,514,431	2,550,967	1,394,559							
YTD 18-19	1,448,756	2,976,458	4,103,720	6,390,922	7,741,950	9,955,856	11,331,989	14,359,171	15,976,775	17,304,564	18,539,176	19,821,375
YTD 19-20	1,602,872	2,978,913	4,493,344	7,044,311	8,438,871							
% Change 2018-19 to 2019-20	10.64%	0.08%	9.49%	10.22%	9.00%							

City of Benbrook
Sales Tax Analysis
February 29, 2020

Fiscal Year	Fiscal YTD	October	November	December	January	February	March	April	May	June	July	August	September	Annual Total
2010-11	**$ 924,178**	$ 212,494	$ 161,967	$ 160,492	$ 199,141	$ 190,084	$ 143,760	$ 245,116	$ 223,000	$ 181,216	$ 229,160	$ 196,711	$ 175,140	**$ 2,318,281**
2011-12	**986,700**	218,564	161,430	186,638	251,517	168,551	171,053	236,986	178,165	188,604	218,557	178,708	161,070	**2,319,841**
2012-13	**974,211**	215,752	184,452	181,368	222,555	170,084	174,164	201,241	164,765	202,525	211,491	178,411	170,324	**2,277,131**
2013-14	**943,897**	215,869	177,403	161,342	234,503	154,780	155,432	229,367	176,980	175,792	217,955	199,305	187,172	**2,285,899**
2014-15	**982,842**	215,101	207,526	173,580	236,852	149,782	162,730	219,751	181,230	163,667	213,300	189,185	164,742	**2,277,446**
2015-16	**921,342**	216,144	177,560	175,150	202,909	149,580	153,523	222,661	158,987	177,732	210,000	154,708	182,656	**2,181,609**
2016-17	**964,626**	204,261	175,885	172,554	240,121	171,805	163,151	226,550	184,775	200,138	206,455	175,522	176,026	**2,297,243**
2017-18	**964,594**	218,480	168,272	178,150	230,346	169,346	147,291	240,071	197,667	204,243	245,717	244,494	160,148	**2,404,224**
2018-19	**1,170,834**	259,437	224,991	216,094	264,926	205,387	193,520	261,099	227,863	235,611	250,363	253,206	253,500	**2,845,995**
2019-20	**1,359,216**	303,508	251,579	243,434	318,986	241,710								**1,359,216**

Change 2010-11 to 2011-12	**6.77%**
Change 2011-12 to 2012-13	**-1.27%**
Change 2012-13 to 2013-14	**-3.11%**
Change 2013-14 to 2014-15	**4.13%**
Change 2014-15 to 2015-16	**-6.68%**
Change 2015-16 to 2016-17	**4.70%**
Change 2016-17 to 2017-18	**0.00%**
Change 2017-18 to 2018-19	**21.38%**
Change 2018-19 to 2019-20	**16.09%**



Budget 2019-20	**$ 2,700,000**
Projected 2019-20	**2,700,000**
Variance from Budget	**$ -**

City of Benbrook

CITY COUNCIL COMMUNICATION

DATE:	REFERENCE NUMBER:	SUBJECT:	PAGE:
03/19/20	G-2459	Accept Comprehensive Annual Finance Report for fiscal year ended September 30, 2019	1 of 2

As required by Chapter 103 of the Texas Local Government Code, an independent audit of the City's accounts and records has been made by the certified public accounting firm of Weaver & Tidwell L.L.P. for the fiscal year ending September 30, 2019.

The audited financial statements or Comprehensive Annual Financial Report (CAFR), which include the auditor's unmodified or "clean" opinion on pages 1 – 2 of the CAFR is submitted for City Council's information and consideration.

The Benbrook CAFR includes several sections as listed below:

- Introductory Section, which is unaudited
- Financial Section, including:
  - Independent Auditor's Report
  - Management's Discussion and Analysis
  - Basic Financial Statements
  - Notes to the Financial Statements, and
  - Supplementary Information
- Statistical Section, which is unaudited

The current CAFR was prepared in accordance with generally accepted accounting principles as prescribed by the Governmental Account Standard Board (GASB). Staff anticipates that the City will receive a Certificate of Achievement for Excellence in Financial Reporting for the thirty-fifth consecutive year.

FINANCIAL STATEMENTS

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) governmental 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.

1. The government-wide statements, which are found on pages 11-12 are designed to provide the reader with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements include capital assets, long-term debt, and estimated future contributions associated with pension and other post-employment benefits.

2. The governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal

SUBMITTED BY:	DISPOSITION BY COUNCIL: ☐ APPROVED ☐ OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

year. These statements are much more useful in evaluating a government's near-term financial requirements and should be the focus of the City's fiscal year activities and financial health. These statements are on pages 13 and 15 of the CAFR.

3. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the governmental fund financial statements. The notes to the financial statements can be found on pages 19 - 43.

4. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information that can be found on pages 47 – 57.

FINANCIAL HIGHLIGHTS

- The General Fund ending fund balance at September 30, 2019 was $8,001,014 and $356,642 greater than budgeted.

- General Fund expenditures were less than the original budget of $19,334,179 by $816,467, or 4.2%. The Public Safety Departments, who make up over half the City's budget, accounted for nearly 52.5% of the savings, with Public Services 38.7% of the savings. The remaining savings resulted from a combined effort of nearly every department spending less than the budget allocations.

- At the end of the fiscal year, the City's governmental funds had a total fund balance of $21,918,766.

- Net position increased $2,657,774 during fiscal year 2018-2019 to a healthy $64,773,873 at September 30, 2019.

CHANGES IN PREVIOUS YEARS

GASB 34 was enacted to provide a more comprehensive evaluation of a municipality's long-term financial position. Prior to GASB 34, cities looked only at deposits and investments. After GASB 34, cities are required to look at capital assets (buildings, roads, bridges, drainage improvements, etc.) and the depreciation of these assets. On September 30, 2019, the City's total capital assets were $121,172,001 with a depreciation of $63,109,417, leaving a net value of $58,062,584.

The CAFR includes the GASB 54 requirements on the classifications of Fund Balance, found on page 11 of the Governmental Funds Statement of Net Position.

GASB 68 and amended GASB 71 requires local governments participating in defined benefit pensions to recognize their portion of the present value of the projected defined benefit payment to be provided through the pension plan. The City's pension plan is discussed in Note 6 of the financial statements. The actuarial report that is prepared for GASB's 68 and 71 indicates the City of Benbrook pension is a very healthy 84.38% funded.

RECOMMENDATION

Staff recommends that City Council accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2019.

Comprehensive Annual Financial Report

October 1, 2018 – September 30, 2019

City of Benbrook, Texas

Presented To

MAYOR
Jerry B. Dittrich

COUNCIL MEMBERS
Renee Franklin
Dr. Larry Marshall
Dustin Phillips
Jim Wilson
Laura Mackey
Jason Ward

CITY MANAGER
Andy Wayman

PREPARED BY
Rick Overgaard, Finance Director

Benbrook

TEXAS

Our Pride. Your Joy.

City Of Benbrook, Texas

Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2019
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City Of Benbrook, Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2019

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Introductory Section

Benbrook

TEXAS

Our Pride. Your Joy.

March 19, 2020

The Honorable Mayor,
Members of the City Council and City Manager
City of Benbrook
Benbrook, Texas

The Finance Department is pleased to submit the Comprehensive Annual Financial Report for the City of Benbrook, Texas for the fiscal year ended September 30, 2019. This report provides the City Council, City staff, our citizens, our bondholders, and other interested parties with detailed information concerning the financial condition and activities of the City. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosure, rests with the City. We believe the data is accurate in all material respects and is presented in a manner that fairly sets forth the financial position and results of operations of the City. We also believe that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

THE REPORT

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Statistical section, through the use of tables, presents comparative economic and financial data to give the users of the report a perspective of the City's performance over a number of years.

The financial statements included in the report were prepared by the Finance Department in accordance with generally accepted accounting principles for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The basic financial statements and related notes have been audited by an independent firm of Certified Public Accountants, Weaver and Tidwell, L.L.P., whose report is included herein.

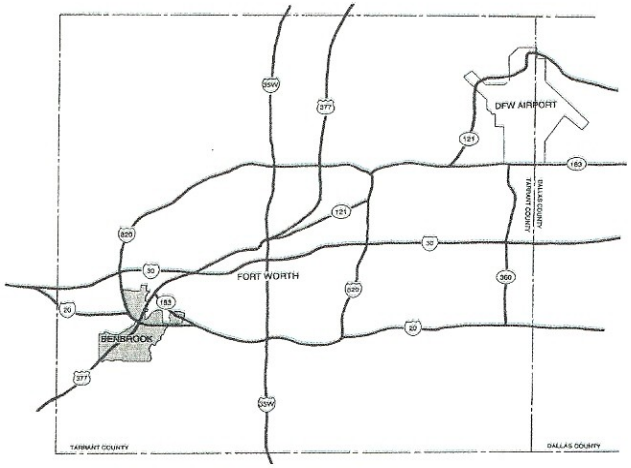
CITY PROFILE

Location

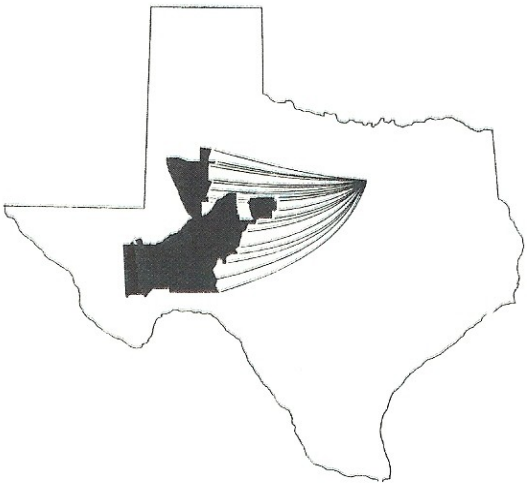
The City of Benbrook is located in Tarrant County, in the north central portion of the State of Texas. The City of Benbrook is located on the southwest side of the City of Fort Worth and is only thirty minutes from Dallas. The City covers approximately thirteen square miles. The 2000 Census set the population at 20,208 and the current (2019) estimate is 22,760.

The City was incorporated in 1947 and is operated under a charter adopted in 1983. The City has a Council-Manager form of government with the City Council comprised of a mayor and six council members. All City Council positions are elected by place number and run at large for two-year staggered terms. The City Council is responsible for adopting ordinances and regulations governing the City; adopting the budget; determining policies; and appointing the City Manager, City Attorney, City Secretary, Municipal Court Judge, as well as members of boards and commissions. The City Manager is responsible to the City Council and appoints and supervises the employees that prepare and administer the comprehensive annual financial report (CAFR), the annual budget, and the capital improvements program.

Benbrook's location in Tarrant County



Benbrook's location in the State



Services Provided

The City provides a full-range of municipal services including general government, community development, police and fire protection, street maintenance, building inspection, recreation services, parks operation and maintenance, and maintenance of City-owned buildings. The Benbrook Economic Development Corporation (EDC) is responsible for the promotion and retention of business within the City. Solid waste collection has been contracted out to a private firm.

This report includes the financial statements of the funds required to account for those activities, organizations, and functions which are related to the City and are controlled by or dependent upon the City's governing body. The criteria used by the City for including activities in preparing its financial statements are set forth by the Governmental Accounting Standards Board (GASB). Based on these criteria, all municipal services listed are included in the City's 2018-19 financial statements.

Accounting System and Budgetary Control

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.

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

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

The City Charter provides that the City Council shall adopt the annual budget prepared by the City Management. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between line items and divisions within a fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council.

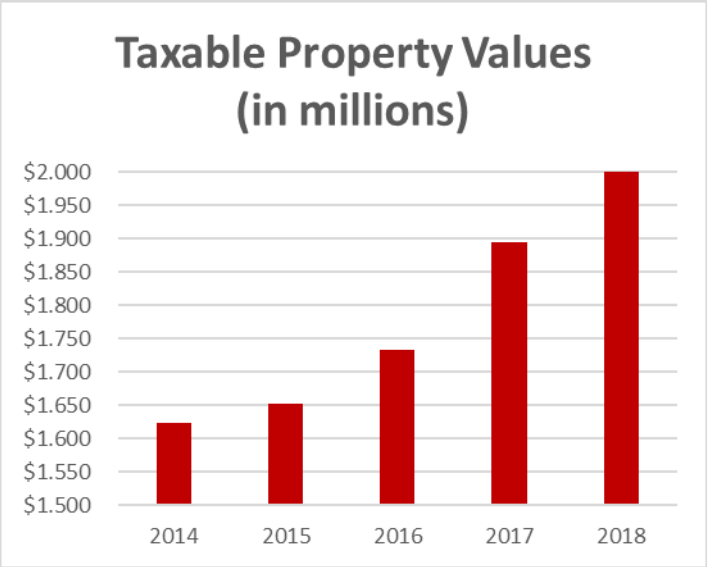
Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item. These reports are distributed monthly to City department and division managers. A financial summary is prepared for City Council to approve each month.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled by line item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

Summary of Local Economy

The City of Benbrook is located in southwest Tarrant County, an area that has experienced a significant growth in population since 2000. The City's tax base has grown an average of 5.7% annually over the past five years with annual increases ranging from 1.8% to 9.7%. We expect our growth rate to continue this trend over the next few years. Commercial growth has remained steady and residential construction has escalated in the last several years.



Overall sales tax collections in Benbrook have increased steadily over the past five years. Collections leveled out and decreased slightly because of customer inconvenience created by the construction phase of the Benbrook Boulevard expansion project that was started in 2014. In fiscal year 2016-2017, however we experienced a 5.3% increase, in 2017-2018 a 4.66% increase, and in 2018-2019 an 18.4% increase. In the first 3 months of the new fiscal year 2019-2020 we are experiencing a strong 13.9% growth rate.

Economic Prospects for the Future

Benbrook's land exchange with the City of Fort Worth is anticipated to generate opportunities for commercial expansion, business growth, and residential development in upcoming years. These prospects will have a positive impact on Benbrook's tax base, sales tax collections, development fees, and other sources of revenue.

Long-Term Financial Planning

The City produces an award winning Comprehensive Capital Improvements Plan (CIP). The CIP includes an emphasis on the repair and maintenance of existing facilities and infrastructure. Planned project funding comes from current resources. Projects located in the Tax Increment Financing (TIF) will be financed with the increase in value of property located within the TIF district. Storm drainage projects will be funded from the storm water utility fees. Other special projects will be taken on at the discretion of the City Council. These projects will be financed by the Core Value Account (CVA), which receives a portion of new sales tax money and all money related to City-owned mineral interest.

Cash Management

The City's cash management policy is adopted by City Council and strictly defines the types and amounts of investments made for the City. Section 5 of the Public Funds Investment Act prescribes that cities are to develop and maintain an investment policy to govern all investments. The City of Benbrook adopted a revised investment policy on October 4, 2018 to meet updates made to the Public Funds Investment Act. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Collateral is held by the City, its agent, or a financial institution's trust department in the City's name. One hundred percent of the deposits and investments held by the City during the year ended and at September 30, 2019, are classified in the category of the lowest credit risk as defined by the Governmental Accounting Standards Board. All deposits are held in interest-bearing accounts, Texpool and TexStar investment pools, certificates of deposit and agency notes.

OTHER INFORMATION

Independent Audit

The City Charter requires an annual audit of the financial statements of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the audit firm of Weaver and Tidwell, L.L.P.'s report on the basic financial statements and required supplementary information is included in the financial section of this report.

Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Benbrook for its comprehensive annual financial report for the fiscal year ended September 30, 2018. This year was the thirty-fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles as well as all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual 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.

In addition, the City of Benbrook has received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2018. This award marked the thirty-fifth time the City has received this award. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

Acknowledgements

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the finance department. Each member of the department has my sincere appreciation for the contribution made in the preparation of this report.

In closing, without the leadership and support of the City Council and the City Manager, preparation of this report would not have been possible.

Respectfully submitted,

Rick Overgaard
Finance Director

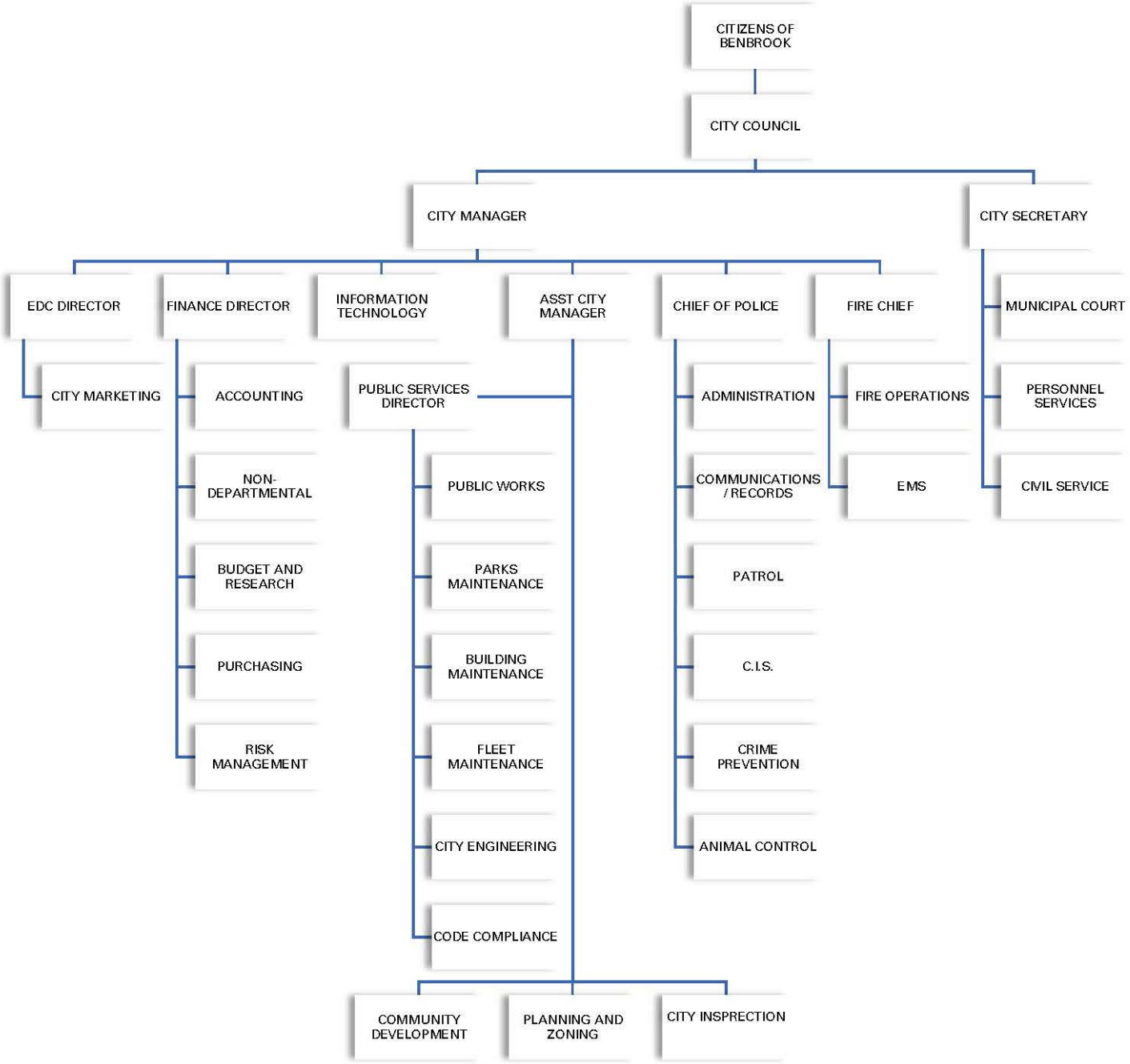
City of Benbrook, Texas
Principal Officials
September 30, 2019

ELECTED OFFICIALS

Name of Individual	Position	Term Expires (Nov.)	Length of Service (in Years)
Jerry B. Dittrich	Mayor Place 1	2019	28
Renee Franklin	Councilmember Place 2	2020	6
Dr. Larry Marshall	Mayor Pro Tem Place 3	2019	9
Dustin Phillips	Councilmember Tem Place 4	2020	1
Jim Wilson	Councilmember Place 5	2019	11
Laura Mackey	Councilmember Place 6	2020	1
Ron Sauma	Councilmember Place 7	2019	19

APPOINTED OFFICIALS

Andy Wayman	City Manager	23
Joanna King	City Secretary	44
Doug Howard	Planning Director	2
Jim Hinderaker	Deputy City Manager	3
Rick Overgaard	Finance Director	1
James G. Mills	Police Chief	26
Tommy Davis	Fire Chief	25
Cathy Morris	EDC Director	13
Phyllis Wolfe	Information Technology Director	15
Bennett C. Howell, III	Public Services Director	5
Heath Hasseloff	City Engineer	2


CITIZENS OF BENBROOK
CITY COUNCIL
CITY MANAGER
CITY SECRETARY
EDC DIRECTOR
FINANCE DIRECTOR
INFORMATION TECHNOLOGY
ASST CITY MANAGER
CHIEF OF POLICE
FIRE CHIEF
MUNICIPAL COURT
CITY MARKETING
ACCOUNTING
PUBLIC SERVICES DIRECTOR
ADMINISTRATION
FIRE OPERATIONS
PERSONNEL SERVICES
NON-DEPARTMENTAL
PUBLIC WORKS
COMMUNICATIONS / RECORDS
EMS
CIVIL SERVICE
BUDGET AND RESEARCH
PARKS MAINTENANCE
PATROL
PURCHASING
BUILDING MAINTENANCE
C.I.S.
RISK MANAGEMENT
FLEET MAINTENANCE
CRIME PREVENTION
CITY ENGINEERING
ANIMAL CONTROL
CODE COMPLIANCE
COMMUNITY DEVELOPMENT
PLANNING AND ZONING
CITY INSPRECTION

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Benbrook

Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrill

Executive Director/CEO

Financial Section

Benbrook

TEXAS

Our Pride. Your Joy.

Independent Auditor's Report

The Honorable Mayor,
City Council and City Manager
City of Benbrook, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Benbrook, Texas (the City) as of and for the year ended September 30, 2019, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The Honorable Mayor,
City Council and City Manager
City of Benbrook, Texas

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 introductory section, combining and individual nonmajor fund financial statements and schedule, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
March 11, 2020

Management's Discussion and Analysis
(Unaudited)

As management of the City of Benbrook, we offer the readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal which can be found on pages i – v of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the primary government of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $64,773,873 (net position). Of this amount, $1,116,251 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.

- As of the close of the current fiscal year, the City's governmental funds reported total ending fund balances of $21,918,766.

- At the end of the current year, unassigned fund balance for the general fund was $7,775,892 or 42% of total current year's general fund expenditures.

- Long-term liabilities increased overall by $2,905,183, due to scheduled debt payments for general obligation bonds and certificates of obligation, changes in compensated absences, due to developer, and increases in net obligation – OPEB and net pension liability in the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements – The government-wide financial statements are designed to provide the reader 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, liabilities and deferred inflows, with the difference 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 City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g. uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). The governmental activities of the City include general government, staff services, public safety, public services, community development, economic development, and community promotions. The government-wide financial statements can be found on pages 11 - 12 of this report. The City did not have any business-type activities during the year ended September 30, 2019.

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. The City of Benbrook only has governmental funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, 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 financial requirements.

Because the focus of the 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 funds balance sheet and the governmental funds 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 fourteen governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General, Economic Development, Debt Service, and three Capital Projects funds. The remaining funds are aggregated in one column. The basic governmental funds financial statements can be found on pages 13 - 16.

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 the fund financial statements. The notes to the financial statements can be found on pages 19 - 43.

Other Information – In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information that can be found on pages 46 - 56.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of September 30, 2019, the City of Benbrook's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $64,773,873.

The largest portion of the City's net position (87%) reflects its net investment in capital assets (e.g. land, buildings, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is 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 necessary to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Benbrook's Net Position

	Governmental Activities	
	2019	2018
Current and Other Assets	$22,436,745	$25,078,690
Non-Current Assets	59,280,866	55,028,706
Total Assets	81,717,611	80,107,396
Deferred Outflows of Resources	4,170,327	1,438,875
Long-Term Liabilities	18,960,733	16,055,550
Other Liabilities	1,374,762	1,283,551
Total Liabilities	20,335,495	17,339,101
Deferred Inflows of Resources	778,570	2,091,071
Net Position:		
Net Investment in Capital Assets	52,647,584	55,684,372
Restricted	11,010,038	5,633,268
Unrestricted	1,116,251	798,459
Total Net Position	$64,773,873	$62,116,099

Of the City's net position, 1.72% represents resources that are not subject to external restriction on how they may be used. The unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

As of September 30, 2019, the City is able to report positive balances in all categories of net position.

Analysis of City Operations – The following table provides a summary of the City's operations for the year ended September 30, 2019. Overall the City had an increase in net position of $2,657,774. This increase results from higher-than anticipated collection of sales tax revenue, conservative spending by City departments, and use of cash for special projects.

City of Benbrook's Changes in Net Position

	Governmental Activities	
Revenue	2019	2018
Program Revenues:		
Fees, Fines, & Service Charges	$3,256,618	$3,086,173
Operating Grants & Contributions	556,795	422,003
General Revenues:		
Ad Valorem Taxes	12,751,779	11,780,850
Franchise Taxes	1,580,981	1,436,791
Sales & Other Taxes	4,522,624	3,848,345
Interest income	31,559	-
Use of Money & Property	677,668	353,573
Loss on sale of land	(269,117)	-
Miscellaneous	721,009	820,203
Total Revenues	23,829,916	21,747,938
Expenses		
General Government	$1,316,153	$1,233,008
Staff Services	1,228,554	1,009,345
Public Safety	11,075,635	10,338,358
Public Services	5,165,065	4,588,623
Community Development	2,225,782	3,578,257
Interest on Long-term Debt	160,953	188,808
Total Expenses	21,172,142	20,936,399
Change in Net Position	2,657,774	811,539
Net Position – October 1st	62,116,099	61,304,560
Net Position – September 30th	$64,773,873	$62,116,099

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds – The focus of the City of Benbrook'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 period. At the end of the current fiscal year, the City's governmental funds reported total ending fund balances of $21,918,766.

General Fund Highlights – The General Fund balance decreased $628,576 to $8,001,014. The decrease can be attributed to use of General Fund reserves for special projects including: the completion of the Animal Shelter, 800mhz radio system, Clearfork Emergency Access Bridge, and stormwater improvement projects.

Economic Development – The Economic Development Corporation (EDC) Fund balance increased by $54,260 to $4,739,269 due the purchase and sale of property to spur development along Benbrook Boulevard.

Debt Service – The Debt Service fund balance increased by $184,971 due to increased property tax collections.

Capital Projects – The TIF decreased $1,462,731 due to revenues generated by development in the TIF district, offset by construction of Vista Way. The CVA fund balance increased by $1,611 from the net of mineral lease revenue and expenses related to the repair of Westpark wall. The Storm Water fund balance decreased $214,167 because of capital outlay expenses and transfers out exceeding revenue.

Special Assessments – The Special Assessments fund balance increased by $230,498 primarily from park land dedication fees and expenditures less than anticipated.

CAPITAL ASSETS

The City of Benbrook's capital assets for its governmental activities as of September 30, 2019 amounts to $58,062,584 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements, infrastructure and construction in progress.

Major capital asset acquisitions during the fiscal year included the following:

- Miscellaneous ongoing drainage project improvements
- Police Department vehicles
- 800 MHz radio system
- Street sweeper
- EDC land purchases.

Capital Assets at Year End
(Net of Accumulated Depreciation)

	Governmental Activities	
	2019	2018
Land	$4,575,978	$4,046,931
ROW	9,821,372	9,821,372
Building	12,449,209	10,260,981
Infrastructure	85,433,254	82,371,464
Equipment	6,597,565	5,459,493
Construction in Progress	2,294,623	4,299,395
Accumulated Depreciation	(63,109,417)	(61,230,930)
Total	$58,062,584	$55,028,706

Additional information on the City of Benbrook's capital assets can be found in Note 3 beginning on page 28.

DEBT ADMINISTRATION

At the end of the fiscal year, the City had total long-term debt of $18,960,733. Of this amount, $3,645,000 comprises bonded debt backed by the full faith and credit of the government. The balance of the total long term debt is comprised of a Certificate of Obligation, Due to Developer, Compensated Absences, Net OPEB Liability – Retiree Healthcare, Net OPEB Liability – SDBF, and Net Pension Liability.

Outstanding Debt at Year End
Bonds and Certificates of Obligation

	Governmental Activities	
	2019	2018
General Obligation Bonds	$3,645,000	$4,515,000
Certificate of Obligations	1,770,000	2,290,000
Total	$5,415,000	$6,805,000

During the year, the City's total bonds and certificate of obligation debt decreased by $1,390,000. This decrease was due to scheduled debt payments.

The City of Benbrook has the following ratings on its long term debt:

	Moody's Investor Service	Standard & Poor's
General Obligation Bonds	Aa2	AA +

Most of the City's Bonds are insured and thus have a Triple A credit rating by both Moody's and Standard & Poor's.

Additional information on the City of Benbrook's long-term debt can be found in Note 4 on pages 29 - 31 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the 2019-2020 budget, General Fund revenues are budgeted to increase by $839,618 from the 2018-2019 budget year. Assessed valuations grew by about 9.8% leading to a projected increase in revenue from property taxes. Sales tax revenue is projected to continue to increase as the Benbrook Boulevard expansion project is complete. Additionally, interest on investments is expected to increase.

LONG-TERM PLANNING

The City produces an Annual Budget with ten year financial projections. These projections are updated and re-evaluated each year during the budget process. In addition to this ten year financial projections included in the budget, the City also produces an award winning Comprehensive Capital Improvements Plan that projects long-term growth and capital improvements as well as the means of financing these projects. These reports are available to interested readers upon request or on the City's web site.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Director at P. O. Box 26569, Benbrook, Texas 76126, or call (817) 249-3000.

Basic Financial Statements

Benbrook

TEXAS

Our Pride. Your Joy.

City Of Benbrook, Texas
Statement of Net Position
September 30, 2019

	Governmental Activities
ASSETS	
Deposits and temporary investments	$ 20,951,535
Receivables (net of allowance)	
Property tax	386,649
Sales tax	835,512
Special assessments	21,553
Accounts	241,496
Capital assets	
Land	4,575,978
ROW	9,821,372
Buildings	12,449,209
Infrastructure	85,433,254
Equipment	6,597,565
Construction in progress	2,294,623
Accumulated depreciation	(63,109,417)
Investments	1,218,282
Total assets	81,717,611
DEFERRED OUTFLOWS OF RESOURCES	
Deferred loss on refunding	55,710
Deferred outflows - OPEB	265,992
Deferred outflows - pension	3,848,625
Total deferred outflows of resources	4,170,327
LIABILITIES	
Accounts payable	701,677
Accrued liabilities	406,850
Accrued interest payable	24,711
Deposits	241,524
Noncurrent liabilities	
Due within one year	1,451,837
Due in more than one year	6,031,642
Net OPEB liability	2,287,758
Net pension liability	9,189,496
Total liabilities	20,335,495
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - pension	776,749
Deferred inflows - OPEB	1,821
Total deferred inflows of resources	778,570
NET POSITION	
Net investment in capital assets	52,647,584
Restricted for	
City Promotion	402,562
Public Safety	317,106
Debt service	346,601
Economic development	4,739,269
Capital Projects	5,204,500
Unrestricted	1,116,251
TOTAL NET POSITION	$ 64,773,873

Notes to the financial statements are an integral part of this statement

City of Benbrook, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2019

Program Activities	Expenses	Program Revenues: Fees, Fines & Charges For Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grant & Contributions	Net (Expenses) Revenue & Changes in Net Position Primary Government
Governmental activities					
General government	$ 1,316,153	$ -	$ -	$ -	$ (1,316,153)
Staff services	1,228,554	-	-	-	(1,228,554)
Public safety	11,075,635	1,336,174	556,795		(9,182,666)
Public services	5,165,065	154,438	-	-	(5,010,627)
Community development	2,225,782	1,766,006	-	-	(459,776)
Interest on long-term debt	160,953	-	-	-	(160,953)
Total governmental activities	21,172,142	3,256,618	556,795	-	(17,358,729)
	General revenues				
	Taxes				
	Ad valorem				12,751,779
	Franchise				1,580,981
	Sales and other				4,522,624
	Interest income				31,559
	Use of money and property				677,668
	Loss on sale of land				(269,117)
	Miscellaneous				721,009
	Total general revenues				20,016,503
	Changes in net position				2,657,774
	Net position – beginning				62,116,099
	NET POSITION – ending				$ 64,773,873

Notes to the financial statements are an integral part of this statement

City of Benbrook, Texas

Balance Sheet – Governmental Funds

September 30, 2019

	General	Economic Development	Debt Service	Capital Projects TIF	Capital Projects CVA	Capital Projects Storm Water	Capital Project Special Assessment	Other Governmental Funds	Total Governmental Funds
ASSETS									
Deposits and temporary investments	$ 7,584,012	$ 4,645,820	$ 344,383	$ 2,147,503	$ 1,578,470	$ 1,164,487	$ 1,899,607	1,587,253	$ 20,951,535
Receivables (net of allowances)									
Property tax	359,720	-	26,929	-	-	-	-	-	386,649
Sales tax	557,008	278,504	-	-	-	-	-	-	835,512
Special assessments	-	-	-	-	-	-	21,553	-	21,553
Accounts	154,714	-	-	1,302	957	39,089	-	45,434	241,496
Due from other funds	182,442	-	-	-	-	-	-	-	182,442
Investments	249,630	-	-	272,534	200,319	147,782	-	348,017	1,218,282
TOTAL ASSETS	$ 9,087,526	$ 4,924,324	$ 371,312	$ 2,421,339	$ 1,779,746	$ 1,351,358	$ 1,921,160	$ 1,980,704	$ 23,837,469
LIABILITIES									
Accounts payable	$ 341,333	$ 57,998	$ -	$ 20,160	$ -	$ 74,468	$ 142,477	65,241	$ 701,677
Accrued liabilities	395,880	8,201	-	-	-	-	-	2,769	406,850
Advance payments and deposits	10,825	-	-	-	-	-	230,699	-	241,524
Due to other funds	-	118,856	-	-	-	-		63,586	182,442
TOTAL LIABILITIES	748,038	185,055	-	20,160	-	74,468	373,176	131,596	1,532,493
DEFERRED INFLOWS OF RESOURCES									
Deferred property taxes	338,474	-	26,183	-	-	-	-	-	364,657
Other deferred inflows of resources	-	-	-	-	-	-	21,553	-	21,553
TOTAL DEFERRED INFLOWS OF RESOURCES	338,474	-	26,183	-	-	-	21,553	-	386,210
FUND BALANCES									
Restricted									
Debt service	-	-	345,129	-	-	-	-	-	345,129
Economic development	-	4,739,269	-	-	-	-	-	-	4,739,269
City promotions	-	-	-	-	-	-	-	402,562	402,562
Capital projects	-	-	-	2,401,179	-	1,276,890	1,526,431	-	5,204,500
Public safety	-	-	-	-	-	-	-	317,106	317,106
Committed									
Worker's comp	225,122	-	-	-	-	-	-	-	225,122
Capital projects	-	-	-	-	1,779,746	-	-	1,137,803	2,917,549
Unassigned	7,775,892	-	-	-	-	-	-	(8,363)	7,767,529
TOTAL FUND BALANCES	8,001,014	4,739,269	345,129	2,401,179	1,779,746	1,276,890	1,526,431	1,849,108	21,918,766
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 9,087,526	$ 4,924,324	$ 371,312	$ 2,421,339	$ 1,779,746	$ 1,351,358	$ 1,921,160	$ 1,980,704	$ 23,837,469

Notes to the financial statements are an integral part of this statement

City of Benbrook, Texas
Reconciliation of Governmental Funds
Balance Sheet to Statement of Net Position
September 30, 2019

Total fund balances – governmental funds	$	21,918,766
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		58,062,584
Losses on refunding, net of amortization, are not current financial resources and therefore are not reported in the governmental funds balance sheet.		55,710
Interest payable on long term debt does not require current financial resources; therefore interest payable is not reported as a liability in the governmental funds balance sheet.		(24,711)
Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements.		386,210
Deferred outflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.		3,848,625
Net pension liability is not due and payable in the current period, and therefore is not reported in the governmental funds balance sheet.		(9,189,496)
Deferred outflows of resources for OPEB related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.		265,992
OPEB liabilities are not due and payable in the current period, and therefore are not reported in the governmental funds balance sheet.		(2,287,758)
Long-term liabilities, including general obligation bonds ($3,645,000), certificate of obligation ($1,770,000), and due to developer ($629,892), are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.		(6,044,892)
Accrued sick and vacation time does not require current financial resources and is not included on the governmental funds balance sheet.		(1,438,587)
Deferred inflows of resources for OPEB liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.		(1,821)
Deferred inflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.		(776,749)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	64,773,873

Notes to the financial statements are an integral part of this statement

City of Benbrook, Texas

Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended September 30, 2019

	General	Economic Development	Debt Service	Capital Project TIF	Capital Project CVA	Capital Project Storm Water	Capital Project Special Assessment	Other Governmental Funds	Total Governmental Funds
REVENUES									
Taxes									
Property	$ 12,076,841	$ -	$ 645,696	$ -	$ -	$ -	$ -	$ -	$ 12,722,537
Franchise	1,546,789	-	-	-	-	-	-	34,192	1,580,981
Sales and other	2,895,454	1,444,980	-	-	-	-	-	182,190	4,522,624
Licenses, permits and filing fees	703,353	-	-	-	-	-	-	-	703,353
Fines and forfeitures	696,863	-	-	-	-	-	-	2,503	699,366
Use of money and property	359,374	132,396	-	66,537	76,337	25,676	-	17,348	677,668
Charges for services	776,203	-	-	1,697,740	-	915,907	-	-	3,389,850
Investment Income	3,630	-	-	3,496	1,609	1,349	21,475	5,198	36,757
Proceeds from sale of assets	13,800	887,415	-	-	-	-	-	-	901,215
Other revenues	525,184	-	-	-	-	-	119,700	200	645,084
Total revenues	19,597,491	2,464,791	645,696	1,767,773	77,946	942,932	141,175	241,631	25,879,435
EXPENDITURES									
Current									
General government	2,181,124	-	-	-	-	-	-	-	2,181,124
Staff services	1,200,744	-	-	-	-	-	-	-	1,200,744
Public safety	10,267,713	-	-	-	-	-	-	61,168	10,328,881
Public service	3,521,576	-	-	-	-	-	-	-	3,521,576
Community development	1,164,191	-	-	493,186	-	-		239,893	1,897,270
Economic development	-	591,355	-	-	-	-	-	-	591,355
Debt service									
Principal	-	-	1,390,000	-	-	-	-	-	1,390,000
Interest and other fees	-	-	150,100	-	-	-	-	-	150,100
Capital outlay	182,364	1,819,176	-	2,244,132	76,335	570,910	945,670	330,593	6,169,180
Total expenditures	18,517,712	2,410,531	1,540,100	2,737,318	76,335	570,910	945,670	631,654	27,430,230
Excess of revenues over (under) expenditures	1,079,779	54,260	(894,404)	(969,545)	1,611	372,022	(804,495)	(390,023)	(1,550,795)
OTHER FINANCING SOURCES (USES)									
Transfers in	176,449	-	1,079,375	-	-	-	1,170,000	733,952	3,159,776
Transfers out	(1,884,804)	-	-	(493,186)	-	(586,189)	(135,007)	(60,590)	(3,159,776)
Total other financing sources (uses)	(1,708,355)	-	1,079,375	(493,186)	-	(586,189)	1,034,993	673,362	-
Net change in fund balance	(628,576)	54,260	184,971	(1,462,731)	1,611	(214,167)	230,498	283,339	(1,550,795)
Fund balances – beginning	8,629,590	4,685,009	160,158	3,863,910	1,778,135	1,491,057	1,295,933	1,565,769	23,469,561
FUND BALANCES - ending	$ 8,001,014	$ 4,739,269	$ 345,129	$ 2,401,179	$ 1,779,746	$ 1,276,890	$ 1,526,431	$ 1,849,108	$ 21,918,766

Notes to the financial statements are an integral part of this statement

City of Benbrook, Texas

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Net Change in Net Position of Governmental Activities

For the Fiscal Year Ended September 30, 2019

Net change in fund balances - total governmental funds	$	(1,550,795)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of capital assets recorded in the current period.		6,107,940
Depreciation expense on capital assets is reported in the statement of activities, and does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.		(1,904,204)
Amounts due to developer do not require the use of current financial resources; therefore, the change is not reported in the governmental funds.		390,857
The repayment of long-term debt uses current financial resources of governmental funds, but has no effect on net position.		1,390,000
Current year changes in accrued interest payable do not require the use of current financial resources; therefore, are not reported as expenditures in governmental funds.		6,679
The change in the expense for compensated absences reported in the statement of activities does not require the use of current financial resources, therefore, the change is not reported in the governmental funds.		21,837
Changes in the net pension liability, and related deferred inflows and outflows are recognized in the government-wide financials but are not reported in the fund financial statements.		(563,956)
Changes in the OPEB liabilities, and related deferred outflows are recognized in the government-wide financials but are not reported in the fund financial statements.		(82,436)
Amortization of deferred losses on refunding is not recorded in the governmental funds.		(17,532)
Certain revenues reported in the governmental funds are not reported in the government-wide statement of activities. Conversely, some revenues reported in the government-wide statement of activities are not reported in the governmental funds.		29,242
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	2,657,774

Notes to the financial statements are an integral part of this statement

Notes to Financial Statements

Benbrook

TEXAS

Our Pride. Your Joy.

Note 1. Summary of Significant Accounting Policies

A. General Statement

The City of Benbrook (the City) was incorporated in 1947. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: general government, police and fire protection, street maintenance, building inspection services, recreation, parks operation and maintenance, and operation and maintenance of City-owned buildings.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

B. Financial Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements include the primary government and organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. Some organizations are included as component units because of their fiscal dependency on the primary government.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval by the primary government.

The Benbrook Economic Development Corporation was found to be a component unit of the City and is included in the combined financial statements as a blended component unit.

The Benbrook Economic Development Corporation (EDC) was created for the purpose of promoting economic development within the City. The Board of Directors is substantively the same as that of the City Council since all board members are appointed by the City Council. Management of the City has operational responsibility for the EDC. The EDC is authorized to sell bonds or other forms of indebtedness. Upon dissolution of the EDC, the assets of the EDC shall be distributed to the City. The EDC provides services to the City and its residents.

It is management's opinion that a blended presentation should be used to report the financial information of the component unit. Financial information for the component unit can be obtained from the entity's administrative office at 911 Winscott Road, Benbrook, Texas 76126.

C. Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the City. The effect of interfund activity, within the governmental columns, has been removed from these statements. However, interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately.

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

Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate statements are presented for governmental activities. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. Governmental funds are those funds through which most governmental functions typically are financed.

The City has presented the following major governmental funds:

The ***General Fund*** is the main operating fund of the City. It accounts for all financial resources of the City except those required to be accounted for in another fund.

The ***Economic Development Fund*** accounts for the half cent sales tax collected to fund the activities of the Benbrook Economic Development Corporation. The fund balance is restricted for development and improvements that will promote economic growth in the City.

The ***Debt Service Fund*** is used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

The ***Capital Projects – Stormwater Fund*** is used to account for amounts received and expended for the construction and renovation of major drainage improvements. Initial funding came from the issuance of bonds with additional funding from stormwater fees. The fund balance is restricted for future major stormwater projects.

The ***Capital Projects – TIF Fund*** is used to account for amounts received and expended for the construction of major improvements that must be financed over several years. The fund balance is restricted for future projects within the TIF boundaries.

The ***Capital Projects – CVA Fund*** is used to account for proceeds from natural gas leases and mineral interest revenue. These funds will be used for special major improvement projects to be determined by City Council, and therefore, the fund balance is committed.

The ***Capital Projects – Special Assessments Fund*** is used to account for proceeds from special assessments of the City. The fund balance is restricted for future major projects.

D. Measurement Focus and Basis of Accounting

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

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows, liabilities and deferred inflows (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers receivables for property taxes, sales taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues property taxes, sales taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

E. Deposits and Temporary Investments

Cash of most funds is pooled into common accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's pooled cash is available upon demand and is included within the deposits and temporary investments caption in the basic financial statements. In addition, certificates of deposit with a maturity of less than one year are also considered cash equivalents.

State statutes authorize the City to invest in obligations of the U.S. Government or its agencies; obligations of the State of Texas or its agencies; and certain other obligations, repurchase agreements, money market mutual funds and certificates of deposits within established criterion.

F. Investments

Investments consist of certificates of deposit with a maturity in excess of one year, which are recorded at fair value.

G. Receivables

Revenue Recognition
The revenues susceptible to accrual are property taxes, sales taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received.

Sales Taxes Receivable
Sales taxes are collected and remitted to the City by the State Comptroller's Office. All sales taxes are collected within sixty days of year end.

Property Taxes Receivable and Deferred Inflows of Resources
Property taxes are assessed and remitted to the City by the Tax Assessor's Office. Taxes, levied annually on October 1, are due by January 31. Major tax payments are received December through March. Lien dates for real property are in July.

Allowances for uncollectible tax receivables are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off when deemed uncollectible; however, state statutes prohibit writing off real property taxes without specific authority from the Texas Legislature. In the governmental fund level financial statements, property taxes receivable are recorded when assessed (October 1). At fiscal year-end, property tax receivables represent delinquent taxes. In the general fund, property taxes receivable of $612,684 are recorded net of an allowance for uncollectible taxes of $252,964 as of September 30, 2019. In the debt service fund, property taxes receivable of $45,866 are recorded net of an allowance for uncollectible taxes of $18,937 as of September 30, 2019. If delinquent taxes are not paid within sixty days of fiscal year end, they are recorded as deferred inflows of resources. Deferred inflows of resources related to property taxes are $364,657 as of September 30, 2019.

In the government-wide financial statements, property tax receivables and related revenues include all amounts due the City regardless of when cash is received.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities columns in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art, and capital assets received in a service concession arrangement are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of $5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	30 Years
Infrastructure	10-50 Years
Equipment	5-20 Years

I. Accumulated Vacation, Compensated Time and Sick Leave

City policy allows civil service employees to accumulate 120 hours of sick leave per year and accrue it on an unlimited basis. Civil service employees with one full year of employment are entitled to be paid up to 90 days for unused sick leave upon termination. Non-civil service employees may accrue up to 480 hours of unused sick leave. Non-civil service employees may be paid up to 20 days for unused sick time based on years of service and certain other criteria. Employees with less than 5 years of service earn 10 vacation days whereas employees with more than 5 years of service earn 15 vacations days per year. Non-civil service employees may accumulate two times the current number of vacation days earned per year, up to a maximum of 30 days. All earned vacation leave not taken within one year of its accumulation will be forfeited by civil service employees.

J. Nature and Purpose of Designations of Fund Equity

The City has reported Governmental Fund Balances classifications in accordance with a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The hierarchy aims to enhance the usefulness of fund balance information by providing clear fund balance classifications that can be more consistently applied and by clarifying governmental fund type definitions. Fund balance classifications are Nonspendable and Spendable. Classifications under the Spendable category are Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity as to the level of restriction placed upon fund balance.

The City classifies governmental fund balances as follows:

1. Nonspendable Fund Balance – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and prepaid items. The City has no nonspendable amounts at September 30, 2019.

2. Spendable Fund Balance
   a. *Restricted Fund Balance* – includes amounts that can be spent only for specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations. Examples would include federal and state grant programs, retirement of long-term debt, and capital projects funded by bond proceeds.
      1. The aggregate fund balance of the Special Revenue Funds and EDC are legally restricted by the enabling legislation that created these funds.
      2. The fund balances of the Debt Service Fund, the Capital Projects – TIF fund, the Capital Projects – Stormwater fund, and the Capital Projects – Special Assessment are legally restricted by enabling legislation, bond covenants, or other governmental entities.

   b. *Committed Fund Balance* – includes amounts that can be used only for the specific purposes as determined by formal resolution of the governing body recorded in the minutes. Commitments may be changed or lifted only by formal resolution of the governing body. City Council must take action to commit funds by passing a formal resolution for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year. Examples include, but are not limited to, City Council action regarding construction and capital expenditures.
      1. The Capital Projects – CVA fund, Capital Projects - Clearfork Emergency Access Bridge fund and Capital Projects - Other Projects fund (included in the Capital Projects - Nonmajor funds) are considered committed by the City Council action to create that fund.
      2. The Workers' Comp amounts in the General fund were committed when City Council authorized the City to partially self-insure worker's comp.

c. *Assigned Fund Balance* – includes amounts intended to be used by the City for a specific purpose. This intent can be expressed by an official or body to which the governing body delegates that authority. The City has delegated the City Manager to determine and define amounts of those components of fund balance that are classified as Assigned. Assignments may be authorized by City policy initiated by the City Manager, formal resolution or ordinance. No amounts have been assigned at September 30, 2019.
d. Unassigned Fund Balance – includes the residual classification of the General Fund. This classification also incorporates negative residual amounts of any other fund. The Special Revenue – Grant fund (included in the Nonmajor funds) had a negative residual balance of $8,363.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and finally unassigned fund balance.

K. Deferred Outflows and Deferred Inflows of Resources

The statement of net position includes a separate section, in addition to assets, for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and therefore will not be recognized as an expense until that time. The deferred loss on refunding will be recognized as a deferred outflow of resources or a deferred inflow of resources and amortized to interest expense over the life of the bond and bond issuance costs will be expensed in the current period.

The governmental funds balance sheet and the statement of net position report a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as revenue until that time. Amounts, such as property taxes, received after the sixty day period are not considered available and therefore are recorded as a deferred inflow of resources.

L. 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 the compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liabilities, OPEB related deferred outflows of resources, and OPEB expense, City specific information about its Fiduciary Net Position and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Information regarding the City's OPEB liabilities is obtained from actuarial valuations through reports prepared for the City by their consulting actuaries in compliance with Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions.* The City has OPEB liabilities related to Retiree Healthcare and Supplemental Death Benefits fund.

N. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates. Significant estimates include depreciable lives on capital assets, allowance for uncollectible property taxes and ambulance revenues, net pension liability, and net OPEB liability.

Note 2. Cash and Investments

Cash and investments as of September 30, 2019 consist of the following:

Deposits with financial institutions	$	9,329,837
Temporary investments		11,621,698
Long-term investments		1,218,282
	$	22,169,817

Disclosure Relating to Interest Rate Risk and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rates. One of the ways that the City manages its exposure to interest rate risk is by investing in investment pools which purchase a combination of shorter term investments with an average maturity of less than 30 days, thus reducing the interest rate risk.

The City monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity (WAM) of its portfolio. The City has no specific limitations with respect to this metric.

As of September 30, 2019, the City did not invest in any securities which are highly sensitive to interest rate fluctuations.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating firm.

Presented below are the minimum ratings required by the Public Funds Investment Act, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type for all temporary and long-term investments.

Investment Type	Amount	WAM	Minimum Rating	Rating as of September 30, 2019
TexPool	$ 8,604,041	32	AAA	AAAm
TexSTAR	3,017,657	22	AAA	AAAm
Certificates of Deposit	1,218,282		N/A	N/A
	$ 12,839,980			

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. At year end, other than external investment pools and certificates of deposit, the City did not have 5% or more of its investments with one issuer.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Public Funds Investment Act and the City's investment policy contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments by the following provision for deposits.

The Public Funds Investment Act requires that a financial institution secure deposits made by state or local governments by pledging securities in an undivided collateral pool held by a depository regulated under state law. The fair value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

At September 30, 2019, the City had deposits at two financial institutions. The below table shows the relevant bank balances, FDIC insurance and collateral for all cash and cash equivalents:

	Bank Balance	FDIC Insurance	Collateral
City	$ 4,865,031	$ 250,000	$ 10,453,777
EDC	$ 4,645,820	$ 250,000	$ 5,689,497

Collateral is held by the Federal Reserve Bank of Dallas in the City's name under joint safekeeping agreements with the pledging institutions. All funds were fully collateralized.

Investment in State Investment Pools and Certificates of Deposit

The City of Benbrook is a voluntary participant in TexPool and TexSTAR, two external investment pools. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in the pools and other persons who do not have a business relationship with the pools. TexSTAR was created in April 2002 by contract among its participating governmental units and is governed by a board of directors that includes participants in the pool as well as other persons. J P Morgan Asset Management and First Southwest Asset Management act as co-administrators, providing investment management services, participant services and marketing.

The TexStar investment pool does not meet the requirements to report at amortized cost. As a result, its investments are measured at net asset value. TexStar's strategy is to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities.

Fair Value Measurements

The City categorizes its fair value measurements within a fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy. Participants in qualifying pools are permitted to continue measuring investments at amortized cost if they have met certain criteria, including that the investment pool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. TexPool uses amortized cost to measure its investments.

Investment pools reported at amortized cost or net asset value are excluded from the fair value hierarchy. The City's position in the pool is the same as the value of the pool shares.

The fair value of the negotiable certificates of deposit of $1,218,282 at September 30, 2019 was determined based on Level 2 inputs. The City estimates the fair value of these investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Note 3. Capital Assets

Capital asset activity for the year ended September 30, 2019 was as follows:

	Balance October 1	Additions/ Completions	Transfers	Retirements/ Adjustments	Balance September 30
Governmental Activities					
Capital assets not being depreciated					
Land	$ 4,046,931	1,690,777	-	(1,161,730)	$ 4,575,978
ROW	9,821,372	-	-	-	9,821,372
Construction in progress	4,299,395	3,245,246	(5,250,018)	-	2,294,623
Total capital assets not being depreciated	18,167,698	4,936,023	(5,250,018)	(1,161,730)	16,691,973
Capital assets being depreciated					
Buildings	10,260,981	-	2,188,228	-	12,449,209
Infrastructure	82,371,464	-	3,061,790	-	85,433,254
Equipment	5,459,493	1,171,917	-	(33,845)	6,597,565
Total capital assets being depreciated	98,091,938	1,171,917	5,250,018	(33,845)	104,480,028
Less accumulated depreciation					
Buildings	6,321,888	265,725	-	-	6,587,613
Infrastructure	52,385,159	1,314,057	-	-	53,699,216
Equipment	2,523,883	324,422	-	(25,717)	2,822,588
Total accumulated depreciation	61,230,930	1,904,204	-	(25,717)	63,109,417
Total capital assets being depreciated, net	36,861,008	(732,287)	5,250,018	(8,128)	41,370,611
Governmental activities capital assets, net	$ 55,028,706	$ 4,203,736	$ -	$ (1,169,858)	$ 58,062,584

Depreciation expense was charged as a direct expense to programs of the primary government as follows:

Governmental activities	
General government	$ 5,262
Public safety	349,355
Public works	1,546,603
Community development	2,984
Total depreciation expense - governmental activities	$ 1,904,204

Note 4. Long-Term Debt

At September 30, 2019, the City's bonds payable consisted of the following:

2005 G.O. bonds dated August 2, 2005, issued for drainage improvements, due in annual installments through February 1, 2020, interest rate of 1.85%.	$	490,000
2005 TIF C.O. bonds dated August 4, 2005, issued for sewer line and street improvements, due in annual installments through February 1, 2021, interest rate of 2.15%.		395,000
2007 Storm Water C.O. bonds dated December 1, 2007 for storm water improvements, due in annual installments through February 1, 2027, interest rate of 4.04%.		510,000
2011 G.O. Refunding bonds dated August 9, 2011 issued to refund the remaining balance of the 2002 G.O. bonds, due in annual installments through February 1, 2022, interest rate of 2.93%.		1,680,000
2012 C.O. Refunding bonds dated April 15, 2012 issued to reimburse TIF developer, due in annual installments through February 1, 2022, interest rate of 1.79%.		410,000
2013 G.O. Refunding Bonds dated December 10, 2013, issued to refund the remaining balance of the 2004 G.O. bonds, due in annual installments through February 1, 2025, interest rate of 2.19%.		1,475,000
2014 TIF Combination Tax and Revenue C.O. bonds dated June 17, 2014, issued for sewer line improvements, street improvements and construction projects, due in annual installments through February 1, 2022, interest rate of 1.72%.		455,000
Total bonds payable	$	5,415,000

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2019:

	Balance October 1, as restated	Increases	Decreases	Balance September 30	Due Within One Year
Governmental Type Activities					
General Obligation Bonds	$ 4,515,000	-	870,000	$ 3,645,000	$ 895,000
Certificate of Obligation	2,290,000	-	520,000	1,770,000	535,000
Due to Developer	1,020,749	-	390,857	629,892	-
Compensated Absences	1,460,424	492,508	514,345	1,438,587	21,837
Net OPEB Liability - Retiree Healthcare	1,830,515	137,677	-	1,968,192	-
Net OPEB Liability - SDBF	321,150		1,584	319,566	-
Net Pension Liability	4,617,712	4,571,784		9,189,496	-
Total Governmental Activities	$ 16,055,550	$ 5,201,969	$ 2,296,786	$ 18,960,733	$ 1,451,837

General Obligation Bonds and Certificates of Obligation

The City issues general obligation bonds and certificates of obligation. General obligation bonds and certificates of obligation are direct obligations of the City and pledge the full faith and credit of the City.

Due to Developer

Due to developer represents the estimated liability due to a developer in the TIF Reinvestment Zone based on requests for reimbursements. The retirement of this liability is from the Capital Project – TIF fund.

Compensated Absences

Compensated absences represent the estimated liability for employee's accrued vacation and sick leave for which employees are entitled to be paid upon termination. The retirement of this liability is from the General Fund.

Net Pension Liability and Other Post-Employment Benefit Liabilities

The general fund is typically used to liquidate pension and other post-employment benefit liabilities.

Annual requirements to amortize all debts outstanding as of September 30, 2019, are as follows:

General Obligation Bonds

General Obligation Bonds Year Ending September 30	Governmental Activities Principal	Interest	Total
2020	$ 895,000	$ 84,995	$ 979,995
2021	975,000	57,966	1,032,966
2022	1,015,000	30,607	1,045,607
2023	245,000	13,961	258,961
2024	255,000	8,486	263,486
2025	260,000	2,847	262,847
	$ 3,645,000	$ 198,862	$ 3,843,862

Certificate of Obligations

CO's Year Ending September 30	Governmental Activities Principal	Interest	Total
2020	$ 535,000	$ 42,629	$ 577,629
2021	545,000	28,474	573,474
2022	350,000	17,534	367,534
2023	60,000	12,524	72,524
2024	65,000	9,999	74,999
2025-2027	215,000	13,231	228,231
	$ 1,770,000	$ 124,391	$ 1,894,391

Note 5. Property Tax

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and business property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council. The City's tax rate has stayed the same since prior year, of $0.64 per $100 of assessed valuation.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on July 1, each year. Penalties and interest are included for any payment received after January 31. Penalties start at 6% of the outstanding balance, respectively and increase to 12% for payments received after July 1. Interest increases 1% for each month the balance is outstanding after January 31.

Property taxes at the fund level are recorded as receivables and deferred inflows of resources at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual have been recognized as revenue. Property taxes are recorded net of the allowance for uncollectible taxes of $252,964 and $18,937 for the General Fund and Debt Service Fund, respectively. The allowance is evaluated annually based upon analysis of historical trends, current economic conditions and other pertinent factors. Uncollectible personal property taxes are written off upon expiration of the five year statute of limitations.

Note 6. Defined Benefit Pension Plan

Plan Description

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

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

Benefits Provided

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

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

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

Deposit rate	7%
Matching ratio (City to employee)	2 to 1
A member is vested after	5 years
Retirement Eligibility (Age/Service)	60/5, 0/20
Update service credit	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating

Employees Covered By Benefit Terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	76
Inactive employees entitled to but not yet receiving benefits	62
Active employees	121
Total	259

Contributions

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

Employees for the City were required to contribute 7% of their annual gross earnings during the year ended September 30, 2019. The contribution rates for the City were 16.52% and 16.32% in calendar years 2018 and 2019, respectively. The City's contributions to TMRS for the year ended September 30, 2019, were $1,591,704 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2018, 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, 2018 actuarial valuation was determined using the following actuarial assumptions: Inflation of 2.5% per year, Overall payroll growth of 3.0% per year, and investment rate of return of 6.75%, net of pension plan investment expense, including inflation.

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Table with Blue Collar Adjustments, with male rates multiplied by 109% and female rates multiplied by 103%.

The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustments are used with Male rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Domestic Equity	17.5%	4.55%
International Equity	17.5%	6.35%
Core Fixed Income	10.0%	1.00%
Non-Core Fixed Income	20.0%	3.90%
Real Return	10.0%	3.80%
Real Estate	10.0%	4.50%
Absolute Return	10.0%	3.75%
Private Equity	5.0%	7.50%
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 employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at 12/31/2017	$ 55,748,760	$ 51,131,048	$ 4,617,712
Changes for the year:			
Service cost	1,706,379	-	1,706,379
Interest	3,750,563	-	3,750,563
Change of benefit terms	-	-	-
Difference between expected and actual experience	(283,128)	-	(283,128)
Changes of assumptions	-	-	-
Contributions - employer	-	1,516,476	(1,516,476)
Contributions - employee	-	648,461	(648,461)
Net Investment income	-	(1,531,759)	1,531,759
Benefit payments, including refunds of employee contributions	(2,076,098)	(2,076,098)	-
Administrative expenses	-	(29,601)	29,601
Other changes	-	(1,547)	1,547
Balance at 12/31/2018	$ 58,846,476	$ 49,656,980	$ 9,189,496

Plan Fiduciary net position as a percentage of the TPL	84.38%
Covered payroll	$9,263,727
NPL as a percentage of covered payroll	99.20%

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

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

1% Decrease in Discount rate (5.75%)	Discount rate (6.75%)	1% increase in Discount Rate (7.75%)
$ 17,643,610	$ 9,189,496	$ 2,263,008

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2019, the city recognized pension expense of $2,141,935.

At September 30, 2019, 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:	$ -	$ (766,123)
Change in actuarial assumptions:	-	(10,626)
Difference between projected and actual investment earnings:	2,632,005	-
Contributions subsequent to the measurement date:	1,216,620	-
Total	$ 3,848,625	$ (776,749)

$1,216,620 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended September 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	Net deferred outflows (inflows) of resources
2020	$ 658,345
2021	119,204
2022	185,702
2023	933,556
2024	(41,551)
Total	$ 1,855,256

Note 7. Commitments and Contingencies

In January 1983, the City entered into a contract for garbage disposal collection with a third party. Under the terms of the agreement, the City receives a franchise fee of 9 percent on residential and 10 percent on commercial collections.

No significant encumbrances exist as of September 30, 2019.

Note 8. Interfund Activity

Interfund receivables/payables consist of the following as of September 30, 2019.

Receivable Fund	Payable Fund	Amount
General fund	Economic development	$ 118,856
General fund	Other governmental funds	63,586
		$ 182,442

Interfund receivables/payables result from expenses paid by the general fund on behalf of other funds, and due to revenues received into the general fund that belong to the other governmental funds.

Note 9. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City insures its buildings and contents, law enforcement liability, public officials' liability, general liability and auto liability under a renewable one year policy with the Texas Municipal League. The City insures its workers compensation risk by participating in the Texas Municipal League Intergovernmental Risk Pool, which is a self-insurance policy mechanism for political subdivisions in Texas. Rates are set by the State Insurance Board. Each participant's contribution to the pool is adjusted based on its workers' compensation history. The City is responsible only to the extent of premiums paid and contributions made to Texas Municipal League and the Intergovernmental Risk Pool. There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years.

Note 10. Postemployment Benefits Other Than Pensions

Group-term Life Insurance

Plan Description

The City participates in a single employer, defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF) administered by the Texas Municipal Retirement System (TMRS). The SDBF covers both active and retiree benefits with no segregation of assets, and therefore doesn't meet the definition of a trust under GASB No. 75 (i.e., no assets are accumulated for OPEB) and as such the SDBF is considered to be an unfunded OPEB plan.

The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The 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.

Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an other postemployment benefit (OPEB) and is a fixed amount of $7,500.

Employees covered by benefit terms

At the December 31, 2018 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	55
Inactive employees entitled to but not yet receiving benefits	15
Active employees	121
Total	191

Net OPEB Liability

The City's net OPEB liability of $319,566, was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The net OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Inflation – 2.5%
Overall payroll growth – 3.50% to 10.5%, including inflation
Discount Rate – 3.71%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103% and due to the size of the City, rates are multiplied by an additional factor of 100%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

Discount Rate

The discount rate was to measure the net OPEB liability was 3.71%. The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index" rate as of the measurement date.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the City, calculated using the discount rate of 3.71%, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.71%) or 1-percentage-point higher (4.71%) than the current rate:

1% Decrease in Discount rate (2.71%)	Discount rate (3.71%)	1% increase in Discount Rate (4.71%)
$ 386,305	$ 319,566	$ 267,819

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2019, the City recognized OPEB expense of $23,343 related to group term life insurance. For the year ended September 30, 2019, the City recognized total OPEB expense related to all OPEB plans of $188,582.

At the September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience:	$ 1,740	$ -
Change in actuarial assumptions:		$ (1,821)
Total	$ 1,740	$ (1,821)

There were no payments made subsequent to the measurement date.

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

	Net deferred outflows (inflows) of resources
2019	$ 501
2020	501
2021	501
2022	501
2023	501
Thereafter	(2,586)
Total	$ (81)

Postemployment Retiree Healthcare Plan

Plan Description

Employees who retire from the City are eligible to continue health insurance (a single-employer) coverage through the City's group plan, the City of Benbrook Retiree Health Care Plan, after their federal COBRA benefits expire. The retiree must continue with no break in coverage. If a retiree declines coverage, then the retiree is not eligible for coverage at some future date. If the retiree drops coverage, then the retiree may not re-enroll at a later date.

The City elected, by ordinance, to provide coverage to both current and retired employees. The City may terminate coverage under and discontinue participation by adopting an ordinance.

Benefits

Retirees are treated the same as active employees with one major exception, the retiree must prepay the monthly insurance premium. If a retiree includes a dependent coverage, the dependent must have been covered prior to the retiree's retirement. The retirees pay the same amount for dependent coverage as an active employee; the City's subsidy applies toward dependent coverage for the retiree only. The other postretirement employment benefits for eligible retirees are funded on a pay-as-you-go basis.

Plan Membership

On December 31, 2018, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	17
Inactive plan members entitled to, but not yet receiving benefit payments	0
Active plan members	115
	132

Net OPEB Liability of the City

The components of the net OPEB liability of the City at September 30 were as follows:

	Total OPEB Liability - Retiree Healthcare
Balance at 12/31/2017	$ 1,830,515
Changes for the year:	
Service cost	80,841
Interest	60,332
Change of benefit terms	-
Difference between expected and actual experience	106,101
Changes of assumptions	(13,183)
Benefit payments, including refunds of employee contributions	(96,414)
Administrative expenses	-
Other changes	-
Balance at 12/31/2018	$ 1,968,192

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of plan assets, consistent with the long-term perspective of the calculations.

An actuarial valuation was performed as of December 31, 2018 using the individual entry-age actuarial cost method. The actuarial assumptions include discount rate of 3.71%, inflation rate of 2.5%, salary increases of 3.5% to 10.5%, including inflation.

Demographics. Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).

Mortality rate. For healthy retirees, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.

Health Care Trend Rates. Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years.

Assumption Changes. The discount rate changed from 3.31% as of December 31, 2017 to 3.71% as of December 31, 2018. Additionally, the health care trend rates were updated to reflect the plan's anticipated experience.

Discount rate. The discount rate used to measure the total OPEB liability was 3.71% as of December 31, 2018.

Sensitivity of the OPEB liability to changes in the discount rate. The following presents the net OPEB liability of the City as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.71%) or one percentage point higher (4.71%) than the current discount rate:

1% Decrease in Discount rate (2.71%)	Discount rate (3.71%)	1% increase in Discount Rate (4.71%)
$ 2,202,205	$ 1,968,192	$ 1,765,991

Sensitivity of the OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

1% Decrease in Discount rate (2.71%)	Current Healthcare Cost Trend Rate Assumption	1% increase in Discount Rate (4.71%)
$ 1,779,922	$ 1,968,192	$ 2,190,974

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

For the year ended September 30, 2019, the City recognized OPEB expense of $165,239.

At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience:	$ 127,342	$ -
Change in actuarial assumptions:	70,359	-
Contributions subsequent to the measurement date:	66,551	-
Total	$ 264,252	$ -

The $66,551 in benefit payments made subsequent to the measurement date was developed using the same methodology used to determine the benefit payments made during the measurement period. Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net deferred outflows (inflows) of resources
2020	$ 24,066
2021	24,066
2022	24,066
2023	24,066
2024	24,066
Thereafter	77,371
Total	$ 197,701

Note 11. Interfund Transfers

All interfund transfers are approved supplements to the operations of those funds. Individual transfers for year ended September 30, 2019 were as follows:

Transfers-in	Transfers-out	Purpose	Amount
Debt service	Capital projects - storm water	Debt repayment	$ 586,189
Debt service	Capital projects - TIF	Debt repayment	493,186
Capital projects - Special Assessments	General fund	Special projects	1,170,000
General fund	Capital projects - Special Assessments	Special projects	135,007
General fund	Other governmental funds	Special projects	41,442
Other governmental	Other governmental	Special projects	1,949
Other governmental	General fund	Special projects	714,804
Other governmental	Other governmental	Special projects	17,199
			$ 3,159,776

Note 12: Excess of Expenditures Over Appropriations

As of September 30, 2019, the debt service fund had an excess of expenditures over appropriations of $566,360.

Note 13: New Accounting Pronouncements

In January 2017, GASB issued Statement No. 84, Fiduciary Activities. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

In June 2017, GASB issued Statement No. 87, Leases. This Statement establishes standards for accounting and financial reporting for leases by lessees and lessors. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities that were previously accounted for as operating leases. It establishes a single model for lease accounting based on the principle that leases are a financing of the right to use an underlying asset. Under this statement a lessee is required to recognize a lease liability and an intangible right-to-use asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

The City's management is reviewing the implementation process of these standards by gathering required information.

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Required Supplementary Information

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City of Benbrook, Texas

Schedule of Changes in Net Pension Liability
and Related Ratios
For the Measurement Date Last Five Fiscal Years

	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY					
Service cost	$ 1,706,379	$ 1,657,777	$ 1,575,386	$ 1,520,604	$ 1,320,055
Interest	3,750,563	3,549,305	3,389,690	3,323,230	3,124,814
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	(283,128)	(100,498)	(643,705)	(408,073)	(114,606)
Change of assumptions	-	-	-	(33,726)	-
Benefit payments, including refunds of employee contributions	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)	(1,592,327)
Net change in total pension liability	3,097,716	2,884,118	2,548,053	2,802,310	2,737,936
Total pension liability - beginning	55,748,760	52,864,642	50,316,589	47,514,279	44,776,343
TOTAL PENSION LIABILITY - ending (a)	58,846,476	55,748,760	52,864,642	50,316,589	47,514,279
PLAN FIDUCIARY NET POSITION					
Contributions - employer	1,516,476	1,534,575	1,492,510	1,484,633	1,414,524
Contributions - employee	648,461	634,122	601,949	585,491	548,570
Net investment income	(1,531,759)	6,236,147	2,829,895	61,051	2,219,956
Benefit payments, including refunds of employee contributions	(2,076,098)	(2,222,466)	(1,773,318)	(1,599,725)	(1,592,327)
Administrative expense	(29,601)	(32,310)	(31,954)	(37,184)	(23,178)
Other	(1,547)	(1,636)	(1,722)	(1,836)	(1,906)
Net change in plan fiduciary net position	(1,474,068)	6,148,432	3,117,360	492,430	2,565,639
Plan fiduciary net position - beginning	51,131,048	44,982,616	41,865,256	41,372,826	38,807,187
PLAN FIDUCIARY NET POSITION - ending (b)	49,656,980	51,131,048	44,982,616	41,865,256	41,372,826
NET PENSION LIABILITY - ending (a) - (b)	$ 9,189,496	$ 4,617,712	$ 7,882,026	$ 8,451,333	$ 6,141,453
Plan fiduciary net position as a percentage of total pension liability	84.38%	91.72%	85.09%	83.20%	87.07%
Covered payroll	$ 9,263,727	$ 9,058,892	$ 8,599,269	$ 8,364,159	$ 7,836,719
Net pension liability as a percentage of covered payroll	99.20%	50.97%	91.66%	101.04%	78.37%

Note: The schedule is intended to show information as of the measurement date (December 31) for ten years. Additional years will be displayed as they become available.

City Of Benbrook, Texas
Schedule of Contributions

	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 1,516,476	$ 1,534,575	$ 1,492,510	$ 1,484,633	$1,414,524
Contributions in relation to the actuarially determined contribution	(1,591,704)	(1,542,010)	(1,501,312)	(1,505,210)	(1,428,090)
CONTRIBUTION DEFICIENCY (EXCESS)	(75,228)	(7,435)	(8,802)	(20,577)	(13,566)
Covered payroll	$ 9,767,066	$ 9,319,802	$ 9,300,894	$ 8,663,764	$8,017,563
Contributions as a percentage of covered payroll	16%	16%	16%	17%	18%

Note: The schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Schedule of Contributions

Valuation Date

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

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method – Entry Age Normal

Amortization Method – Level Percentage of Payroll, Closed

Remaining Amortization Period – 22 years

Asset Valuation Method – 10 Year smoothed market; 15% soft corridor

Inflation – 2.5%

Salary Increases – 3.50% to 10.50% including inflation

Investment Rate of Return – 6.75%

Retirement Age – Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014

Mortality – RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information

There were no benefit changes during the year.

City of Benbrook, Texas

Schedule of Changes in Net OPEB Liability – Retiree Healthcare
And Related Ratios for the Measurement Date

	2019	2018
TOTAL OPEB LIABILITY		
Service cost	$ 80,841	$ 70,552
Interest	60,332	62,575
Changes of benefit terms	-	-
Difference between expected and actual experience	106,101	40,261
Change of assumptions	(13,183)	103,164
Benefit payments, including refunds of employee contributions	(96,414)	(106,309)
Net change in total OPEB liability	137,677	170,243
Total OPEB liability - beginning	1,830,515	1,660,272
Total OPEB liability - ending (a)	$ 1,968,192	$ 1,830,515
Covered payroll	$ 9,401,496	$ 9,319,802
Net OPEB liability as a percentage of covered payroll	20.93%	19.64%

Note: The schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Benbrook, Texas

Schedule of OPEB Contributions – Retiree Healthcare

	2019	2018
Actuarially determined contribution	$ -	$ -
Contributions in relation to the actuarially determined contribution	-	-
Contribution deficiency (excess)	-	-
Covered payroll	$ 9,401,496	$ 9,319,802
Contributions as a percentage of covered payroll	0%	0%

Note: The schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Schedule of Contributions

Valuation Date

December 31, 2018

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method – Individual Entry-Age

Inflation – 2.5%

Salary Increases – 3.50% to 10.50% including inflation

Discount rate – 3.71% as of December 31, 2018

Retirement Age – Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014

Mortality – For healthy retirees, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.

Health Care Trend Rates - Initial rate of 7.30% declining to an ultimate rate of 4.25% after 15 years.

Other Information

There were no benefit changes during the year.

City of Benbrook, Texas

Schedule of Changes in Net OPEB Liability – Supplemental Death Benefits
And Related Ratios for the Measurement Date

	2019	2018
TOTAL OPEB LIABILITY		
Service cost	$ 12,043	$ 9,965
Interest	10,799	10,586
Changes of benefit terms	-	-
Difference between expected and actual experience	2,000	-
Change of assumptions	(24,573)	26,425
Benefit payments, including refunds of employee contributions	(1,853)	(1,812)
Net change in total OPEB liability	(1,584)	45,164
Total OPEB liability - beginning	321,150	275,986
Total OPEB liability - ending (a)	$ 319,566	$ 321,150
Covered payroll	$ 9,263,727	$ 9,058,892
Net OPEB liability as a percentage of covered payroll	3.45%	3.55%

Note: The schedule is intended to show information for ten years. Additional years will be displayed as they become available.

City of Benbrook, Texas

Schedule of OPEB Contributions – Supplemental Death Benefits

	2019	2018
Actuarially determined contribution	$ 1,853	$ 1,748
Contributions in relation to the actuarially determined contribution	(1,853)	(1,748)
Contribution deficiency (excess)	-	-
Covered payroll	$ 9,401,496	$ 9,319,802
Contributions as a percentage of covered payroll	0%	0%

Note: The schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Schedule of Contributions

Valuation Date

December 31, 2018

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method – Entry Age Normal

Amortization Method – Level Percentage of Payroll, Closed

Remaining Amortization Period – 22 years

Asset Valuation Method – 10 Year smoothed market; 15% soft corridor

Inflation – 2.5%

Salary Increases – 3.50% to 10.50% including inflation

Discount rate – 3.31%

Retirement Age – Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2014

Mortality – RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

Other Information

There were no benefit changes during the year.

City of Benbrook, Texas
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
Revenues				
Taxes	$ 16,982,065	$ 16,982,065	$ 16,519,084	$ (462,981)
Licenses, permits and filing fees	658,350	658,350	703,353	45,003
Fines and forfeitures	860,000	860,000	696,863	(163,137)
Use of money and property	145,000	145,000	359,374	214,374
Charges for services	963,350	963,350	776,203	(187,147)
Investment Income	-	-	3,630	3,630
Proceeds from sale of assets	-	-	13,800	13,800
Other revenues	525,000	525,000	525,184	184
Total revenues	20,133,765	20,133,765	19,597,491	(536,274)
Expenditures				
Current				
General government	2,304,213	2,304,213	2,181,124	123,089
Staff services	1,158,428	1,158,428	1,200,744	(42,316)
Public safety	11,004,465	11,004,465	10,267,713	736,752
Public services	4,065,179	4,065,179	3,521,576	543,603
Community development	801,894	801,894	1,164,191	(362,297)
Capital outlay	-	-	182,364	(182,364)
Total expenditures	19,334,179	19,334,179	18,517,712	816,467
Excess of revenues over expenditures	799,586	799,586	1,079,779	280,193
Other financing uses				
Transfers In	100,000	100,000	176,449	76,449
Transfers out	(1,670,000)	(1,884,804)	(1,884,804)	-
Net change in fund balance	(770,414)	(985,218)	(628,576)	356,642
Fund balance - beginning	8,629,590	8,629,590	8,629,590	-
FUND BALANCE - ending	$ 7,859,176	$ 7,644,372	$ 8,001,014	$ 356,642

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

1. Prior to September 1, the City Manager submits a proposed operating budget to the City Council for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayer comments.

3. The budget is legally enacted through passage of an ordinance.

4. The City Manager is authorized to transfer budget amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund.

6. Encumbrances for goods or purchased services are documented by purchase order or contract. Encumbered amounts lapse at year end. At year end, encumbrances are cancelled or reappropriated as part of the following budget.

Annual appropriated budgets are consistent with accounting principles generally accepted in the United States of America and are legally adopted for the general and debt service fund.

All appropriations lapse on September 30 of the fiscal year.

Budgeted amounts are as originally adopted or as amended by the City Council.

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Combining and Individual Fund Statements and Schedule

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City of Benbrook, Texas
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2019

	Special Revenue Funds					Capital Projects Fund				
	Hotel Motel Tax	PEG	Public Safety	Grant	Total Special Revenue	Animal Shelter	Clearfork Bridge Emergency Access	Other Projects	Total Capital Projects	Total Non-Major Governmental Funds
ASSETS										
Cash and cash equivalents	$ 290,425	$ 188,783	$ 94,843	$ -	$ 574,051	$ -	$ 670,053	$ 343,149	$ 1,013,202	$ 1,587,253
Investments	-	-	219,434	-	219,434	-	85,035	43,548	128,583	348,017
Receivables	33,575	8,416	2,829	-	44,820	-	406	208	614	45,434
Total assets	$ 324,000	$ 197,199	$ 317,106	$ -	$ 838,305	$ -	$ 755,494	$ 386,905	$ 1,142,399	$ 1,980,704
LIABILITIES & FUND BALANCES										
Liabilities										
Accounts payable	$ 3,392	$ 48,890	$ -	8,363	$ 60,645	$ -	$ 2,928	$ 1,668	$ 4,596	$ 65,241
Accrued liabilities	2,769	-	-	-	2,769	-	-	-	-	2,769
Due to other funds	63,586	-	-	-	63,586	-	-	-	-	63,586
Total liabilities	69,747	48,890	-	8,363	127,000	-	2,928	1,668	4,596	131,596
FUND BALANCE										
Restricted										
City promotions	254,253	148,309	-	-	402,562	-	-	-	-	402,562
Public safety	-	-	317,106	-	317,106	-	-	-	-	317,106
Committed										
Capital projects	-	-	-	-	-	-	752,566	385,237	1,137,803	1,137,803
Unassigned	-	-	-	(8,363)	(8,363)	-	-	-	-	(8,363)
Total fund balances	254,253	148,309	317,106	(8,363)	711,305	-	752,566	385,237	1,137,803	1,849,108
Total liabilities, deferred inflows of resources and fund balances	$ 324,000	$ 197,199	$ 317,106	$ -	$ 838,305	$ -	$ 755,494	$ 386,905	$ 1,142,399	$ 1,980,704

City of Benbrook, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
Year Ended September 30, 2019

	Special Revenue Funds					Capital Projects Fund				
	Hotel Motel Tax	PEG	Public Safety	Grant Fund	Total Special Revenue	Animal Shelter	Clearfork Bridge Emergency Access	Other Projects	Total Capital Projects	Total Non-Major Governmental Funds
REVENUES										
Taxes	$ 182,190	$ 34,192	$ -	$ -	$ 216,382	$ -	$ -	$ -	$ -	$ 216,382
Fines and forfeitures	-	-	2,503	-	2,503	-	-	-	-	2,503
Use of money and property	28	-	2,794	-	2,822	-	6,957	7,569	14,526	17,348
Investment Income	-	-	4,434	-	4,434	-	366	398	764	5,198
Other revenues	200	-	-	-	200	-	-	-	-	200
Total revenues	182,418	34,192	9,731	-	226,341	-	7,323	7,967	15,290	241,631
EXPENDITURES										
Current										
Community development	169,787	61,743	-	8,363	239,893	-	-	-	-	239,893
Public safety	-	-	61,168	-	61,168	-	-	-	-	61,168
Capital outlay	10,601	-	-	-	10,601	159,572	158,751	1,669	319,992	330,593
Total expenditures	180,388	61,743	61,168	8,363	311,662	159,572	158,751	1,669	319,992	631,654
Excess (deficiency) of revenues over (under) expenditures	2,030	(27,551)	(51,437)	(8,363)	(85,321)	(159,572)	(151,428)	6,298	(304,702)	(390,023)
Other financing sources										
Transfers In	-	-	-	-	-	232,003	500,000	1,949	733,952	733,952
Transfers Out	-	-	-	-	-	-	-	(60,590)	(60,590)	(60,590)
Net change in fund balance	2,030	(27,551)	(51,437)	(8,363)	(85,321)	72,431	348,572	(52,343)	368,660	283,339
Fund balance - beginning	252,223	175,860	368,543	-	796,626	(72,431)	403,994	437,580	769,143	1,565,769
FUND BALANCE - ending	$ 254,253	$ 148,309	$ 317,106	$ (8,363)	$ 711,305	$ -	$ 752,566	$ 385,237	$ 1,137,803	$ 1,849,108

Debt Service Fund

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest, including long-term notes and lease purchase agreements.

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City of Benbrook, Texas
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget And Actual – Debt Service Fund
For the Fiscal Year Ended September 30, 2019

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
Revenues				
Property taxes				
Current property tax	$ 686,793	$ 686,793	$ 638,595	$ (48,198)
Delinquent property tax	-	-	4,033	4,033
Penalty and interest	-	-	3,068	3,068
Total revenues	686,793	686,793	645,696	(41,097)
Expenditures				
Principal	870,000	870,000	1,390,000	(520,000)
Interest	99,940	99,940	149,800	(49,860)
Other	3,800	3,800	300	3,500
Total expenditures	973,740	973,740	1,540,100	(566,360)
Excess of revenues under expenditures	(286,947)	(286,947)	(894,404)	(607,457)
Other financing sources				
Transfers in	504,744	504,744	1,079,375	574,631
Total other financing sources	504,744	504,744	1,079,375	574,631
Net change in fund balance	217,797	217,797	184,971	(32,826)
Fund balance - beginning	160,158	160,158	160,158	-
FUND BALANCE - ending	$ 377,955	$ 377,955	$ 345,129	$ (32,826)

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Statistical Section

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STATISTICAL SECTION
(Unaudited)

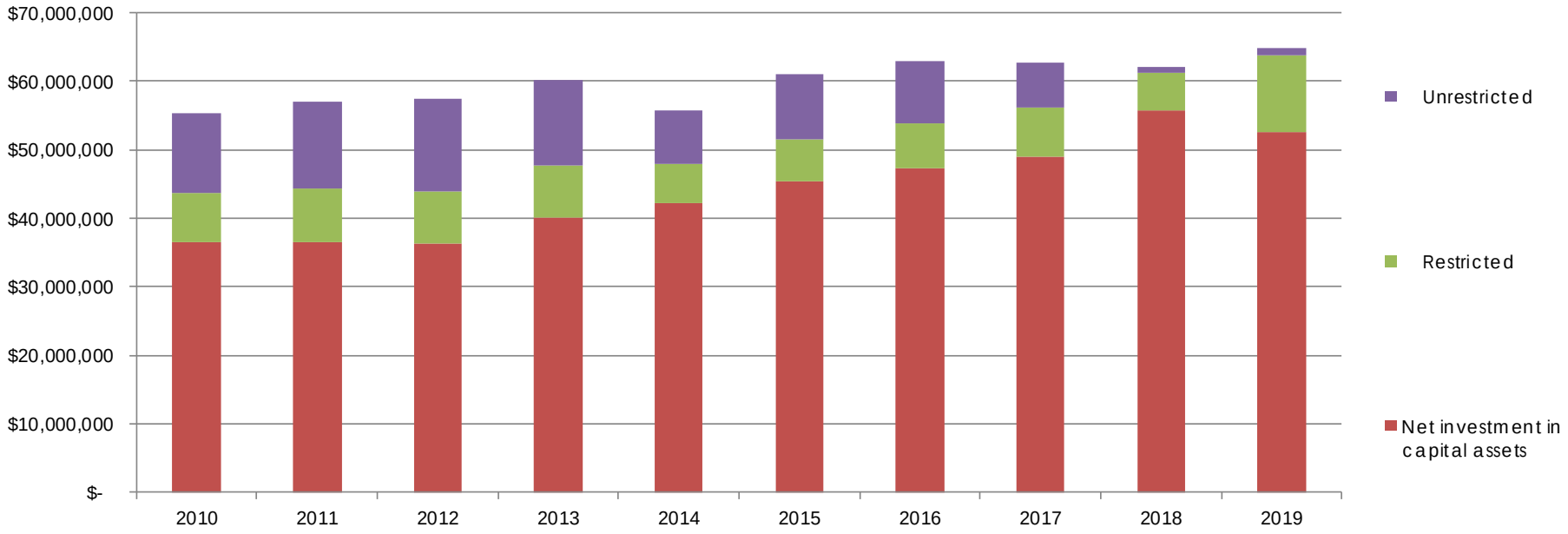
The City of Benbrook's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

		Pages
Financial Trends	These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	70-74
Revenue Capacity	These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax.	75-77
Debt Capacity	These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.	78-80
Demographic & Economic Indicators	These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities takes place.	81-83
Operating Information	The schedules contain information about the City's operations and resources to help the reader understand how the City's financial Information relates to the services the City provides and the activities it performs.	84-86

City of Benbrook, Texas **Table 1**

Net Position by Component
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
Governmental activities	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net investment in capital assets	$ 36,601,171	$ 36,615,411	$ 36,235,804	$ 40,079,400	$ 42,176,087	$ 45,305,129	$ 47,197,644	$ 48,942,935	$ 55,684,372	$ 52,647,584
Restricted	7,099,648	7,807,670	7,700,845	7,560,464	5,786,813	6,106,372	6,641,953	7,216,854	5,633,268	11,010,038
Unrestricted	11,529,567	12,546,736	13,543,550	12,623,998	7,826,398	9,644,719	9,162,784	6,483,104	798,459	1,116,251
Total net position	$ 55,230,386	$ 56,969,817	$ 57,480,199	$ 60,263,862	$ 55,789,298	$ 61,056,220	$ 63,002,381	$ 62,642,893	$ 62,116,099	$ 64,773,873



City of Benbrook, Texas

Table 2

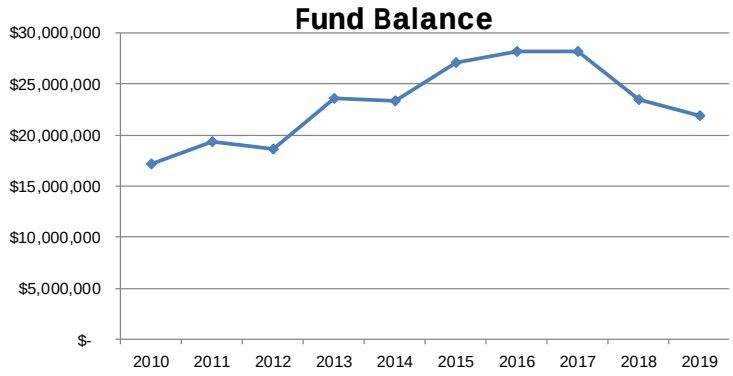
Changes in Net Position
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities										
General government	$ 1,549,545	$ 2,090,595	$ 1,587,026	$ 1,947,856	$ 1,178,935	$ 1,267,277	$ 1,261,520	$ 1,341,046	$ 225,122	$ 1,316,153
Staff services	651,803	723,541	902,490	880,772	929,495	931,314	941,237	1,038,337	1,009,345	1,228,554
Public safety	7,866,069	8,212,215	8,509,009	8,342,490	8,662,545	8,540,152	9,699,627	10,369,701	7,775,892	11,075,635
Public services	3,921,689	3,906,368	1,598,830	4,831,947	6,945,037	4,333,979	4,393,555	4,930,420	4,588,623	5,165,065
Community development	2,195,596	1,852,989	5,829,234	2,143,235	3,012,664	1,977,768	2,185,174	3,649,961	3,578,257	2,225,782
Interest on long-term debt	702,631	650,617	601,357	602,673	476,713	313,493	239,440	227,764	188,808	160,953
Total government activities expenses	$ 16,887,333	$ 17,436,325	$ 19,027,946	$ 18,748,973	$ 21,205,389	$ 17,363,983	$ 18,720,553	$ 21,557,229	$ 17,366,047	$ 21,172,142
Program Revenues										
Governmental activities										
Fees, fines & service charges										
Public safety	1,063,768	1,111,548	1,350,782	1,433,182	1,427,145	1,671,727	1,574,048	1,546,117	1,511,567	1,336,174
Public services	84,503	132,731	137,908	121,267	133,911	227,469	184,773	135,860	2,917,549	154,438
Community development	390,771	237,613	1,216,885	1,205,136	1,310,196	1,588,438	1,572,477	1,617,691	1,431,485	1,766,006
Operating grants & contributions										
Public safety	240,007	353,921	480,821	381,872	426,198	466,660	641,443	449,344	422,003	556,795
Community development	-	27,176	-	-	-	-	-	-	-	-
Capital grants & contributions										
Public service	-	-	50,000	-	-	-	-	-	-	-
General government	-	-	-	-	588,669	1,310,000	-	-	-	-
Community development	-	-	-	1,618,360	-	-	-	-	-	-
Total government activities program revenues	1,779,049	1,862,989	3,236,396	4,759,817	3,886,119	5,264,294	3,972,741	3,749,012	6,282,604	3,813,413
Net (expenses) revenues	(15,108,284)	(15,573,336)	(15,791,550)	(13,989,156)	(17,319,270)	(12,099,689)	(14,747,812)	(17,808,217)	(11,083,443)	(17,358,729)
General revenues & other changes in net position										
Governmental activities										
Taxes										
Ad valorem	9,713,421	10,357,516	9,754,496	10,214,041	10,352,345	10,610,039	10,786,456	11,116,712	11,780,850	12,751,779
Franchise	1,319,418	1,429,023	1,503,002	1,535,138	1,648,597	1,675,780	1,683,199	1,569,122	1,436,791	1,580,981
Sales & other	2,752,740	3,595,387	3,596,241	3,885,932	3,591,800	3,556,317	3,409,983	3,617,894	3,848,345	4,522,624
Use of money & property	745,198	616,735	325,123	422,238	453,796	296,477	202,169	324,791	353,573	677,668
Miscellaneous	2,898,505	1,314,106	1,123,070	870,663	593,514	1,710,815	612,166	820,210	820,203	721,009
Interest Income	-	-	-	-	-	-	-	-	-	31,559
Gain (loss) on sale of property	-	-	-	-	86,909	148,154	-	-	-	(269,117)
Total general revenue	17,429,282	17,312,767	16,301,932	16,928,012	16,726,961	17,997,582	16,693,973	17,448,729	18,239,762	20,016,503
Changes in net position	$ 2,320,998	$ 1,739,431	$ 510,382	$ 2,938,856	$ (592,309)	$ 5,897,893	$ 1,946,161	$ (359,488)	$ 7,156,319	$ 2,657,774

City of Benbrook, Texas **Table 3**

Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Committed	$ 296,192	$ 248,266	$ 225,122	$ 225,122	$ 225,122	$ 225,122	$ 225,122	$ 225,122	$ 225,122	$ 225,122
Assigned	-	-	-	-	-	829,921	1,295,285	1,464,917	770,414	-
Unassigned	8,898,053	9,612,401	9,579,220	8,714,624	8,580,080	9,464,362	9,399,726	8,315,151	7,634,054	7,775,892
Total General Fund	$ 9,194,245	$ 9,860,667	$ 9,804,342	$ 8,939,746	$ 8,805,202	$ 10,519,405	$ 10,920,133	$ 10,005,190	$ 8,629,590	$ 8,001,014
All Other Governmental Funds										
Restricted for										
Debt Service	1,227,839	1,058,901	750,049	445,101	225,304	100,157	75,180	100,915	160,158	345,129
Economic Development	3,394,278	4,468,300	4,900,954	5,616,422	5,601,174	6,031,778	6,579,479	6,301,901	4,685,009	4,739,269
City Promotions	470,642	404,073	362,809	339,049	422,190	422,190	432,933	422,666	428,083	402,562
Capital Projects	2,497,075	3,279,065	2,828,656	7,869,842	7,930,814	9,366,394	6,747,821	7,146,121	6,650,900	5,204,500
Public Safety	353,129	289,670	-	322,519	369,039	579,417	400,029	407,222	368,543	317,106
Committed										
Capital Projects	-	-	-	-	-	-	2,961,472	3,814,998	2,619,709	2,917,549
Unassigned	-	-	-	-	-	-	-	-	(72,431)	(8,363)
Total All Other Governmental Funds	$ 7,942,963	$ 9,500,009	$ 8,842,468	$ 14,592,933	$ 14,548,521	$ 16,499,936	$ 17,196,914	$ 18,193,823	$ 14,839,971	$ 13,917,752
Total Governmental Funds	$ 17,137,208	$ 19,360,676	$ 18,646,810	$ 23,532,679	$ 23,353,723	$ 27,019,341	$ 28,117,047	$ 28,199,013	$ 23,469,561	$ 21,918,766



City of Benbrook, Texas — Table 4

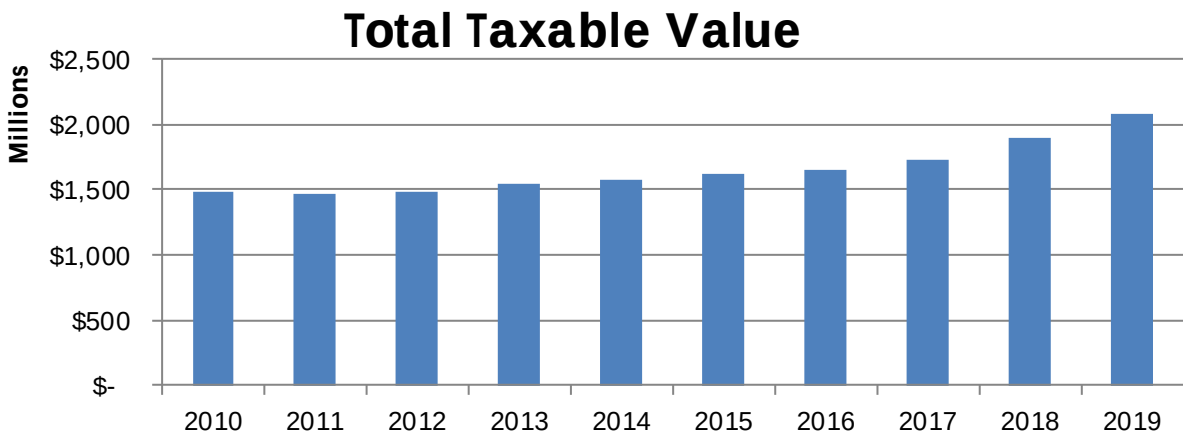
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Unaudited)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes										
Property	$ 9,718,302	$10,336,036	$ 9,759,726	$10,165,031	$10,302,584	$ 10,577,267	$10,775,137	$ 11,141,571	$ 11,820,512	$ 12,722,537
Franchise	1,319,418	1,429,024	1,503,002	1,535,138	1,648,597	1,675,780	1,683,199	1,569,122	1,436,791	1,580,981
Sales & Other	2,752,740	3,595,387	3,596,241	3,885,932	3,591,800	3,556,317	3,398,140	3,606,051	3,848,345	4,522,624
Licenses, permits & filing fees	417,846	286,802	307,408	273,945	316,355	480,192	613,949	636,484	445,618	703,353
Fines & forfeitures	569,942	539,558	692,134	726,416	737,564	850,128	849,464	868,006	754,339	699,366
Use of money & property	745,198	616,735	325,123	422,238	387,324	296,477	202,169	324,791	353,575	677,668
Proceeds of direct financing lease	216,736	216,736	216,736	216,736	181,067	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-	-	-	36,757
Charges for services	1,653,898	1,627,298	2,587,945	2,851,173	2,987,124	3,335,900	3,170,890	3,180,229	3,353,286	3,389,850
Proceeds for sale of assets	-	253,414	-	-	286,550	999,472	-	-	-	901,215
Other revenues	1,423,107	754,512	1,054,488	519,811	616,282	977,336	649,724	615,544	522,750	645,084
Total revenue	18,817,187	19,655,502	20,042,803	20,596,420	21,055,247	22,748,869	21,342,672	21,941,798	22,535,216	25,879,435
Expenditures										
Current										
General government	1,503,778	1,754,020	1,568,134	1,811,138	1,942,429	1,800,992	1,814,956	1,935,773	1,985,015	2,181,124
Staff services	630,154	722,288	901,844	883,219	922,443	937,917	918,376	1,016,834	1,016,521	1,200,744
Public safety	7,300,123	8,011,591	8,131,574	8,176,121	8,104,906	8,306,038	9,025,481	9,710,428	10,148,264	10,328,881
Public services	2,531,803	2,590,163	2,569,047	2,666,130	2,588,207	2,663,028	2,900,514	3,049,832	3,109,217	3,521,576
Community development	1,107,774	1,244,803	2,701,481	1,484,970	2,620,969	1,372,125	1,442,277	1,989,999	1,642,185	1,897,270
Economic development	1,024,493	405,754	760,978	650,953	503,408	610,675	578,215	577,687	446,985	591,355
Debt Service										
Principal	961,049	866,107	927,627	1,084,612	3,756,885	1,225,000	1,260,000	1,310,000	1,340,000	1,390,000
Interest & other fees	698,220	650,152	561,306	550,056	418,834	307,001	235,108	207,725	179,300	150,100
Debt issuance cost	-	55,505	30,000	-	46,226	-	-	-	-	-
Capital outlay	2,019,914	455,757	1,696,106	3,158,977	4,081,122	1,860,475	2,070,039	2,061,554	7,397,181	6,169,180
Total expenditures	17,777,308	16,756,140	19,848,097	20,466,176	24,985,429	19,083,251	20,244,966	21,859,832	27,264,668	27,430,230
Excess (deficiency) of revenues over expenditures	1,039,879	2,899,362	194,706	130,244	(3,930,182)	3,665,618	1,097,706	81,966	(4,729,452)	(1,550,795)
Other financing sources (uses)										
Issuance of debt	-	-	-	-	1,175,000	-	-	-	-	-
Issuance of refunding	-	2,755,000	1,280,000	-	2,635,000	-	-	-	-	-
Payments to escrow agent	-	(2,699,495)	-	-	(58,774)	-	-	-	-	-
Transfers-In	1,344,709	1,500,583	2,450,308	3,474,870	2,660,316	1,385,106	1,860,504	2,442,754	3,170,467	3,159,776
Transfers-out	(1,344,709)	(1,500,583)	(2,450,308)	(3,474,870)	(2,660,316)	(1,385,106)	(1,860,504)	(2,442,754)	(3,170,467)	(3,159,776)
Total other financing sources (uses)	-	55,505	1,280,000	-	3,751,226	-	-	-	-	-
Net change in fund balance	1,039,879	2,954,867	1,474,706	130,244	(178,956)	3,665,618	1,097,706	81,966	(4,729,452)	(1,550,795)
Fund balance – beginning	17,932,983	18,972,862	21,927,729	23,402,435	23,532,679	23,353,723	27,019,341	28,117,047	28,199,013	23,469,561
Fund balance – ending	$18,972,862	$21,927,729	$23,402,435	$23,532,679	$23,353,723	$ 27,019,341	$28,117,047	$ 28,199,013	$ 23,469,561	$ 21,918,766
Debt service as a percent of noncapital expenditures	10.53%	9.64%	8.37%	9.45%	20.20%	8.90%	8.23%	7.67%	7.65%	7.24%

City of Benbrook, Texas **Table 5**

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

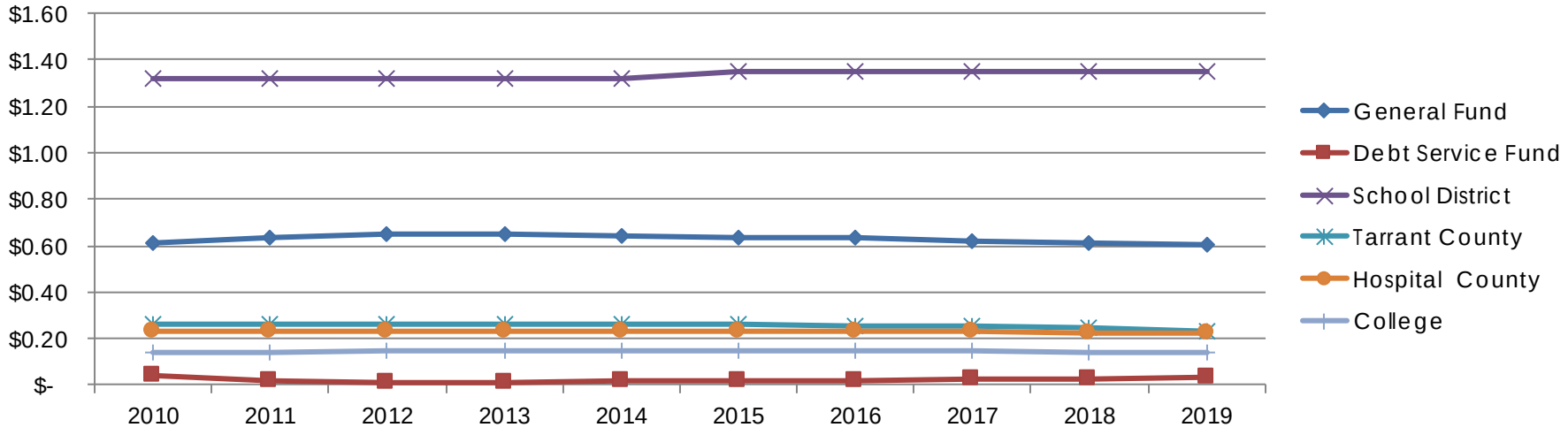
Fiscal Year Ended	Estimated Market Value: Real Property	Estimated Market Value: Personal Property	Less Tax-Exempt Property	Total Taxable Value	Total Direct Tax Rate
2010	$ 1,470,752,176	$ 188,524,973	$ 178,309,881	$ 1,480,967,268	$ 0.6575
2011	1,430,861,362	216,248,075	178,304,105	1,468,805,332	0.6575
2012	1,445,176,355	216,061,202	176,678,326	1,484,559,231	0.6575
2013	1,470,898,772	261,120,194	180,578,931	1,551,440,035	0.6575
2014	1,500,773,950	265,059,132	183,991,663	1,581,841,419	0.6575
2015	1,535,449,044	272,897,194	184,775,845	1,623,570,393	0.6575
2016	1,583,630,760	253,047,573	183,611,094	1,653,067,239	0.6575
2017	1,816,545,757	173,863,277	256,534,440	1,733,874,594	0.6500
2018	2,029,862,710	148,380,724	283,258,247	1,894,985,187	0.6400
2019	2,219,370,953	147,582,688	287,334,504	2,079,619,137	0.6400



City of Benbrook, Texas **Table 6**

Direct and Overlapping Property Tax Rates
(Per $100 of Assessed Value)
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	City of Benbrook			Overlapping Rates				
	General Fund	Debt Service Fund	City Total	Fort Worth School District	Tarrant County	Hospital County	College	Totals
2010	$ 0.615165	$ 0.042335	$ 0.657500	$ 1.322000	$ 0.264000	$ 0.227897	$ 0.137670	$ 2.609067
2011	0.636964	0.020536	0.657500	1.322000	0.264000	0.227897	0.137640	2.609037
2012	0.647500	0.010000	0.657500	1.322000	0.264000	0.227897	0.148970	2.620367
2013	0.647500	0.010000	0.657500	1.322000	0.264000	0.227897	0.148970	2.620367
2014	0.642500	0.015000	0.657500	1.322000	0.264000	0.227897	0.149500	2.620897
2015	0.637500	0.020000	0.657500	1.352000	0.264000	0.227897	0.149500	2.650897
2016	0.637500	0.020000	0.657500	1.352000	0.254000	0.227897	0.144730	2.636127
2017	0.622500	0.027500	0.650000	1.352000	0.254000	0.227897	0.144730	2.628627
2018	0.612500	0.027500	0.640000	1.352000	0.244000	0.224429	0.140060	2.600489
2019	0.607500	0.032500	0.640000	1.352000	0.234000	0.224429	0.136070	2.586499



City of Benbrook, Texas **Table 7**

Principal Property Tax Payers
Current Year and Ten Years Ago
(Unaudited)

2019 (1)			2010 (1)		
Individual Accounts Taxpayer	Total Taxable Amount	Percent of Total Taxable Amount	Individual Accounts Taxpayer	Total Taxable Amount	Percent of Total Taxable Amount
SW Highland LLC	$ 46,391,600	2.23%	Percision Energy Services	$ 90,304,669	6.10%
WW 8889 Cook Ranch Road LP	31,370,000	1.51%	SW Highland LLC	20,758,952	1.40%
BW Heights LLC	28,600,000	1.38%	Cordiel Victorian Quarters	18,933,077	1.28%
5700 Bellaire LLC	26,575,000	1.28%	Oncor Utilities	15,469,311	1.04%
3Mind Copper Crossing LLC ETAL	25,500,000	1.23%	Computalog Wireline Service	10,999,735	0.74%
TCG Cross Creek Ranch Holdings LLC ETAL	24,300,000	1.17%	Eastwood Ranch	10,250,000	0.69%
Intercapital Greenwood LLC	18,733,914	0.90%	MB Copper Crossing LP	9,881,101	0.67%
Oncor Electric Delivery Co LLC	17,079,011	0.82%	M&L Fort Worth Partners LTD	8,500,000	0.57%
Gardner Denver Petroleum Pumps LLC	15,213,943	0.73%	Centruy Johnson Partners LP	8,088,272	0.55%
Wal-Mart Stores/Real Estate Business Trust	14,850,495	0.71%	RP Partners	7,439,040	0.50%
	$ 248,613,963	11.96%		$ 200,624,157	13.54%

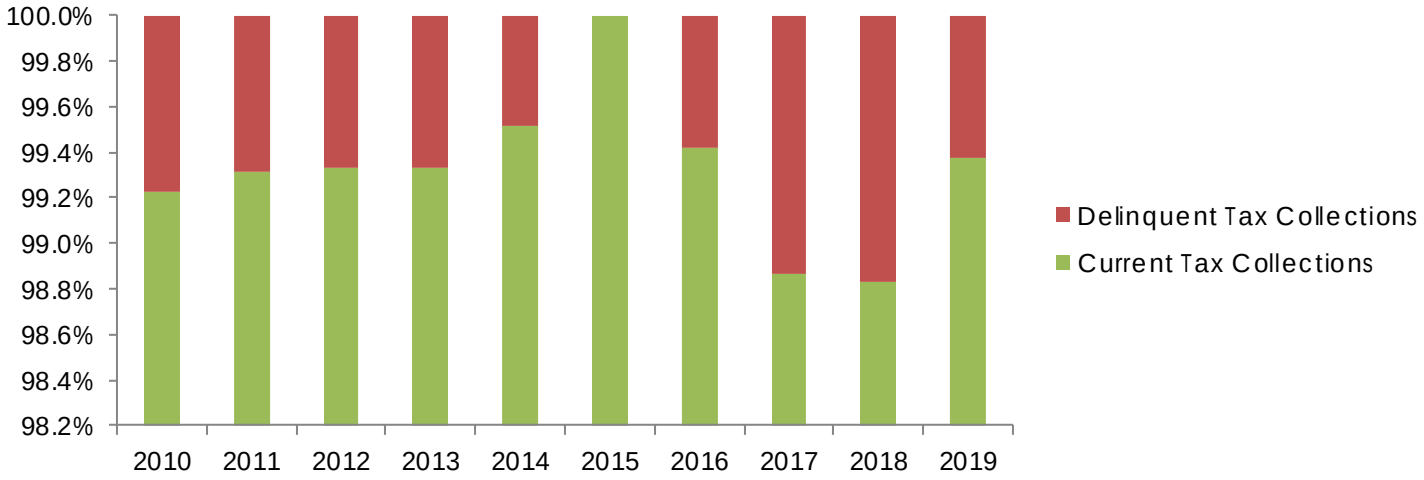
(1) All information provided by the Tarrant Appraisal District at http://www.tad.org/data/rates

City of Benbrook, Texas **Table 8**

Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Delinquent Tax Outstanding	Percent of Delinquent Tax To Tax Levy
2010	$ 9,737,360	$ 9,577,733	98.36%	$ 75,047	$ 9,652,780	99.13%	$ 214,557	2.20%
2011	9,605,837	9,540,029	99.31%	66,198	9,606,227	100.00%	217,437	2.26%
2012	9,760,976	9,638,240	98.74%	64,599	9,702,839	99.40%	204,932	2.10%
2013	10,200,718	10,039,826	98.42%	67,327	10,107,153	99.08%	249,921	2.45%
2014	10,336,584	10,214,680	98.82%	49,501	10,264,181	99.30%	283,619	2.74%
2015	10,687,525	10,598,100	99.16%	-	10,598,100	99.16%	244,365	2.29%
2016	10,751,674	10,650,522	99.06%	62,710	10,713,232	99.64%	355,525	3.31%
2017	11,286,321	10,909,418	96.66%	125,401	11,034,819	97.77%	226,899	2.01%
2018	12,207,960	11,642,272	95.37%	137,600	11,779,872	96.49%	302,095	2.47%
2019	12,706,094	12,594,291	99.12%	79,428	12,673,719	99.75%	339,185	2.67%

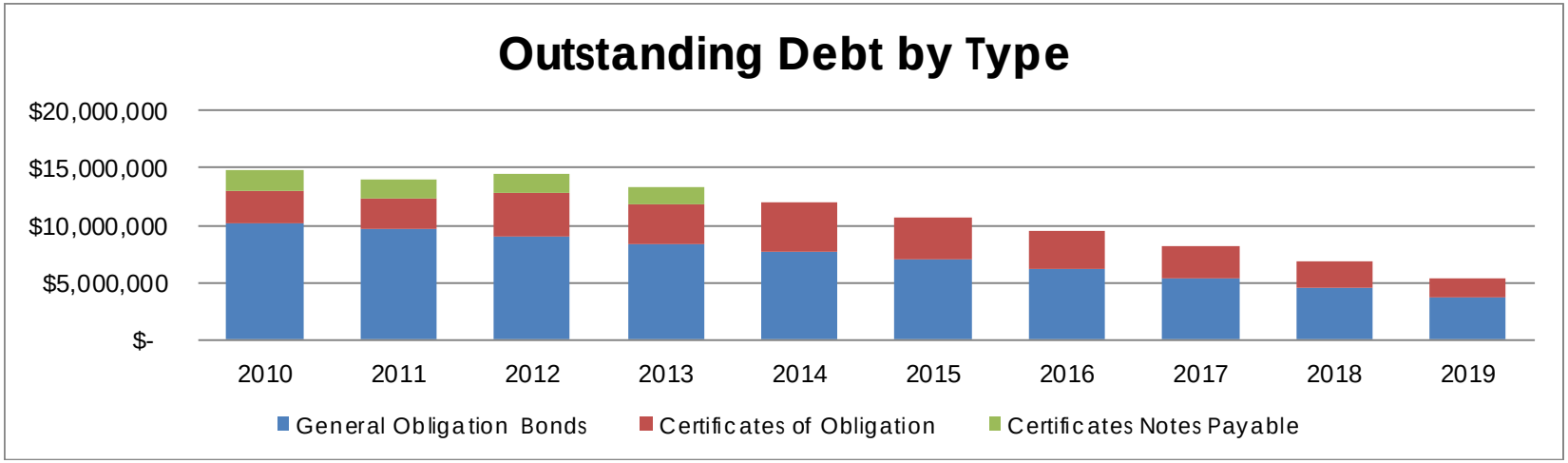
Source: City Budget



City of Benbrook, Texas **Table 9**

Ratio of Outstanding Debt By Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Governmental Activities: General Obligation Bonds	Certificates of Obligation	Notes Payable	Capital Leases	Percentage of Actual Taxable Value of Property	Percentage of Personal Income
2010	$ 10,175,000	$ 2,780,000	$ 1,842,807	$ -	1.10%	1.62%
2011	9,700,000	2,600,000	1,758,928	-	0.96%	1.46%
2012	9,055,000	3,695,000	1,661,301	-	0.97%	1.37%
2013	8,380,000	3,390,000	1,556,688	-	0.86%	1.20%
2014	7,700,000	4,245,000	-	-	0.77%	1.00%
2015	6,945,000	3,775,000	-	-	0.69%	0.89%
2016	6,165,000	3,295,000	-	-	0.61%	0.79%
2017	5,350,000	2,795,000	-	-	0.52%	0.68%
2018	4,515,000	2,290,000	-	-	0.36%	0.57%
2019	3,645,000	1,770,000	-	-	0.26%	0.32%



City of Benbrook, Texas **Table 10**

Direct and Overlapping Governmental Activities – Debt
September 30, 2019
(Unaudited)

Jurisdiction	Debt Outstanding	Applicable to the City of Benbrook (b)	Estimated Share of Overlapping Debt
Fort Worth Independent School District (a)	$ 901,160,000	5.52%	$ 49,744,032
Tarrant County	266,375,000	1.19%	3,169,863
Tarrant County Hospital District	17,735,000	1.19%	211,047
Tarrant County College District (b)	-	1.19%	-
Overlapping Debt	1,185,270,000		53,124,941
City Direct Debt	5,420,000	100.00%	5,420,000
Direct & Overlapping Bonded Debt	$ 1,190,690,000		$ 58,544,941
Ratio of Overlapping Bonded Debt to Taxable Assessed Valuation		2.60%	
Per Capita Overlapping Bonded Debt		$ 2,572.27	

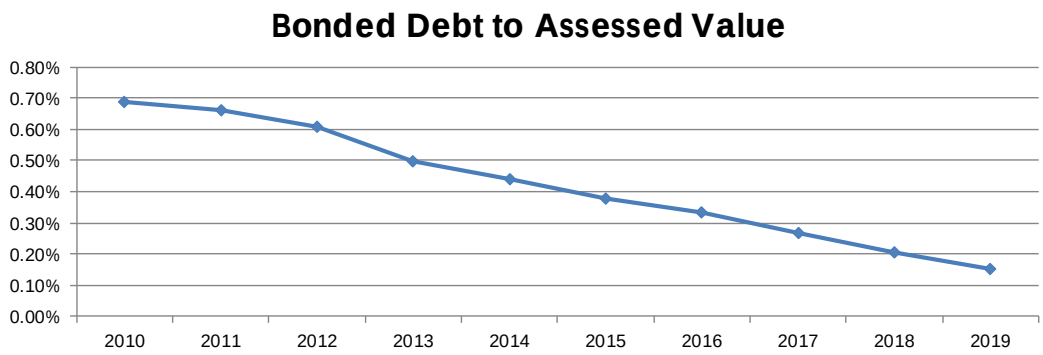
(a) Outstanding debt information found via https://comptroller.texas.gov/transparency/local/debt/.

(b) Benbrook population as reported by http://www.texassitesearch.com/demographics.html.

City of Benbrook, Texas **Table 11**

Ratio of Net General Bonded Debt to Assessed Value
And Net Bonded Debt Per Capita
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Estimated Population	Assessed Value	General Bonded Debt (1)	Bonded Debt to Assessed Value	Bonded Debt per Capita (2)(3)
2010	21,234	$ 1,480,967,268	$ 10,175,000	0.69%	479
2011	21,270	1,468,804,732	9,700,000	0.66%	456
2012	21,360	1,484,559,051	9,055,000	0.61%	424
2013	21,530	1,551,440,035	7,700,000	0.50%	358
2014	21,850	1,582,702,196	6,945,000	0.44%	318
2015	22,419	1,623,570,393	6,165,000	0.38%	275
2016	22,500	1,859,799,611	6,165,000	0.33%	274
2017	22,260	1,998,945,298	5,350,000	0.27%	240
2018	23,490	2,188,261,077	4,515,000	0.21%	192
2019	22,760	2,377,391,093	3,645,000	0.15%	160



(1) Bonded debt includes only General Obligation bonded debt for each agency listed
(2) Percentage based on Benbrook's share of the county population and the share of the FWISD enrollment
(3) Personal Income is from the BEA and is for the State of Texas

NOTE: As a home rules city, the City of Benbrook is not limited on the amount of debt it may issue. The City Charter does not set a limit on the amount of property tax the City may levy.

City of Benbrook, Texas **Table 12**

Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

Fiscal Year Ended	Estimated Population	Per Capita Income (1)	School Enrollment (2)	Unemployment Rate (3)
2010	21,234	$ 40,485	4,430	8.00%
2011	21,270	41,462	4,502	8.10%
2012	21,360	44,628	4,423	6.10%
2013	21,530	46,136	4,476	5.90%
2014	22,419	46,989	4,857	5.90%
2015	22,500	49,506	4,857	3.90%
2016	22,500	51,099	4,857	3.70%
2017	22,260	65,568	4,857	3.20%
2018	23,490	69,803	4,485	3.40%
2019	22,760	75,527	4,683	3.10%

(1) Per Capita Income provided by Benbrook Economic Development Corporation from ESRI.

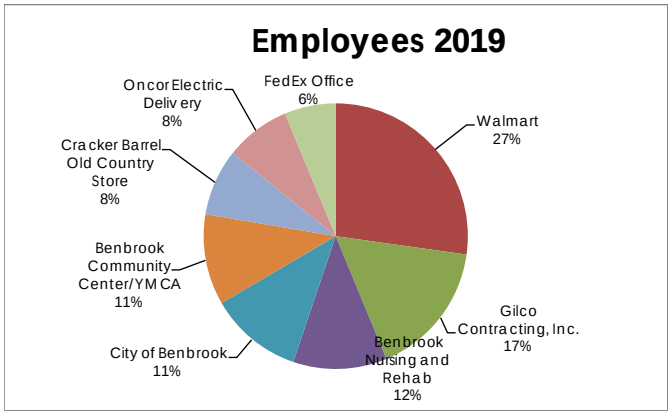
(2) School enrollment provided by Benbrook Economic Development Corporation from ESRI.

(3) Unemployment rate as of September 2019 as reported by the US Bureau of Labor Statistics for the DFW area data extracted on 1/22/2020.

City of Benbrook, Texas **Table 13**

Principal Employers
September 30, 2019
(Unaudited)

2019			2010		
Employer	Employees (1)	Percent of Total City Employment (2)	Employer	Employees	Percent of Total City Employment
Walmart	308	4.90%	Weatherford	176	3.82%
Gilco Contracting, Inc.	187	2.97%	Fort Worth School District	130	2.82%
Benbrook Nursing and Rehab	130	2.07%	City of Benbrook	111	2.41%
City of Benbrook	129	2.05%	Renaissance Park	110	2.39%
Benbrook Community Center/YMCA	125	1.99%	Benbrook Community Center/YMCA	105	2.28%
Cracker Barrel Old Country Store	92	1.46%	Benbrook Nursing & Rehabilitation	100	2.17%
Oncor Electric Delivery	90	1.43%	Cracker Barrel Old Country Store	100	2.17%
FedEx Office	71	1.13%	Oncor Electric Delivery	97	2.10%
Total	1,132	18.00%		929	20.16%



(1) Top 8 employers from "Benbrook in Brief 2015" provided by EDC
(2) Total city employment provided by http://www.texassitesresearch.com/demographics.html

City of Benbrook, Texas **Table 14**

Local Employment Information
September 30, 2019
(Unaudited)

Fiscal Year Ended	Ag	Construction Manufacturing	Transportation & Storage	Wholesale	Retail	Services & Information	Finance, Insurance, Real Estate	Oil/Gas & Utilities	Public Adm	Totals
Number of Establishments										
2010	1	30	25	6	19	72	282	61	7	3	506
2011	-	24	13	4	15	67	241	60	6	3	433
2012	1	27	38	7	15	72	286	67	6	4	523
2013	1	32	17	7	16	78	315	67	9	4	546
2014	1	33	16	7	16	87	334	71	10	4	579
2015	1	35	16	8	19	96	349	72	11	5	612
2016	2	63	14	16	22	97	321	128	8	7	678
2017	2	63	14	16	22	97	321	128	8	7	678
2018	2	65	14	12	18	117	346	129	5	5	713
2019	6	68	14	14	17	121	453	112	6	12	823
Employment Levels										
2010	2	144	548	45	204	508	2,681	363	283	155	4,933
2011	-	188	501	39	118	497	3,128	354	119	159	5,103
2012	3	200	509	50	145	420	3,359	362	120	163	5,331
2013	3	229	505	41	146	412	3,491	349	419	163	5,758
2014	3	231	475	41	150	763	3,264	348	339	163	5,777
2015	3	341	475	42	154	782	3,427	373	341	195	6,133
2016	5	340	213	201	257	1,367	2,794	384	221	214	5,996
2017	5	340	213	201	257	1,367	2,794	384	221	214	5,996
2018	2	463	191	204	287	1,188	2,849	402	204	239	6,029
2019	11	439	127	104	263	849	3,203	437	285	568	6,286

Note: Information provided by http://www.texassitesearch.com/demographics.html.

City of Benbrook, Texas **Table 15**

Full-Time Equivalent City Government Employees By Function/Program
Last Ten Fiscal Years
(Unaudited)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Function/Program										
General Government										
City Manager	2	2	2	2	2	2	2	2	2	2
City Secretary	3	3	3	3	3	3	3	3	3	3
Staff Services										
Finance	2	2	2	2	3	3	3	3	3	3
Information Services	1	1	1	1	1	1	1	1	3	2
Budget & Research	1	1	1	1	-	-	-			-
Public Safety										
Police	52	52	52	52	52	52	53	58	62	55
Fire	16	16	16	16	16	19	24	28	40	31
Municipal Court	2	2	2	2	2	2	2	2	2	2
Code Compliance	1	1	1	1	1	1	1	1	1	1
Public Services										
Public Services	1	1	1	1	1	1	1	1	1	1
Public Works	8	8	8	8	8	8	8	8	8	8
Parks & Recreation	8	8	8	8	8	8	8	8	8	8
Support Services	4	4	4	4	4	4	4	4	4	4
City Engineering	2	2	2	2	2	2	2	2	2	2
Community Development										
Administration	1	1	1	1	1	1	1	1	1	1
Planning Services	2	2	2	2	2	2	2	2	2	2
City Inspection	3	3	3	3	3	3	3	3	3	3
Total	109	109	109	109	109	112	118	127	145	128

Source: City of Benbrook Budget

City of Benbrook, Texas **Table 16**

Operating Indicators By Function/Program
Last Ten Fiscal Years
(Unaudited)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Licensed Officers	42	43	43	43	43	42	42	45	42	40
Police Reservist	3	3	3	3	3	2	2	2	2	2
Emergency Warning Sirens	6	6	6	6	6	6	6	6	7	7
Fire (1)										
Stations	1	1	1	1	1	1	1	1	1	1
Firefighters	36	38	38	38	38	38	24	27	27	30
Paramedics/EMT's	39	37	37	37	37	38	24	27	27	30
City Fire Support Unit Staff	21	21	21	21	17	13	6	6	3	3
Emergency Vehicles	20	16	16	16	16	16	16	16	18	18
Public Works										
Miles of Street	107	107	107	107	107	107	107	107	107	108
Number of Street Lights	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,213	1,299
Parks & Recreation										
Parks	5	5	6	6	6	6	6	7	7	7
Acreage	272	272	272	272	272	272	272	272	272	272
Playgrounds	2	2	2	2	2	2	2	3	5	5
Recreation Centers	1	1	1	1	1	1	1	1	1	1
Senior Centers	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	8	8	8	8	8	6
Golf Courses	2	2	2	2	2	2	2	2	2	2
Lake	1	1	1	1	1	1	1	1	1	1

Source: City Budget

Benbrook

TEXAS

Our Pride. Your Joy.

City of Benbrook

CITY COUNCIL COMMUNICATION

DATE:	REFERENCE NUMBER:	SUBJECT:	PAGE:
03/19/2020	G-2460	Adopt Resolution to Participate in Tarrant County's 2020 HOME Program	1 of 1

The Department of Housing and Urban Development (HUD) appropriates funds to entitlement communities through the HOME Investment Partnership Block Grant (HOME) program. Tarrant County receives and administers the HOME funds on behalf of participating cities. The funds are targeted to benefit low-to-moderate income persons by providing rehabilitation for homeowner occupied, single-family dwellings. The rehabilitation program is managed by the Tarrant County Community Development (TCCD) office and individual residents work directly with TCCD.

HUD requires communities to provide a 30% match for all HOME expenditures. Benbrook is required to submit a letter and City Council resolution affirming the match as part of the application. The maximum amount that can be spent on one house is $ 24,000 and Benbrook's match is 7,200.

FINANCING

Benbrook is requesting HOME funding of $50,000 with a City match of $15,000. The City match was approved in the FY 2019/20 budget.

RECOMMENDATION

Staff recommends the City Council adopt the resolution to participate in Tarrant County's 2020 HOME program.

SUBMITTED BY:	DISPOSITION BY COUNCIL: ☐ APPROVED ☐ OTHER (DESCRIBE)	PROCESSED BY: CITY SECRETARY
CITY MANAGER		DATE:

RESOLUTION NO. 2020-03

A RESOLUTION AUTHORIZING PARTICIPATION IN TARRANT COUNTY'S HOME INVESTMENT PARTNERSHIPS PROGRAM; AND AGREEING TO MEET ALL MATCH CONTRIBUTION REQUIREMENTS FOR THE EXPENDITURES UNDER THE TARRANT COUNTY HOME INVESTMENT PARTNERSHIPS PROGRAM FOR PROGRAM YEAR 2020.

WHEREAS, the HOME Program was created by the National Affordable Housing Act of 1990 (NAHA) and is intended to provide decent affordable housing to lower-income households; expand the capacity of nonprofit housing providers; strengthen the ability of state and local government to provide housing, and; leverage private-sector participation; and

WHEREAS, Tarrant County is a Participating Jurisdiction under the HOME Investment Partnerships Program in accordance with § 92.105; and

WHEREAS, the City of Benbrook is a member of the Tarrant County Urban County Community Development/HOME Consortium and is eligible to participate in the HOME program; and

WHEREAS, the City of Benbrook has requested $50,000 in HOME funding to be expended on HOME eligible activities within the City's jurisdiction and has agreed to provide a 30% matching contribution for all HOME funds expended within the City of Benbrook, in accordance with §92.218; §92.219; and §92.220.

NOW, THEREFORE, BE IT RESOLVED THAT WE, THE CITY COUNCIL OF THE CITY OF BENBROOK, TEXAS:

I.

That the City is authorized to participate in Tarrant County's Home Investment Partnerships Program to assist low-income families make improvements to their homes.

II.

The City agrees to commit $15,000 in matching contribution to affordable housing for all activities undertaken in our city through the HOME program.

PRESENTED AND PASSED on this 19th day of March 2020, at a regular meeting of the City Council of the City of Benbrook, Texas.

_____
Jerry B. Dittrich, Mayor

ATTEST:

_____
Joanna King, City Secretary