



**Comprehensive Annual
Financial Report**
October 1, 2008 - September 30, 2009
CITY OF BENBROOK, TEXAS

PRESENTED TO

MAYOR

Jerry B. Dittrich

COUNCILMEMBERS

Charlie Anderson

Keith Bailey

Rickie Allison

Jim Wilson

Mark Washburn

Ron Sauma

CITY MANAGER

Andy Wayman

PREPARED BY

David L. Ragsdale, Finance Director

AUDITED BY

Weaver and Tidwell, L.L.P.

City of Benbrook, Texas
Comprehensive Annual Financial Report

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INTRODUCTORY SECTION



March 31, 2010

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, 2009. The purpose of this report is to provide the City Council, management, staff, public and other interested parties with detailed information reflecting the City's financial condition. 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 disclosure necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

THE REPORT

The report is presented in three sections: Introductory, Financial and Statistical. The Introductory section includes this transmittal letter, a listing of City Officials, an organizational chart, and the prior years GFOA Certificate for Financial Achievement. The Financial section includes a Management Discussion and Analysis (MD&A), basic financial statements, the opinion of the independent auditor, and supplementary information. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. 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.

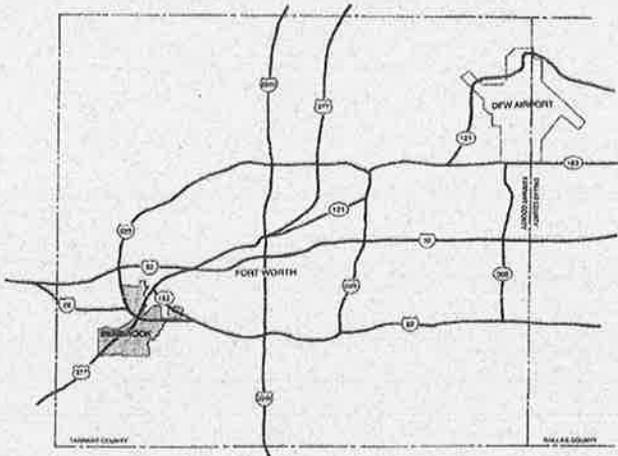
CITY PROFILE

Location

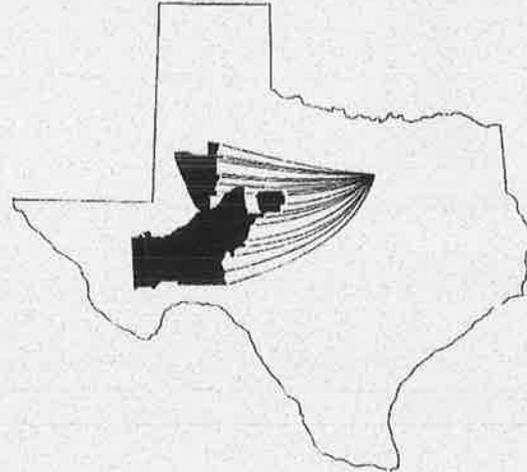
The City of Benbrook is located in Tarrant County, in the north central portion of the State of Texas. The City of Benbrook is located on the southwest side of the City of Fort Worth and is only thirty minutes from Dallas. The City covers approximately thirteen square miles. The 2000 Census set the population at 20,268, and the current estimate is 23,900.

The City was incorporated in 1947 and is operated under a charter adopted January 17, 1997. 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 commission. The City Manager is responsible to the City Council and appoints and supervises the employees that prepare and administers the annual budget and capital improvements program.

Benbrook's location in the Tarrant County



Benbrook's location in the State



Services Provided

The City provides a full range of municipal services including general government, 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 and account groups 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 GASB. Based on these criteria, all municipal services listed are included in the City's 2008-2009 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 the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability 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 accounting 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.

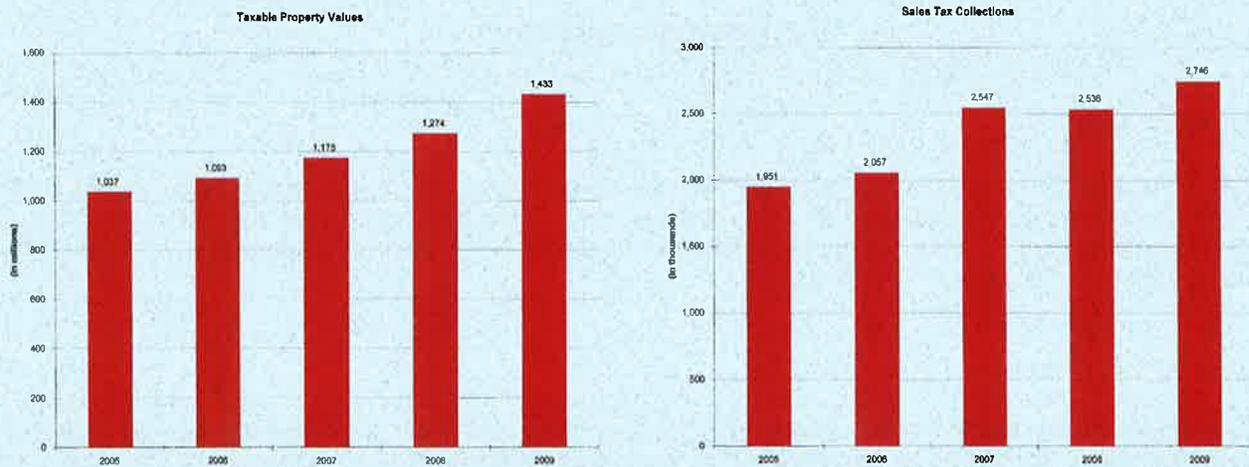
Budgetary control has been established at the individual fund level. Financial reports are produced showing budget and actual expenditures by line item, and distributed monthly to City department and division managers. A financial summary is prepared for City Council to approve each month, with detail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

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 item by item. Revenue budgets are reviewed monthly.

ECONOMIC OUTLOOK AND FINANCIAL CONDITION

Summary of Local Economy

Although the national economy has slowed considerably, the State of Texas and particularly the Dallas/Fort Worth Metroplex have seen less of an impact. The City of Benbrook is located in southwest Tarrant County, where we continue to see growth in the local economy. The City's tax base has grown an average of 8.78% annually for the past five years. We expect this growth trend to slow over the next few years. Commercial growth has remained steady while residential construction has significantly increased for the last several years. While most area cities sales tax collection has declined over the last five years, Benbrook's sales tax has increased four out of the last five years, with a 7.81% increase last year.



Economic Prospects for the Future

The City currently has twelve residential subdivisions with construction activity. These subdivisions could add another 325 houses during the next year. Several more subdivisions are at some stage of development and could add even more residential units. The City also has several commercial developments in the planning stages that could add significant value to the tax roll.

A large commercial project is very close to beginning construction at this time. This project could have a substantial impact on the City. The City created a TIF to encourage commercial development. The EDC sold most of the 80 acres they had reserved for commercial development. We expect one large development to come online next year.

As seen in the chart, Sales Tax collections have increased four out of the last five years. The City had a .43% decrease last year but bounced back with a 7.81% increase in 2008-09. We expected sales tax collections to be flat in 2009-10.

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 its investment policy in 1998. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral was held by either the City, its agent, or a financial institution's trust department in the City's name. 100% of the deposits and investments held by the City during the year and at September 30, 2009, 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 or in certificates of deposit.

The City has maintained all excess funds in TexPool, TexSTAR, or in interest bearing checking accounts (where permissible) with the City's depository.

Risk Management

The City partially self-insures for worker's compensation. Due to the size of the City, Council has chosen to purchase stop-loss policies. The maximum loss in any one-year period is \$500,000. In order to minimize this risk, City Council set up a reserve for Worker's Compensation. At year-end the reserve balance was \$280,285. All other forms of risk are insured.

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 auditor firm of Weaver and Tidwell, L.L.P. 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, 2008. This was the twenty-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, 2008. This award marked the twenty-first time the City has received this award. In order 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,

A handwritten signature in cursive script that reads "David L. Ragsdale". The signature is written in black ink and is positioned below the typed name.

David L. Ragsdale
Finance Director

City of Benbrook, Texas
Principal Officials
September 30, 2009

ELECTED OFFICIALS

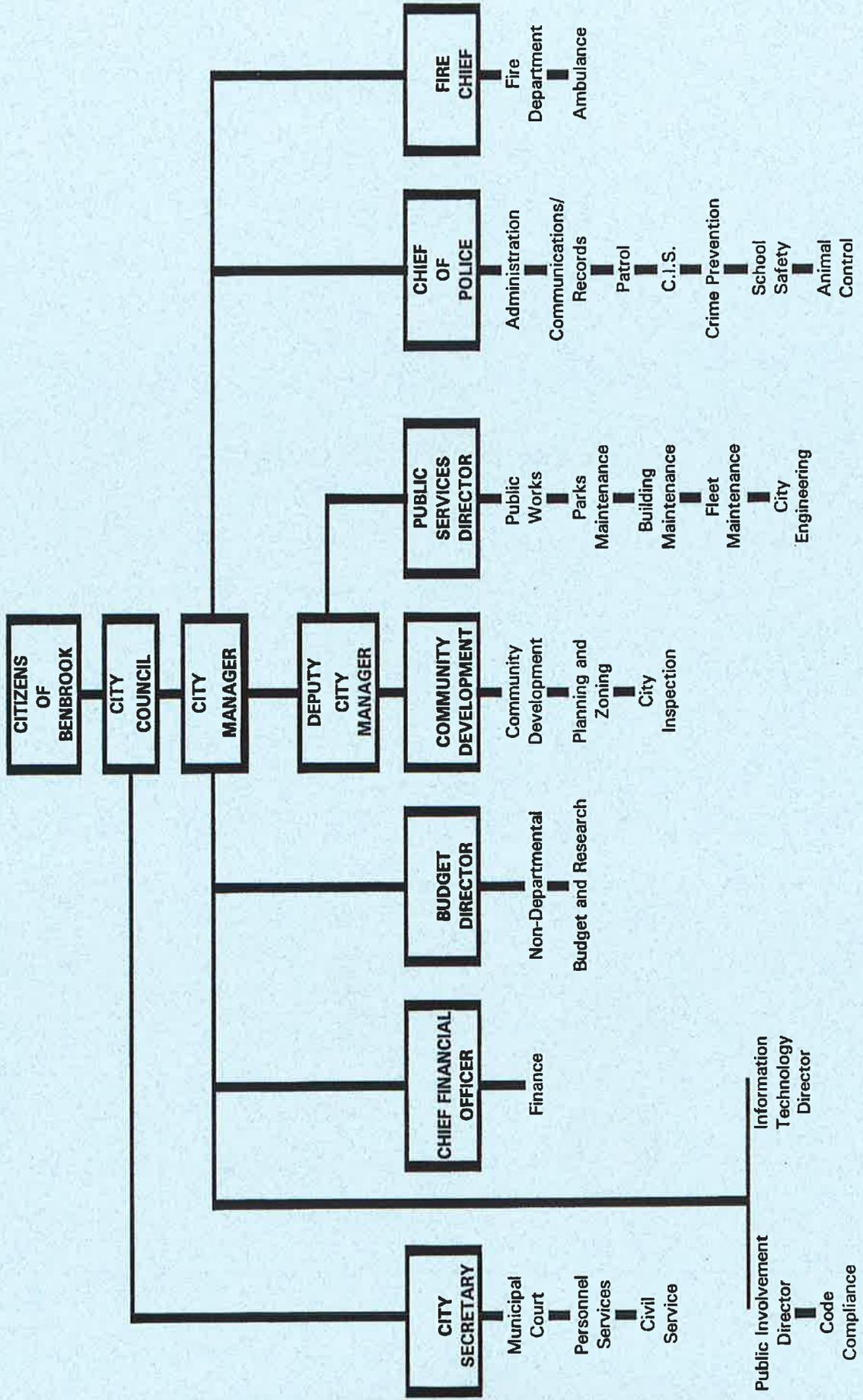
<u>Name of Individuals</u>	<u>Position</u>	<u>Term Expires (May)</u>	<u>Length of Service (in Years)</u>
Jerry B. Dittrich	Mayor Place 1	2011	17
Charlie Anderson	Councilman Place 2	2010	-
Keith W. Bailey	Councilman Place 3	2011	6
Rickie Allison	Mayor Pro Tem Place 4	2010	9
Jim Wilson	Councilman Place 5	2011	-
Mark Washburn	Councilman Place 6	2010	1
Ron Sauma	Councilman Place 7	2011	7

APPOINTED OFFICIALS

Andy Wayman	City Manager	13
James E. Gallagher	City Planner	34
Joanna King	City Secretary	35
David L. Ragsdale	Finance Director	32
David R. Gattis	Deputy City Manager	21
Sherri Newhouse	Budget Director	20
James G. Mills	Police Chief	16
Tommy Davis	Fire Chief	15
Ron Rainey	EDC Director	13
Phyllis Wolfe	Information Technology Director	5
Cathy Morris	Public Involvement Director	3
Walter Shumac	Public Services Director	2
Robert Rowley	City Engineer	2

CITY OF BENBROOK, TEXAS

Organizational Chart



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, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

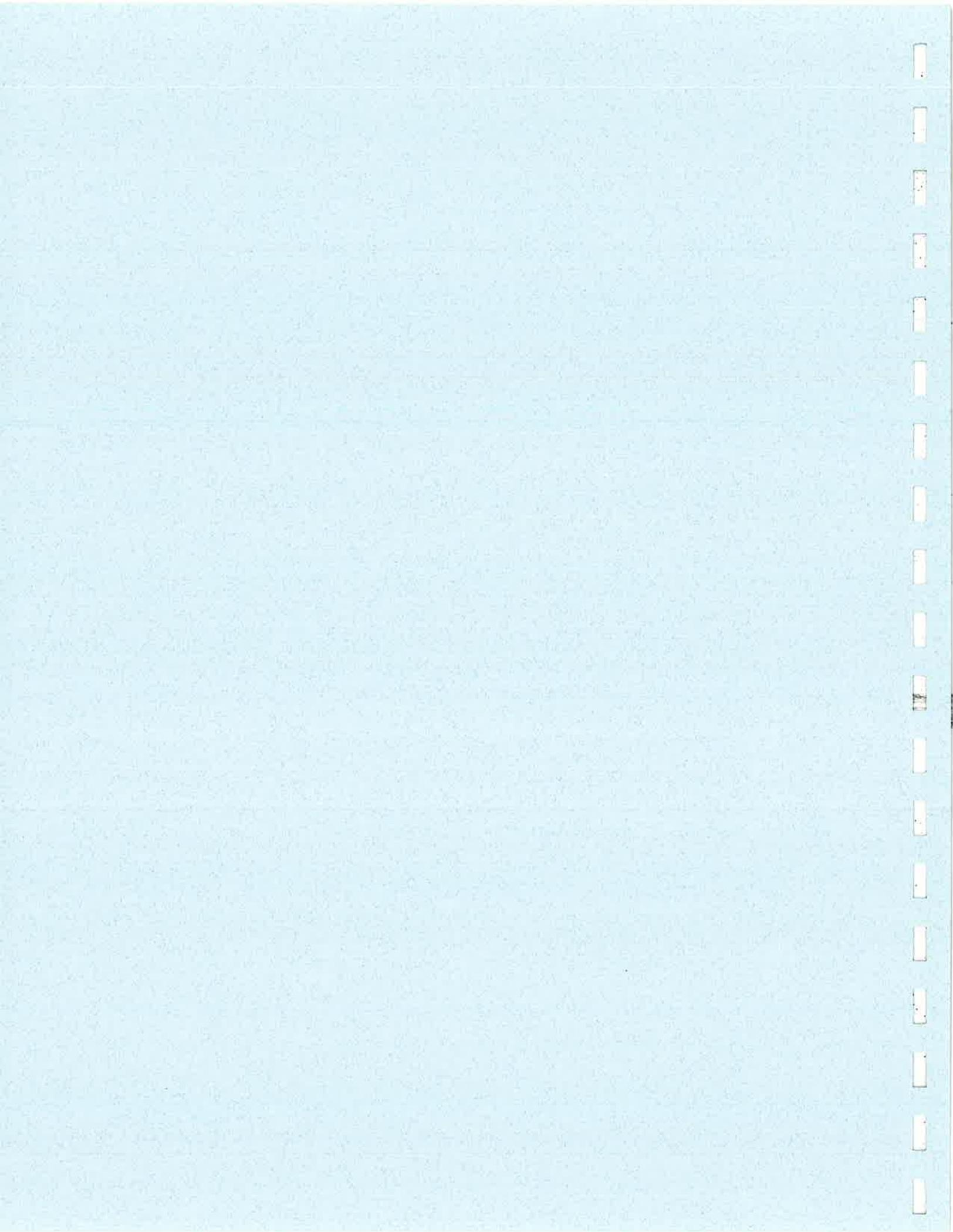


President

Executive Director



FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor,
City Council, and City Manager
City of Benbrook, Texas

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, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 of Benbrook, Texas as of September 30, 2009, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and other required supplementary information on pages 3 through 7 and 31 through 33 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Page 2

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 schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
March 30, 2010

**CITY OF BENBROOK, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED SEPTEMBER 30, 2009**
(Unaudited)

As management of the City of Benbrook, we offer the readers of the City's financial statement this narrative overview of the financial activities of the City for the fiscal year ended September 30, 2009. 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 of the City exceeded its liabilities at the close of the most recent fiscal year by \$52,909,388 (net assets). Of this amount, \$9,133,171 (unrestricted net assets) 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.
- The City's total capital assets decreased by \$4,720,121 to \$48,826,084. Almost all of this decrease was due to the sale of property by the Economic Development Corporation.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$17,932,983. Over 55% of this total or \$9,863,510 is unreserved and available for use with the City's designation and policies.
- At the end of the current year, unreserved fund balance for the general fund was \$8,336,815 or 65.29% of total general fund expenditures.
- Long-term debt decreased \$4,245,260 as a result of the EDC loan payoffs and other normal payments.

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 Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the fiscal year. All changes in net assets 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 8 - 9 of this report.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twelve 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 10 – 13.

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 14 - 30.

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 31 – 33.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. As of September 30, 2009 the City of Benbrook’s assets exceeded liabilities by \$52,909,388.

The largest portion of the City’s net assets (68.76%) reflects its investments 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 service to citizens; consequently these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed 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 Assets

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2009</u>
Current and Other Assets	\$16,995,985	\$21,716,540
Capital Assets	<u>53,546,205</u>	<u>48,826,084</u>
Total Assets	70,452,190	70,542,624
Long-term Liabilities	16,468,727	16,021,355
Other Liabilities	<u>5,530,224</u>	<u>1,611,881</u>
Total Liabilities	21,998,951	17,633,236
Net Assets:		
Investment in Capital Assets (net of related debt)	35,121,433	36,378,744
Restricted	4,174,179	7,397,473
Unrestricted	<u>9,247,627</u>	<u>9,133,171</u>
Total Net Assets	\$48,543,239	\$52,909,388

An additional portion of the City’s net assets (13.98%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets may be used to meet the government’s ongoing obligations to citizens and creditors.

As of September 30, 2009, the City is able to report positive balances in all categories of net assets.

Analysis of City Operations – The following table provides a summary of the City's operations for the year ended September 30, 2009. Overall the City had an increase in net assets of \$4,366,149.

City of Benbrook's Changes in Net Assets

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2009</u>
<u>Revenues</u>		
Program Revenues:		
Fees, Fines & Service Charges	\$1,464,435	\$1,329,526
Operating Grants & Contributions	426,790	281,905
Capital Grants & Contributions	10,500	150,393
General Revenues:		
Ad Valorem Taxes	8,893,298	9,709,863
Franchise Taxes	1,382,773	1,371,366
Sales & Other Taxes	2,678,083	2,890,977
Use of Money & Property	738,482	1,357,007
Miscellaneous	<u>1,351,180</u>	<u>1,700,020</u>
Total Revenues	16,945,541	18,791,057
<u>Expenses</u>		
General Government	1,284,710	1,464,082
Staff Services	560,179	643,154
Public Safety	7,060,466	7,270,397
Public Services	3,936,346	3,972,265
Community Development	1,860,807	1,795,642
Interest on Long-term Debt	<u>986,769</u>	<u>801,940</u>
Total Expenditures	15,689,277	15,947,480
Gain on Sale of Land	<u>-</u>	<u>1,522,572</u>
Increase in Net Assets	1,256,264	4,366,149
Net Assets – October 1	<u>47,286,975</u>	<u>48,543,239</u>
Net Assets – September 30	<u>\$48,543,239</u>	<u>\$52,909,388</u>

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, unreserved 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 combined ending fund balances of \$17,932,983.

Revenues – Fees, Fines and Service charges as well as Grant Contributions were all lower due to the economy and the corresponding decrease in building related fees. The lack of building was responsible for no new developer contributions to net assets.

General Fund Highlights – The General Fund balance increased \$1,277,196 to \$8,617,100. Most of this increase resulted from new construction, increased property valuations, and a decrease in the debt portion of the property taxes due to a decrease in debt requirements. All other tax sources were relatively unchanged as compared to property taxes. The City's Department Heads contributed to the increased ending balance by returning \$638,461 (4.76%) of their budgets.

Economic Development - The ending balance changed dramatically (increase of \$2,942,001) due to the sale of property.

Capital Projects – The ending balance decreased \$343,463 as a result of increased TIF payments on the developing TIF land.

CAPITAL ASSETS

The City of Benbrook's investment in capital assets for its governmental activities as of September 30, 2009 amounts to \$48,826,084 (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, improvements, infrastructure and construction in progress.

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

- Sale of EDC land for a decrease of \$4,108,360
- Purchase of new vehicles and equipment of \$501,188
- Construction in Progress of \$3,491,509

Capital Assets at Year End (net of accumulated depreciation)

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2009</u>
Land	\$ 5,301,615	\$1,193,255
ROW	9,821,372	9,821,372
Buildings	7,110,322	7,110,322
Infrastructure	69,800,367	69,800,367
Equipment	4,055,853	4,382,467
Construction in Progress	2,899,446	3,491,509
Accumulated Depreciation	(45,442,770)	(46,973,208)
Total	<u>\$53,546,205</u>	<u>\$48,826,084</u>

Additional information on the City of Benbrook's capital assets can be found in Note 3 on page 20.

DEBT ADMINISTRATION

At the end of the fiscal year, the City had total long term debt of \$15,684,238. Of this amount, \$10,745,000 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 and six notes payable.

Outstanding Debt at Year End Bonds and Notes Payable

	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2009</u>
General Obligations Bonds	\$11,290,000	\$10,745,000
Certificates of Obligation	3,115,000	2,950,000
Notes Payable & Capital Leases	5,997,086	2,063,856
Deferred Loss on Refunding	(81,343)	(74,618)
Total	<u>\$20,320,743</u>	<u>\$15,684,238</u>

During the year, the City's total debt decreased by \$4,636,505. This decrease was due to the following:

- Debt payments of \$710,000
- EDC loan payments of \$3,929,786

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

	<u>Moody's Investor Service</u>	<u>Standard & Poor's</u>
General Obligation Bonds	A2	A plus

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 21 - 23 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

In the 2009-2010 budget, General Fund revenues are budgeted to decrease by 1.50% from the 2008-2009 budget year. Franchise Tax and Sales Taxes are responsible for the decline as a result of continued poor economy. Expenditures are budgeted to increase by 10.31%. Certified assessed valuations increased 3.14% over the preceding year. The City's budget has benefited from an expanding tax base that continues to increase. We expect growth in fiscal 2010 to be flat with normal increases to begin again in 2011.

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



**CITY OF BENBROOK, TEXAS
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2009**

	Primary Government Governmental Activities
ASSETS	
Deposits & Investments	\$ 18,073,026
Receivables (net of allowance for uncollectibles)	
Property Tax	231,413
Sales Tax	194,161
Special Assessments	20,535
Accounts	128,819
Net Investment in Direct Financing Lease (DFL)	2,732,780
Deferred Charges	119,160
Investment in Joint Venture	216,646
Capital Assets	
Land	1,193,255
ROW	9,821,372
Buildings	7,110,322
Infrastructure	69,800,367
Equipment	4,382,467
Construction in progress	3,491,509
Accumulated depreciation	<u>(46,973,208)</u>
Total Assets	\$ 70,542,624
LIABILITIES	
Accounts Payable & Other Accrued Liabilities	\$ 392,643
Accrued Interest Payable	55,938
Deposits	100,954
Noncurrent Liabilities	
Due Within One Year	1,055,621
Due in More Than One Year	<u>16,028,080</u>
Total Liabilities	17,633,236
NET ASSETS	
Invested in Capital Assets (net of related debt)	36,378,744
Restricted for	
Debt Service	1,198,977
Economic Development	6,198,496
Unrestricted	<u>9,133,171</u>
Total Net Assets	\$ 52,909,388

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

**CITY OF BENBROOK, TEXAS
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2009**

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenue & Changes in Net Assets Primary Government
		Fees, Fines & Charges For Services	Operating Grants & Contributions	Capital Grant & Contributions	
Governmental Activities					
General Government	\$ 1,464,082	\$ -	\$ -	\$ -	\$ (1,464,082)
Staff Services	643,154	-	-	-	(643,154)
Public Safety	7,270,397	1,019,741	281,905	150,393	(5,818,358)
Public Services	3,972,265	113,704	-	-	(3,858,561)
Community Development	1,795,642	196,081	-	-	(1,599,561)
Interest on long-term debt	801,940	-	-	-	(801,940)
Total Governmental Activities	\$ 15,947,480	\$ 1,329,526	\$ 281,905	\$ 150,393	\$ (14,185,656)
General Revenues					
Taxes					9,709,863
Ad Valorem					1,371,366
Franchise					2,890,977
Sales & Other					1,357,007
Use of Money & Property					1,700,020
Miscellaneous					17,029,233
Total General Revenues					1,522,572
Special Items:					4,366,149
Gain on Sale of Land					48,543,239
Changes in Net Assets					\$52,909,388
Net Assets – Beginning					
Net Assets – Ending					

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

**CITY OF BENBROOK, TEXAS
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2009**

	General	Economic Development	Debt Service	Capital Projects TIF	Capital Projects CVA	Capital Projects Stormwater	Other Governmental Funds	Total Governmental Funds
ASSETS								
Deposits & Investments	\$ 8,725,803	\$ 3,420,475	\$ 1,240,013	\$ 157,588	\$ 1,449,893	\$ 1,862,674	\$ 1,216,580	\$ 18,073,026
Receivables (net of allowances for uncollectibles)								
Property Tax	216,511	-	14,902	-	-	-	-	231,413
Sales Tax	129,441	64,720	-	-	-	-	-	194,161
Special Assessments	-	-	-	-	-	-	20,535	20,535
Accounts	22,803	-	-	-	106,016	-	-	128,819
Net Investment in Direct Financing Lease	-	2,732,780	-	-	-	-	-	2,732,780
Due From Other Funds	33,703	-	-	-	-	-	-	33,703
TOTAL ASSETS	\$ 9,128,261	\$ 6,217,975	\$ 1,254,915	\$ 157,588	\$ 1,449,893	\$ 1,968,690	\$ 1,237,115	\$ 21,414,437
LIABILITIES & FUND BALANCES								
Liabilities								
Accounts Payable & Accrued Liabilities	\$ 220,192	\$ 4,408	\$ -	\$ -	\$ -	\$ 75,497	\$ 92,546	\$ 392,643
Advance Payments & Deposits	100,954	-	-	-	-	-	-	100,954
Due to Other Funds	-	15,071	-	-	-	-	18,632	33,703
Deferred Revenues	190,015	2,732,780	10,824	-	-	-	20,535	2,954,154
Total Liabilities	511,161	2,752,259	10,824	-	-	75,497	131,713	3,481,454
Fund Balances (Deficit)								
Reserved for Debt Service	-	-	1,244,091	-	-	-	-	1,244,091
Reserved for Economic Development	-	3,465,716	-	-	-	-	-	3,465,716
Reserved for City Promotions	-	-	-	-	-	-	480,199	480,199
Reserved for Worker's Comp	280,285	-	-	-	-	-	-	280,285
Reserved for Capital Projects	-	-	-	157,588	-	1,893,193	305,145	2,355,926
Reserved for Public Safety	-	-	-	-	-	-	243,256	243,256
Unreserved								
General	8,336,815	-	-	-	-	-	-	8,336,815
Capital Projects	-	-	-	-	1,449,893	-	76,802	1,526,695
Total Fund Balances (Deficit)	8,617,100	3,465,716	1,244,091	157,588	1,449,893	1,893,193	1,105,402	17,932,993
TOTAL LIABILITIES & FUND BALANCES (DEFICIT)	\$ 9,128,261	\$ 6,217,975	\$ 1,254,915	\$ 157,588	\$ 1,449,893	\$ 1,968,690	\$ 1,237,115	\$ 21,414,437

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

**CITY OF BENBROOK, TEXAS
 RECONCILIATION OF GOVERNMENT FUNDS
 BALANCE SHEET TO STATEMENTS OF NET ASSETS
 SEPTEMBER 30, 2009**

Total fund balances – governmental funds \$ 17,932,983

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

Investment on joint venture is not a current financial resource and therefore, is not reported in the government funds balance sheet 216,646

Capital Assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 48,826,084

Costs associated with the issuance of governmental long-term debt are expensed when incurred in the fund statements and capitalized and amortized over the life of the debt in the government-wide financial statements. 119,160

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. (55,938)

Revenues earned but not available within sixty days of the year end are not recognized as revenue on the fund financial statements. 2,954,154

Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the fund financial statements. (16,022,634)

Accrued sick and vacation time does not require current financial resources and is not included on the governmental funds balance sheet. (1,061,067)

Net Assets of Governmental Activities \$ 52,909,388

**CITY OF BENBROOK, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

	General	Economic Development	Debt Service	Capital Projects TIF	Capital Projects CVA	Capital Projects Stormwater	Other Governmental Funds	Total Governmental Funds
REVENUES								
Taxes								
Property	\$ 8,703,804	\$ -	\$ 991,987	\$ -	\$ -	\$ -	\$ -	\$ 9,695,791
Franchise	1,351,612	-	-	-	-	-	19,754	1,371,366
Sales & Other	1,835,763	915,403	-	-	-	-	139,811	2,890,977
Licenses, Permits & Filing Fees	232,347	-	-	-	-	-	-	232,347
Fines & Forfeitures	383,949	-	-	-	-	-	-	383,949
Use of Money & Property	334,756	924,374	-	819	73,312	9,655	14,091	1,357,007
Proceeds of Direct Financing Lease	-	216,736	-	-	-	937,829	-	216,736
Charges for Services	736,870	-	-	590,219	-	-	-	1,674,699
Other Revenues	467,745	5,632,884	-	-	-	-	165,670	6,856,518
Total Revenues	\$ 14,046,846	\$ 7,689,397	\$ 991,987	\$ 591,038	\$ 73,312	\$ 947,484	\$ 339,326	\$ 24,679,390
EXPENDITURES								
Current								
General Government	\$ 1,424,706	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,424,706
Staff Services	626,836	-	-	-	-	-	-	626,836
Public Safety	6,768,421	-	-	-	-	-	54,485	6,822,906
Public Service	2,551,603	-	-	-	-	-	9,885	2,561,488
Community Development	922,506	-	-	-	-	-	144,089	1,066,595
Economic Development	-	613,041	-	-	-	-	-	613,041
Debt Service	-	-	-	-	-	-	-	-
Principal	-	3,919,068	548,445	130,000	-	35,000	-	4,632,513
Interest & Other Fees	-	215,287	487,273	71,894	-	39,289	-	813,743
Capital Outlay	475,578	-	-	-	21,000	471,143	69,401	1,037,122
Total Expenditures	12,769,650	4,747,396	1,035,718	201,894	21,000	545,432	277,860	19,598,950
Excess of Revenues Over (Under) Expenditures	1,277,196	2,942,001	(43,731)	389,144	52,312	402,052	61,466	5,080,440
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	531,451	-	-	(531,451)	-	531,451
Total Other Financing Sources (Uses)	-	-	531,451	-	-	(531,451)	-	-
Net Change in Fund Balance	1,277,196	2,942,001	487,720	389,144	52,312	(129,399)	61,466	5,080,440
Fund Balances – Beginning	7,339,904	523,715	756,371	(231,556)	1,397,581	2,022,592	1,043,936	12,852,543
Fund Balances (Deficit) - Ending	\$ 8,617,100	\$ 3,465,716	\$ 1,244,091	\$ 157,588	\$ 1,449,893	\$ 1,893,193	\$ 1,105,402	\$ 17,932,983

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 ASSETS
OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2009**

Net change in fund balances – total governmental funds	\$ 5,080,440
Investments in joint venture reported in the statement of net assets does not require the use of current financial resources; therefore, the current year net income or loss in the investment is not reported in the governmental funds.	(44,951)
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	1,093,251
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.	(1,604,044)
Net book value of capital assets disposed.	(4,209,328)
The issuance of long term debt (e.g. bonds and notes) provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities This amount includes principal paid on long term debt and accreted interest.	4,627,514
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.	16,800
The expense for compensated absences reported in the statement of activities does not require the use of current financial resources, therefore, the expense is not reported as expenditures in the governmental funds.	(52,849)
Current year changes in the long term liability for other post employment benefits do not require the use of current resources, therefore, are not reported as expenditures in the government funds.	(338,396)
Certain revenues reported in the governmental funds are not reported in the government-wide statement of activities.	<u>(202,288)</u>
Net Change in Net Assets of Governmental Activities	<u>\$ 4,366,149</u>

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

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

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 maintenance and operation 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), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board (when applicable).

B. Financial Reporting Entity

As required by accounting principals 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. Complete financial statements for the individual component units may be obtained at the City's office.

The following entity was found to be a component unit of the City and is included in the combined financial statements:

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. All board members are appointed by the City Council. 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.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Financial Reporting Entity - continued

It is our opinion (the staff, City attorney and the independent auditor) 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 assets 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. 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 measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The City has presented the following major governmental funds:

General Fund

The General Fund is the main operating fund of the City. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Economic Development Fund

The Economic Development Fund is used to account for the accumulation of financial resources to promote economic development within the City. The fund balance is reserved to signify the amounts are restricted for the development and improvements that will promote economic growth.

Debt Service Fund

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 reserved to signify the amounts that are restricted exclusively for debt service expenditures.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Basis of Presentation – continued

Capital Project Stormwater Fund

The Capital Project Stormwater Fund is used to account for funds received and expended for the construction and renovation of major improvements projects that must be financed over several years.

Capital Project Tax Increment Financing (TIF) Fund

The Capital Project TIF Fund is used to account for funds received and expended for the construction of major improvements that must be financed over several years and located within the TIF boundaries.

Capital Project Core Value Account (CVA)

Capital Project CVA is used to account for proceeds from natural gas leases and 30 percent of the annual sales tax increase. Expenses will be determined by a super majority of the City Council.

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 and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and decreases (expenses) in net total assets. 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 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.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

E. Cash and Investments

Cash of all funds except for some Special Revenue Funds, including restricted cash, is pooled into common pooled 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 and Cash Investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities not included in the common pooled accounts that are purchased with a maturity of ninety days or less are also considered "cash equivalents". All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

E. Cash and Investments - continued

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. 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 assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

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	40 Years
Infrastructure	10-50 Years
Equipment	5-20 Years

G. 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 while employees with more than 5 years service earn 15 vacation 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.

H. Nature and Purpose of Restrictions and Designations of Fund Equity

The City classifies fund balances as follows:

1. Reservations – used to denote that portion of fund equity, which is not appropriable for expenditures or is legally segregated for specific future use.
 - a. Reserved for debt service represents that portion of fund equity legally restricted to retirement of long term principal and interest.
 - b. Reserved for economic development and city promotions represents amounts that are legally restricted because of the revenue source.
 - c. Reserved for capital projects represents a portion of fund balance acquired through the issuance of long term debt which has been reserved for the acquisition of or construction of certain previously designated capital improvements.
 - d. Reserved for public safety represents amounts that are legally restricted because of the source of the funds.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

- H. Nature and Purpose of Restrictions and Designations of Fund Equity – continued
- e. Reserved for worker's compensation represent the accumulated savings the City has realized over the years due to partial self-funding of worker's compensation.
2. Unreserved - used to denote that portion of fund equity that is available for appropriation.

I. Net Assets

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

NOTE 2 – CASH AND INVESTMENTS

Cash and investments as of September 30, 2009 consist of the following:

Deposits with financial institutions	\$ 9,196,592
Investments	<u>8,876,434</u>
	<u>\$18,073,026</u>

Disclosure Relating to Interest Rate 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, 2009 the City had the following investments:

<u>Investment Type</u>	<u>Amount</u>	<u>WAM</u>
TexPool	\$ 6,019,700	44
TexSTAR	<u>2,856,734</u>	49
	<u>\$ 8,876,434</u>	

As of September 30, 2009 the City did not invest in any securities which are highly sensitive to interest rate fluctuations.

Disclosure Relating to Credit Risk

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 is the minimum rating required by the Public Funds Investment Act (where applicable), the City's investment policy, or debt agreements, and the actual rating as of year end for each investment type.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 2 – CASH AND INVESTMENTS – CONTINUED

<u>Investment Type</u>	<u>Amount</u>	<u>Rating</u>
TexPool	\$ 6,019,700	AAAm
TexSTAR	<u>2,856,734</u>	AAA
	<u>\$ 8,876,434</u>	

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, 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 do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments other than 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 market value of the pledged securities in the collateral pool must equal at least the bank balance less the FDIC insurance at all times.

As of September 30, 2009 the carrying amount of the City's cash on hand was \$9,196,592 and the bank balance was \$9,427,194. Of the bank balance, \$500,000 was covered by depository insurance while the remaining \$8,927,194 was covered by collateral with a value of \$11,483,512. This collateral is held by the Federal Reserve Bank of Dallas in the City's name under joint safekeeping agreements with the pledging institutions.

Investment in State Investment Pools

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 include 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 pool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The pool uses amortized cost rather than market value to report net assets to compute share price. Accordingly, the fair value of the position in the pool is the same as the value of the pool shares.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2009 was as follows:

	<u>Balance October 1</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Balance September 30</u>
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 5,301,615	\$ -	\$ 4,108,360	\$ 1,193,255
ROW	9,821,372	-	-	9,821,372
Construction in progress	<u>2,899,446</u>	<u>592,063</u>	<u>-</u>	<u>3,491,509</u>
Total capital assets not being depreciated	<u>18,022,433</u>	<u>592,063</u>	<u>4,108,360</u>	<u>14,506,136</u>
Capital assets being depreciated				
Buildings	7,110,322	-	-	7,110,322
Infrastructure	69,800,367	-	-	69,800,367
Equipment	<u>4,055,853</u>	<u>501,188</u>	<u>174,574</u>	<u>4,382,467</u>
Total capital assets being depreciated	<u>80,966,542</u>	<u>501,188</u>	<u>174,574</u>	<u>81,293,156</u>
Less accumulated depreciation				
Buildings	3,611,912	211,892	-	3,823,804
Infrastructure	40,257,785	1,153,730	-	41,411,515
Equipment	<u>1,573,073</u>	<u>238,422</u>	<u>73,606</u>	<u>1,737,889</u>
Total accumulated depreciation	<u>45,442,770</u>	<u>1,604,044</u>	<u>73,606</u>	<u>46,973,208</u>
Total capital assets being depreciated, net	<u>35,523,772</u>	<u>(1,102,856)</u>	<u>100,968</u>	<u>34,319,948</u>
Governmental activities capital assets, net	<u>\$ 53,546,205</u>	<u>\$ (510,793)</u>	<u>\$ 4,209,328</u>	<u>\$ 48,826,084</u>

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

Governmental Activities	
General Government	\$ 18,273
Staff Services	219,923
Public Safety	1,357,111
Public Services	4,933
Economic Development	<u>3,804</u>
Total Depreciation Expense-Governmental Activities	<u>\$ 1,604,044</u>

The City has active construction projects as of September 30, 2009. Total commitments for ongoing capital projects are composed of the following:

Drainage Improvements	\$3,491,509
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**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 4 – LONG-TERM DEBT

At September 30, 2009, the City's bonds payable consisted of the following:

	<u>Governmental</u>
2000 G.O. bonds dated April 15, 2000, for street & drainage improvements, due in annual installments through February 1, 2020, interest rates of 5.40% to 7%	\$ 70,000
2002 G.O. bonds dated April 15, 2002, issued for street & drainage improvements, due in annual installments through February 1, 2022, interest rates of 4.40% to 7.40%	2,925,000
2004 G.O. bonds dated May 15, 2004, issued for drainage improvements, due in annual installments through February 1, 2025, interest rates of 4.30% to 5%	3,315,000
2005 G.O. bonds dated August 2, 2005, issued for drainage improvements, due in annual installments through February 1, 2020, interest rates of 3.49% to 7%	4,435,000
2005 TIF bonds dated August 4, 2005, issued to sewer line and street improvements, due in annual installments through February 1, 2021, interest rate of 3.49%.	1,995,000
2008 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%	<u>955,000</u>
Total Bonds Payable	<u>\$ 13,695,000</u>

The following is a summary of long-term debt transactions of the City for the year ended September 30, 2009:

	Balance October 1	Increases	Decreases	Balance September 30	Due Within One Year
Governmental Type Activities					
General Obligation Bonds	\$ 11,290,000	\$ -	\$ 545,000	\$ 10,745,000	\$ 570,000
Certificate of Obligation	3,115,000	-	165,000	2,950,000	170,000
Long Term Notes Payable	5,997,086	-	3,933,230	2,063,856	98,418
Compensated Absences	1,008,218	618,810	565,961	1,061,067	223,928
Net Pension Obligation	-	338,396	-	338,396	-
Deferred Loss on Refunding	(81,343)	6,725	-	(74,618)	(6,725)
Total Governmental Activities	\$ 21,328,961	\$ 963,931	\$ 5,209,191	\$ 17,083,701	\$ 1,055,621

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.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 4 – LONG-TERM DEBT – CONTINUED

On October 23, 2007, the City issued \$1,035,000 in Combination Tax and Revenue Certificates of Obligation. The certificates of obligations were issued for the purposes of constructing, installing and acquiring storm water drainage improvements, and the acquisition of land and interest in land and properties for such projects. The Certificates of Obligation will be repaid from storm water fees adopted by the City Council and are scheduled to mature on February 1, 2027.

Long Term Notes Payable

The City entered into an agreement with the Corps of Engineers to construct recreational facilities at Benbrook Lake. The City had to repay one half the total funds borrowed over a 50 year period. The EDC paid off most of their notes last year but still have one note for a building and land for \$1,927,830.

Capitalized Leases

The City has used leases to purchase capital equipment when the issuance of other debt was not feasible. There were no outstanding capitalized leases at year-end.

Compensated Absences

Compensated absences represented 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.

Annual requirements to amortize all debts outstanding as of September 30, 2009, are as follows:

General Obligation Bonds

Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2010	\$ 570,000	\$ 447,110	\$ 1,017,110
2011	595,000	421,568	1,016,568
2012	620,000	397,154	1,017,154
2013	655,000	371,484	1,026,484
2014	685,000	344,396	1,029,396
2015-2019	3,890,000	1,281,662	5,171,662
2020-2024	3,440,000	393,623	3,833,623
2025-2025	290,000	7,033	297,033
	<u>\$ 10,745,000</u>	<u>\$ 3,664,030</u>	<u>\$ 14,409,030</u>

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 4 – LONG-TERM DEBT – CONTINUED

Certificate of Obligations

Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2010	\$ 170,000	\$ 105,145	\$ 275,145
2011	180,000	98,831	278,831
2012	185,000	92,242	277,242
2013	190,000	85,476	275,476
2014	200,000	78,439	278,439
2015-2019	1,120,000	275,792	1,395,792
2020-2024	690,000	88,108	778,108
2025-2027	215,000	13,231	228,231
	<u>\$ 2,950,000</u>	<u>\$ 837,264</u>	<u>\$ 3,787,264</u>

Notes Payable

Year Ending September 30	Governmental Activities		
	Principal	Interest	Total
2010	\$ 98,418	\$ 110,413	\$ 208,831
2011	103,894	104,936	208,830
2012	109,418	99,413	208,831
2013	115,764	93,066	208,830
2014	122,207	86,624	208,831
2015-2019	720,730	323,424	1,044,154
2220-2024	743,419	104,084	847,503
2025-2029	40,933	10,546	51,479
2030-2033	9,073	1,692	10,765
	<u>\$ 2,063,856</u>	<u>\$ 934,198</u>	<u>\$ 2,998,054</u>

There was no debt issued during the fiscal year.

CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

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.

Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on January 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 revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual have been recognized as revenue. Property taxes are recorded net of the allowance for uncollectible taxes (\$152,257) for the General Fund and \$10,478 for the Debt Service Fund). 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 – PENSION PLAN

Plan Description

The City of Benbrook provides pension benefits for all of its full-time employees through a nontraditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 833 administered by TMRS, an agent multiple-employer public employee retirement system. Benefits depend upon the sum of the employee's contributions to the plan, with interest, and City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are 200% of the employee's accumulated contributions. In addition, the City can grant as often as annually another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and the City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

The City is one of 833 municipalities having the benefit plan administered by TMRS. Each of the 833 municipalities has an annual, individual actuarial valuation performed. All assumptions for the December 31, 2008 valuations are contained in the 2008 TMRS Comprehensive Annual Financial Report, a copy of which may be obtained by writing to P.O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on the TMRS website at www.TMRS.com.

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

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 6 – PENSION PLAN - CONTINUED

Plan provisions for the City were as follows:

Deposit rate	7%
Matching ratio (City to employee)	2-1
A member is vested after	5 years
Update service credit	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI Repeating

Members can retire at certain ages, based on the years of service with the City. The Service Retirement Eligibilities for the city are 5 years at 60 years of age, or 20 years at any age.

Contributions

Under the state law governing TMRS, the actuary annually determines the City contribution rate. This rate consists of the normal cost contribution rate and the prior service contribution rate, both of which are calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the currently accruing monetary credits due to the City matching percent, which are the obligation of the City as of an employee's retirement date, not at the time the employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded (over funded) actuarial liability (asset) over the remainder of the plan's 25 year amortization period. The unit credit actuarial cost method is used for determining the City contribution rate. Both the employees and the City make contributions monthly.

Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that is the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 2008 valuation is effective for rates beginning January 2009)

The following is a schedule of actuarial liabilities and funding progress.

Annual Required Contribution (ARC)	\$ 1,264,614
Interest on Net Pension Obligation	-
Adjustment to the ARC	<u>-</u>
Annual pension cost (APC)	1,264,614
Contributions Made	<u>1,055,515</u>
Increase (decrease) in Net Pension Obligation	209,099
Net Pension Obligation (Asset), beginning of year	<u>-</u>
Net Pension Obligation (Asset), end of year	<u>\$ 209,099</u>

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 6 – PENSION PLAN – CONTINUED

The required contribution rates for fiscal; year 2009 were determined as part of the December 31, 2006 and 2007 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2008, as follows.

Valuation Date	<u>12/31/2006</u>	<u>12/31/2007</u>	<u>12/31/2008</u>
Actuarial Cost Method	Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining Amortization Period	25 years open period	30 years closed period	29 years closed period
Asset Valuation Method	Amortized Cost	Amortized Cost	Amortized Cost
Actuarial Assumptions:			
Investment Rate of Return*	7.0%	7.0%	7.5%
Projected Salary Increases*	Varies by age and service	Varies by age and service	Varies by age and service
*Includes Inflation at	3.0%	3.0%	3.0%
Cost of living Adjustment	N/A	2.1%	2.1%

Trend information for the past three years for TMRS is as follows:

Fiscal Year	Annual Pension Cost(APC)	Percentage of APC Contribution	Net Pension (Obligation) Asset
2007	\$ 894,959	100.00%	\$ -
2008	983,559	100.00%	-
2009	1,264,614	83.47%	209,099

The funded status as of December 31, 2008, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio	Unfunded AAL (UAAL)	Covered Payroll	UAAL as a Percentage of Covered Payroll
12/31/2008	\$ 16,162,052	\$ 25,019,393	64.6%	\$ 8,857,341	\$6,783,465	130.6%

The schedule of funding progress, presented as Required Supplementary Information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 6 – PENSION PLAN – CONTINUED

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

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

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 the adequate resources are available to meet all death benefits payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during the employees' entire careers.

The City contributions to the TMRS SDBF for the three years ended 2009, 2008, 2007 were \$13,000, \$13,456, \$12,728, respectively, which equaled the required contributions each year.

NOTE 7 – COMMITMENTS

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 20.9 percent on residential and 10 percent on commercial collections.

NOTE 8 – INTERFUND ACTIVITY

Interfund receivables/payables consist of the following as of September 30, 2009.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Economic Development	\$ 15,071
General Fund	Special Revenue -HMOT	<u>18,632</u>
		<u>\$ 33,703</u>

Fund advances are primarily used as follows:

- The General Fund to Economic Development for payroll advance
- The General Fund to Special Revenue – HMOT for payroll advances

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

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 9 – RISK MANAGEMENT – CONTINUED

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

Employees who retire from the City are eligible to continue health insurance coverage through the City's group 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. As far as health insurance benefits are concerned 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 were funded on a pay-as-you-go basis.

The calculation of the Net OPEB Obligation as of September 30, 2009, is summarized below:

Annual Required Contribution (ARC)	\$ 129,297
Interest on Net Pension Obligation	-
Adjustments to the ARC	<u>-</u>
Annual Pension Cost (APC)	129,297
Contributions Made	<u>-</u>
Increase (decrease) in net pension obligation	129,297
Net Pension Obligation (Asset), beginning of year	<u>-</u>
Net Pension Obligation (Asset), end of year	<u>\$ 129,297</u>

Funding Status and Funding Progress

The funded status of the City's retiree health care plan, under GASB Statement No. 45 as of December 31, 2007 is as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Funded Ratio</u>	<u>Unfunded AAL (UAAL)</u>
12/31/2007	\$ -	\$1,416,587	0.0%	\$1,416,567

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 10 – POSTEMPLOYMENT BENEFITS - CONTINUED

Actuarial Methods and Assumptions

The Projected Unit Credit Cost Method was used in the valuation to calculate the Annual Required Contribution (ARC) for the City's retiree health care plan. Using the plan benefits, the present health premiums and a set of actuarial assumptions, the anticipated future payments are projected. The projected unit credit method then provides for a systematic funding for these anticipated payments. The yearly ARC is computed to cover the cost of benefits being earned by covered members as well as to amortize a portion of the unfunded accrued liability. Projections of health benefits are based on the plan as understood by the City and includes the type of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its employees. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions are as follows:

Investment Rate of Return	4.50%
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level Percent of payroll
Amortization Period	30 years
Salary Growth	3.0% per annum
Health Care Trend Rate – intermediate	9.00%

Actuarial valuations involve estimates of the report amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status and the annual required contributions of the City retiree health care plan are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time elatives to the actuarial liability for benefits.

NOTE 11 – JOINT VENTURE

The Benbrook Economic Development Corporation ("EDC") acquired a 55.0307% ownership interest in a limited partnership. The Limited Partnership was created primarily to manufacture, purchase or otherwise acquire, invest in, own, mortgage, pledge, sell, assign, and transfer or otherwise dispose of, trade, deal in and with goods, service, merchandise and personal property of every class and description. The EDC is responsible for the management and operation of the Partnership's affairs.

The partnership agreement required the EDC to make a capital contribution of land valued at \$275,000. The EDC may be required to contribute additional amounts to cover the partnership's expenses but contributions are expected to decrease in the future as revenues increase. Complete financial statements can be obtained from the EDC at 911 Winscott Road, Benbrook, Texas.

**CITY OF BENBROOK, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS**

NOTE 11 – JOINT VENTURE - CONTINUED

The following is a summary of financial information of the joint venture at and for the year ended September 30, 2009:

Assets	\$ 1,100,234
Liabilities	<u>692,330</u>
Equity	<u><u>\$ 407,904</u></u>
Revenues	\$ -
Expenses	<u>81,683</u>
Net Loss	<u><u>\$ (81,683)</u></u>

NOTE 12 – INTERFUND TRANSFERS

All interfund transfers between various funds are approved supplements to the operations of those funds. Individual operating transfers for fiscal 2009 were as follows:

<u>Transfers-In</u>	<u>Transfers-Out</u>	<u>Purpose</u>	<u>Amount</u>
Debt Service	Capital Projects-Storm Water	Debt Repayamnet	\$531,451



REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BENBROOK, TEXAS
Required Supplementary Information
Schedule of Funding Progress for Participants in Texas Municipal Retirement System
September 30, 2009

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Percentage Funded</u>	<u>Unfunded (UAAL)</u>	<u>Annual Covered Payroll (ACP)</u>	<u>Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll</u>
12/31/2006	\$ 15,059,570	\$ 20,049,353	75.11%	\$ 4,989,783	\$ 5,712,998	87.34%
12/31/2007	14,320,124	22,747,235	62.95%	8,427,111	5,965,049	141.27%
12/31/2008	16,162,052	25,019,393	64.60%	8,857,341	6,783,465	130.60%

CITY OF BENBROOK, TEXAS
General Fund
Budgetary Comparison Schedule
Year Ended September 30, 2009

	Budget Amounts		Actual GAAP Basis	Variance with Final Budget Positive or (Negative)
	Original	Final		
Revenues				
Taxes	\$ 11,646,084	\$ 11,646,084	\$ 11,891,179	\$ 245,095
Licenses, Permits & Filing Fees	291,025	291,025	232,347	(58,678)
Fines & Forfeitures	359,500	359,500	383,949	24,449
Use of Money & Property	232,100	232,100	334,756	102,656
Charges for Services	653,300	653,300	736,870	83,570
Other Revenues	248,000	248,000	467,745	219,745
Total Revenues	\$ 13,430,009	\$ 13,430,009	\$ 14,046,846	\$ 616,837
Expenditures				
Current				
General Government	1,427,726	1,427,726	1,424,706	3,020
Staff Services	672,644	672,644	626,836	45,808
Public Safety	7,299,832	7,299,832	6,768,421	531,411
Public Services	2,741,720	2,741,720	2,551,603	190,117
Community Development	974,793	974,793	922,506	52,287
Capital Outlay	291,396	291,396	475,578	(184,182)
Total Expenditures	13,408,111	13,408,111	12,769,650	638,461
Excess of Revenues over (under)				
Expenditures	21,898	21,898	1,277,196	1,255,298
Fund Balance - Beginning	7,339,904	7,339,904	7,339,904	-
Fund Balance - Ending	\$ 7,361,802	\$ 7,361,802	\$ 8,617,100	\$ 1,255,298

CITY OF BENBROOK, TEXAS
Notes to Required Supplementary Information

NOTE 1 – BUDGETARY CONTROLS

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 the year end. At year end, encumbrances are cancelled or reappropriated as part of the following budget.

Annual appropriated budgets are consistent with U. S. generally accepted accounting principles 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. Individual amendments were not material in relation to the original appropriations, which were adopted.

The Economic Development Corporation (EDC) is not required to legally adopt a budget. As a result, the budgetary comparison is not presented for the EDC.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS**

CITY OF BENBROOK, TEXAS
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2009

	Special Revenue Funds			Capital Projects Funds			Total Non-Major Governmental Funds
	Hotel Motel Tax	PEG	Public Safety	Buildings	Special Assessment	Total Capital Projects	
Assets							
Deposits & Investments Receivables	\$ 479,110	\$ 20,815	\$ 243,256	\$ 136,241	\$ 337,158	\$ 473,399	\$ 1,216,580
	-	-	-	-	20,535	20,535	20,535
Total Assets	\$ 479,110	\$ 20,815	\$ 243,256	\$ 136,241	\$ 357,693	\$ 493,934	\$ 1,237,115
Liabilities & Fund Balances							
Liabilities							
Accounts Payable	\$ 1,094	\$ -	\$ -	\$ -	\$ 91,452	\$ 91,452	\$ 92,546
Due to Other Funds	18,632	-	-	-	-	-	18,632
Deferred Revenues	-	-	-	-	20,535	20,535	20,535
Total Liabilities	19,726	-	-	-	111,987	111,987	131,713
Fund Balance							
Reserved for City Promotions	459,384	20,815	-	-	-	-	480,199
Reserved for Public Safety	-	-	243,256	-	-	-	243,256
Reserved for Capital Projects Unreserved	-	-	-	136,241	168,904	305,145	305,145
	-	-	-	-	76,802	76,802	76,802
Total Fund Balances	459,384	20,815	243,256	136,241	245,706	381,947	1,105,402
Total Liabilities & Fund Balances	\$ 479,110	\$ 20,815	\$ 243,256	\$ 136,241	\$ 357,693	\$ 493,934	\$ 1,237,115

CITY OF BENBROOK, TEXAS
Combining Statement of Revenues, Expenditures & Changes in Fund Balance
Non-Major Governmental Funds
Year Ended September 30, 2009

	Special Revenue Funds			Capital Projects Funds				Total Non-Major Governmental Funds
	Hotel Motel Tax	PEG	Public Safety	Total Special Revenue	Buildings	Special Assessment	Other	
Revenues								
Taxes	\$ 139,811	\$ 19,754	\$ -	\$ 159,565	\$ -	\$ -	\$ -	\$ -
Fines & Forfeitures	-	-	44,850	44,850	-	-	-	-
Use of Money & Property	12,680	-	704	13,384	707	-	-	707
Other Revenues	20,720	-	-	20,720	100,000	100	-	100,100
Total Revenues	\$ 173,211	\$ 19,754	\$ 45,554	\$ 238,519	\$ 100,707	\$ 100	\$ -	\$ 100,807
Expenditures								
Current								
City Promotions	\$ 94,902	\$ -	\$ -	\$ 94,902	\$ -	\$ -	\$ -	\$ -
Other	31,667	15,120	12,285	59,072	-	-	-	-
Capital Outlay	-	-	54,485	54,485	69,401	-	-	69,401
Total Expenditures	126,569	15,120	66,770	208,459	69,401	-	-	69,401
Excess of Revenues over (under) Expenditures	46,642	4,634	(21,216)	30,060	31,306	100	-	31,406
Fund Balance - Beginning	412,742	16,181	264,472	693,395	104,935	245,606	-	350,541
Fund Balance - Ending	\$ 459,384	\$ 20,815	\$ 243,256	\$ 723,455	\$ 136,241	\$ 245,706	\$ -	\$ 381,947



GENERAL FUND

Used to account for all revenues and expenditures except those required to be accounted for in another fund.

CITY OF BENBROOK, TEXAS
General Fund
Comparative Balance Sheet
September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Deposits & investments		
Cash		
Cash	\$ 400	\$ 400
Super NOW accounts	2,156,131	936,969
Investments		
TEXPool	3,712,538	3,682,451
TexStar	2,856,734	2,835,037
Receivables		
Property taxes		
Real property	189,931	183,864
Penalty & interest	178,837	173,122
Uncollectible	(152,257)	(147,392)
Sales taxes	129,441	116,567
Accounts	22,803	19,240
Due from Other Funds		
EDC	15,071	1,871
TIF	-	28,527
Special Revenue	18,632	25,886
	<u>\$ 9,128,261</u>	<u>\$ 7,856,542</u>
LIABILITIES & FUND BALANCES		
Liabilities		
Accounts payable	\$ 207,117	\$ 275,141
Accrued liabilities		
Employee insurance	11,588	-
Other	1,487	2,390
Advance payments & deposits		
Taxes	95,245	65,802
Other	5,709	3,855
Deferred revenue	190,015	169,452
	<u>511,161</u>	<u>516,640</u>
Fund Balances		
Restricted		
For Worker's Compensation	280,285	260,915
Unrestricted	8,336,815	7,078,987
	<u>8,617,100</u>	<u>7,339,902</u>
Total Fund Balances	<u>8,617,100</u>	<u>7,339,902</u>
TOTAL LIABILITES & FUND BALANCES	<u><u>\$ 9,128,261</u></u>	<u><u>\$ 7,856,542</u></u>

CITY OF BENBROOK, TEXAS

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual - Summary

For the Year Ended September 30, 2009

With Comparative Actual Amounts for September 30, 2008

	2009			Variance with Final Budget Positive or (Negative)	2008
	Budget Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Revenues					
Taxes					
Property Taxes	\$8,617,703	\$8,617,703	\$8,703,804	\$ 86,101	\$7,671,745
Franchise Taxes	1,309,506	1,309,506	1,351,612	42,106	1,364,212
Sales & Other Taxes	1,718,875	1,718,875	1,835,763	116,888	1,701,773
Licenses, Permits & Filing Fees					
Licenses	51,825	51,825	37,224	(14,601)	46,249
Permits & Filing Fees	239,200	239,200	195,123	(44,077)	259,032
Fines & Forfeitures	359,500	359,500	383,949	24,449	409,849
Use of Money & Property	232,100	232,100	334,756	102,656	443,231
Charges for Services					
Citizen Services	578,000	578,000	666,443	88,443	631,170
Recreation Services	41,800	41,800	44,924	3,124	43,830
Sale of Goods	33,500	33,500	25,503	(7,997)	27,204
Other Revenues	248,000	248,000	467,745	219,745	300,539
Total Revenues	13,430,009	13,430,009	14,046,846	616,837	12,898,834
Expenditures					
Current					
General Government	1,427,726	1,427,726	1,424,706	3,020	1,264,919
Staff Services	672,644	672,644	626,836	45,808	558,139
Public Safety	7,299,832	7,299,832	6,768,421	531,411	6,441,301
Public Services	2,741,720	2,741,720	2,551,603	190,117	2,590,202
Community Development	974,793	974,793	922,506	52,287	882,539
Capital Outlay	291,396	291,396	475,578	(184,182)	187,704
Total Expenditures	13,408,111	13,408,111	12,769,650	638,461	11,924,804
Excess of Revenues over (under)					
Expenditures	21,898	21,898	1,277,196	1,255,298	974,030
Other Financing Sources					
Transfers out	-	-	-	-	1,657
Total Other Financing Source Use	-	-	-	-	1,657
Net Changes in Fund Balance	21,898	21,898	1,277,196	1,255,298	972,373
Fund Balance – Beginning	7,339,904	7,339,904	7,339,904	-	6,367,531
Fund Balance – Ending	\$7,361,802	\$7,361,802	\$8,617,100	\$ 1,255,298	\$7,339,904

CITY OF BENBROOK, TEXAS

(1 of 3)

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual – Detail

For the Year Ended September 30, 2009

With Comparative Actual Amounts for September 30, 2008

	2009			Variance with Final Budget Positive or (Negative)	2008
	Budget Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Revenues					
Current Property Taxes	\$8,556,703	\$8,556,703	\$8,610,143	\$ 53,440	\$7,578,288
Delinquent Property Taxes	25,000	25,000	35,354	10,354	47,374
Penalty & Interest	36,000	36,000	58,307	22,307	46,083
Property Taxes	<u>8,617,703</u>	<u>8,617,703</u>	<u>8,703,804</u>	<u>86,101</u>	<u>7,671,745</u>
Electrical Franchise Tax	736,289	736,289	739,372	3,083	718,330
Gas Franchise Tax	71,842	71,842	73,719	1,877	87,768
Telephone Franchise Tax	148,625	148,625	134,717	(13,908)	145,658
Sanitation Franchise Tax	215,250	215,250	246,328	31,078	273,369
Cable Television Tax	137,500	137,500	157,476	19,976	139,087
Franchise Taxes	<u>1,309,506</u>	<u>1,309,506</u>	<u>1,351,612</u>	<u>42,106</u>	<u>1,364,212</u>
City Sales	1,716,875	1,716,875	1,830,896	114,021	1,690,902
Bingo	-	-	-	-	7,930
Other	2,000	2,000	4,867	2,867	2,941
Sale & Other Taxes	<u>1,718,875</u>	<u>1,718,875</u>	<u>1,835,763</u>	<u>116,888</u>	<u>1,701,773</u>
Electrical	6,500	6,500	4,929	(1,571)	5,417
Plumbing	20,000	20,000	8,123	(11,877)	13,282
Other	25,325	25,325	24,172	(1,153)	27,550
Licenses	<u>51,825</u>	<u>51,825</u>	<u>37,224</u>	<u>(14,601)</u>	<u>46,249</u>
Building Permits	165,000	165,000	122,097	(42,903)	175,864
Alarm Permits	14,000	14,000	35,725	21,725	24,123
Electrical Permits	18,000	18,000	9,867	(8,133)	17,710
Plumbing Permits	21,000	21,000	15,695	(5,305)	19,038
Development Fee	2,000	2,000	-	(2,000)	2,482
Subdivision Filing Fees	5,000	5,000	2,413	(2,587)	4,919
Other	14,200	14,200	9,326	(4,874)	14,896
Permits & Filing Fees	<u>239,200</u>	<u>239,200</u>	<u>195,123</u>	<u>(44,077)</u>	<u>259,032</u>
Court Fines	210,000	210,000	198,595	(11,405)	245,086
Warrant Fees	25,000	25,000	20,274	(4,726)	21,871
Arrest Fee	23,000	23,000	23,135	135	23,999
Special Expense Fee	77,000	77,000	110,558	33,558	88,642
Other	24,500	24,500	31,387	6,887	30,251
Use of Money & Property	<u>359,500</u>	<u>359,500</u>	<u>383,949</u>	<u>24,449</u>	<u>409,849</u>
Interest on Investment	200,000	200,000	226,084	26,084	329,099
Other	32,100	32,100	108,672	76,572	114,132
Use of Money & Property	<u>232,100</u>	<u>232,100</u>	<u>334,756</u>	<u>102,656</u>	<u>443,231</u>
Ambulance Fee	525,000	525,000	596,193	71,193	582,293
Street Cut Charges	45,000	45,000	65,139	20,139	41,514
Other	8,000	8,000	5,111	(2,889)	7,363
Citizen Services	<u>578,000</u>	<u>578,000</u>	<u>666,443</u>	<u>88,443</u>	<u>631,170</u>

CITY OF BENBROOK, TEXAS

(2 of 3)

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance -

Budget and Actual – Detail

For the Year Ended September 30, 2009

With Comparative Actual Amounts for September 30, 2008

	2009			Variance with Final Budget Positive or (Negative)	2008
	Budget Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Revenues					
Park Leases Fees	\$ 16,800	\$ 16,800	\$ 17,679	\$ 879	\$ 19,707
Park Usage Fees	25,000	25,000	27,245	2,245	24,123
Recreation Services	41,800	41,800	44,924	3,124	43,830
Certificates	10,000	10,000	5,784	(4,216)	7,666
Sale of Equipment	13,500	13,500	12,022	(1,478)	11,234
Other	10,000	10,000	7,697	(2,303)	8,304
Sale of Goods	33,500	33,500	25,503	(7,997)	27,204
Police Contract	50,000	50,000	76,520	26,520	73,454
Fire Service Contracts	92,000	92,000	305,385	213,385	144,727
Revenue from Other Agencies	85,000	85,000	50,393	(34,607)	35,249
Insurance Refunds	15,500	15,500	30,956	15,456	41,994
Other	5,500	5,500	4,491	(1,009)	5,115
Other Revenue	248,000	248,000	467,745	219,745	300,539
Total Revenues	\$ 13,430,009	\$ 13,430,009	\$ 14,046,846	\$ 616,837	\$ 12,898,834
Expenditures					
Current					
City Council	21,750	21,750	27,987	(6,237)	30,991
City Manager	302,947	302,947	297,121	5,826	274,884
City Secretary	321,144	321,144	326,654	(5,510)	278,923
Non-Departmental	781,885	781,885	772,944	8,941	680,121
General Government	1,427,726	1,427,726	1,424,706	3,020	1,264,919
Finance					
Accounting & Tax	268,580	268,580	254,651	13,929	239,079
Customer Services	55,627	55,627	51,385	4,242	49,199
Information Services	155,278	155,278	145,713	9,565	121,279
Personnel	50,500	50,500	43,619	6,881	22,213
Budget & Research	142,659	142,659	131,468	11,191	126,369
Staff Services	672,644	672,644	626,836	45,808	558,139
Police					
Administration	253,008	253,008	244,578	8,430	226,357
Services	775,396	775,396	722,538	52,858	609,046
Patrol	3,086,340	3,086,340	2,799,935	286,405	2,731,896
CIS	652,473	652,473	625,208	27,265	592,884
Crime Prevention	85,485	85,485	78,286	7,199	74,435
School Safety	30,149	30,149	26,173	3,976	38,655
Animal Control	110,652	110,652	96,875	13,777	100,303
Fire					
Fire Fighting	1,960,938	1,960,938	1,852,303	108,635	1,752,178
Ambulance	90,500	90,500	87,105	3,395	79,957
Municipal Court	173,275	173,275	162,304	10,971	79,300
City Compliance	81,616	81,616	73,116	8,500	156,290
Public Safety	7,299,832	7,299,832	6,768,421	531,411	6,441,301

CITY OF BENBROOK, TEXAS

(3 of 3)

General Fund

**Schedule of Revenues, Expenditures, and Changes in Fund Balance-
Budget and Actual - Detail**

For the Year Ended September 30, 2009

With Comparative Actual Amounts for September 30, 2008

	2009			Variance with Final Budget Positive or (Negative)	2008
	Budget Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Expenditures					
Administration	151,589	151,589	149,241	2,348	128,394
Street Maintenance	1,337,479	1,337,479	1,278,586	58,893	1,203,961
Park Maintenance	804,479	804,479	717,635	86,844	843,954
Support Services				-	
Garage	201,901	201,901	189,597	12,304	189,916
Building Maintenance	246,272	246,272	216,544	29,728	223,977
Public Services	2,741,720	2,741,720	2,551,603	190,117	2,590,202
Administration	249,743	249,743	254,322	(4,579)	258,965
Planning & Zoning	212,050	212,050	198,477	13,573	188,098
City Inspection	265,403	265,403	249,361	16,042	244,702
Engineering Services	247,597	247,597	220,346	27,251	190,774
Community Development	974,793	974,793	922,506	52,287	882,539
Capital Outlay	291,396	291,396	475,578	(184,182)	187,704
Total Expenditures	13,408,111	13,408,111	12,769,650	638,463	11,924,804
Excess of Revenues over (under) Expenditures	21,898	21,898	1,277,196	1,255,298	974,030
Other Financing Sources (Uses)					
Transfers Out	-	-	-	-	1,657
Total Other Financing Sources (Uses)	-	-	-	-	1,657
Net Changes in Fund Balance	21,898	21,898	1,277,196	1,255,298	972,373
Fund Balance - Beginning	7,339,904	7,339,904	7,339,904	-	6,367,531
Fund Balance - Ending	\$ 7,361,802	\$ 7,361,802	\$ 8,617,100	\$ 1,255,298	\$ 7,339,904

DEBT SERVICE FUNDS

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.

CITY OF BENBROOK, TEXAS
Debt Service Fund
Comparative Balance Sheet
September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Deposits & investments		
Super NOW account	\$ 1,240,013	\$ 546,747
Receivables		
Property taxes		
Real Property	13,073	20,976
Penalty & Interest	12,307	19,750
Uncollectible	(10,478)	(16,815)
Due from Capital Projects - TIF	<u>-</u>	<u>203,028</u>
Total Assets	<u>\$ 1,254,915</u>	<u>\$ 773,686</u>
LIABILITIES & FUND BALANCES		
Liabilities		
Deferred Revenue	<u>10,824</u>	<u>17,315</u>
Total Liabilities	<u>10,824</u>	<u>17,315</u>
Fund Balances		
Restricted		
For Debt Service	<u>1,244,091</u>	<u>756,371</u>
Total Fund Balances	<u>1,244,091</u>	<u>756,371</u>
TOTAL LIABILITIES & FUND BALANCES	<u>\$ 1,254,915</u>	<u>\$ 773,686</u>

CITY OF BENBROOK, TEXAS

Debt Service

**Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual**

For the Year Ended September 30, 2009

With Comparative Actual Amounts for September 30, 2008

	2009			Variance with Final Budget Positive or (Negative)	2008
	Budget Amounts		Actual GAAP Basis		Actual GAAP Basis
	Original	Final			
Revenues					
Property Taxes					
Current Property Tax	\$ 976,573	\$ 976,573	\$ 982,110	\$ 5,537	\$ 1,245,034
Delinquent Property Tax	5,000	5,000	3,597	(1,403)	7,653
Penalty & Interest	3,000	3,000	6,280	3,280	7,659
Total Revenues	984,573	984,573	991,987	7,414	1,260,346
Expenditures					
Principal					
General Obligation Bonds	220,000	220,000	220,000	-	210,000
Certificate of Obligation	325,000	325,000	325,000	-	310,000
Long-term Notes	3,444	3,444	3,445	1	3,246
Principal	548,444	548,444	548,445	(1)	523,246
Interest					
General Obligation Bonds	307,978	307,978	307,978	-	320,708
Certificate of Obligation	166,057	166,057	166,056	1	179,306
Long-term Notes	8,735	8,735	8,735	-	8,934
Interest	482,770	482,770	482,769	1	508,948
Other					
Fiscal Changes	8,000	8,000	4,504	3,496	4,658
Total Expenditures	1,039,214	1,039,214	1,035,718	3,496	1,036,852
Excess of Revenues over (under) Expenditures	(54,641)	(54,641)	(43,731)	10,910	223,494
Other Financing Sources (Uses)					
Transfers In	-	-	531,451	531,451	-
Total Other Financing Sources (Uses)	-	-	531,451	531,451	-
Net Changes in Fund Balance	(54,641)	(54,641)	487,720	542,361	223,494
Fund Balance - Beginning	756,371	756,371	756,371	-	532,877
Fund Balance - Ending	\$ 701,730	\$ 701,730	\$ 1,244,091	\$ 542,361	\$ 756,371



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.	43-46
Revenue Capacity	These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax.	47-50
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.	51-54
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.	55-57
Operating Information	These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	58-59
Additional Information	Additional information the government has included to help give the reader a better understanding of the government.	60

CITY OF BENBROOK, TEXAS
Net Assets by Component
Last Six Fiscal Years
(Unaudited)

Table 1

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Governmental activities						
Investment in capital assets, net of related debt	\$ 34,123,227	\$ 33,940,524	\$ 35,131,149	\$ 35,105,138	\$ 35,121,433	\$ 36,378,744
Restricted	770,966	4,827,009	4,852,363	4,485,176	4,174,179	7,397,473
Unrestricted	7,474,788	4,831,580	6,596,515	7,696,661	9,247,627	9,133,171
Total government activities net assets	<u>\$ 42,368,981</u>	<u>\$ 43,599,113</u>	<u>\$ 46,580,027</u>	<u>\$ 47,286,975</u>	<u>\$ 48,543,239</u>	<u>\$ 52,909,388</u>

(1) The City first applied GASB 34 in the fiscal year ended 9/30/04; therefore government-wide financial information for years prior are not available.

CITY OF BENBROOK, TEXAS
Changes in Net Assets
Last Six Fiscal Years
(Unaudited)

Table 2

	Fiscal Year					
	2004	2005	2006	2007	2008	2009
Expenses						
Governmental activities						
General Government	\$ 862,934	\$ 951,947	\$ 1,254,037	\$ 1,305,755	\$ 1,284,710	\$ 1,464,082
Staff Services	509,277	533,457	601,865	594,771	560,179	643,154
Public Safety	5,517,531	5,883,163	6,115,876	6,350,463	7,060,466	7,270,397
Public Services	3,350,771	3,380,073	3,517,751	3,375,662	3,936,346	3,972,265
Community Development	1,149,374	1,212,669	1,319,432	4,752,683	1,860,807	1,795,642
Interest on long-term debt	807,449	950,646	1,087,712	1,074,998	986,769	801,940
Total Government Activities Expenses	\$ 12,197,336	\$ 12,911,955	\$ 13,896,673	\$ 17,454,332	\$ 15,689,277	\$ 15,947,480
Program Revenues						
Governmental activities						
Fees, Fines & Service Charges						
Public Safety	627,462	648,982	687,244	886,089	1,073,810	1,019,741
Public Services	70,692	77,607	107,986	74,327	85,344	113,704
Community Development	489,906	488,802	448,695	328,988	305,281	196,081
Operating Grants & Contributions	132,709	169,482	262,250	696,743	426,790	281,905
Capital Grants & Contributions						
Public Service	1,685,264	824,198	1,120,002	2,194,428	10,500	150,393
Community Development	95,900	116,276	-	-	-	-
Total Government Activities Program Revenues	3,101,933	2,325,347	2,626,177	4,180,575	1,901,725	1,761,824
Net Expenses Revenues	9,095,403	10,586,608	11,270,496	13,273,757	13,787,552	14,185,656
General Revenues & Other Changes in Net Assets						
Governmental Activities						
Taxes						
Ad Valorem	7,381,749	7,961,943	8,222,631	8,520,241	8,893,298	9,709,863
Franchise	1,307,969	1,208,004	1,295,434	1,284,974	1,382,773	1,371,366
Sales & Other	1,920,511	2,062,344	2,218,043	2,717,593	2,678,083	2,890,977
Use of Money & Proper	209,339	405,291	1,915,891	956,266	738,482	1,357,007
Miscellaneous	72,795	179,158	599,411	501,631	1,351,180	1,700,020
Miscellaneous	-	-	-	-	-	1,522,572
Total Governmental Activities	10,892,363	11,816,740	14,251,410	13,980,705	15,043,816	18,551,805
Changes in Net Assets	\$ 1,796,960	\$ 1,230,132	\$ 2,980,914	\$ 706,948	\$ 1,256,264	\$ 4,366,149

(1) The City first applied GASB 34 in the fiscal year ended 9/30/04; therefore government-wide financial information for years prior are not available.

CITY OF BENBROOK, TEXAS
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Unaudited)

Table 3

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Fund										
Reserved	\$ 250,629	\$ 266,892	\$ 295,394	\$ 324,816	\$ 305,830	\$ 291,143	\$ 286,906	\$ 258,047	\$ 260,915	\$ 280,285
Unreserved	2,035,300	2,972,826	3,557,801	3,658,409	4,029,061	4,556,216	5,288,507	6,109,484	7,078,989	8,336,815
Total General Fund	\$ 2,285,929	\$ 3,239,718	\$ 3,853,195	\$ 3,983,225	\$ 4,334,891	\$ 4,847,359	\$ 5,555,413	\$ 6,367,531	\$ 7,339,904	\$ 8,617,100
All Other Governmental Funds										
Reserved for										
Debt Service	156,303	130,575	141,997	170,447	199,187	225,184	302,468	532,877	756,371	1,244,091
Economic Development	293,102	532,875	632,205	781,695	309,979	841,058	1,187,808	845,105	523,715	3,465,716
City Promotions	39,560	51,459	69,236	100,485	163,577	224,213	275,622	348,632	429,188	480,199
Capital Projects	2,083,043	1,335,779	3,725,741	1,692,075	4,386,223	4,817,833	2,415,182	1,476,528	2,064,709	2,355,926
Public Safety	-	32,023	56,592	86,476	110,820	137,959	164,593	176,056	264,473	243,256
Unreserved										
Capital Projects	77,207	199,886	206,781	226,535	137,454	137,454	1,304,872	1,364,060	1,474,181	1,526,695
Total All Other Governmental Funds	\$ 2,649,215	\$ 2,282,597	\$ 4,832,552	\$ 3,057,713	\$ 5,307,240	\$ 6,383,701	\$ 5,650,545	\$ 4,743,258	\$ 5,512,637	\$ 9,315,883

CITY OF BENBROOK, TEXAS
Changes in Fund Balance – Governmental Funds
Last Ten Fiscal Years
(Unaudited)

Table 4

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes										
Property	\$ 5,443,525	\$ 5,818,170	\$ 6,187,190	\$ 6,806,789	\$ 7,375,230	\$ 7,953,643	\$ 8,221,572	\$ 8,497,777	\$ 8,932,091	\$ 9,695,791
Franchise	1,099,335	1,224,808	1,354,591	1,201,944	1,307,969	1,208,004	1,295,434	1,300,921	1,382,773	1,371,366
Sales & Other	1,596,501	1,975,194	1,932,010	1,777,447	1,920,511	2,062,344	2,218,043	2,701,646	2,678,083	2,890,977
Licenses, Permits & Filing Fees	194,272	225,370	247,663	351,415	435,697	488,408	457,800	342,494	305,281	232,347
Fines & Forfeitures	213,609	264,689	281,664	339,408	305,445	330,297	337,957	355,440	1,289,624	383,949
Use of Money & Property	333,914	607,578	502,786	209,387	253,681	412,746	1,923,856	1,011,348	738,482	1,357,007
Proceeds of Direct Financing Lease	-	-	-	-	196,651	196,651	196,651	196,651	196,651	196,651
Charges for Services	570,506	565,292	905,216	485,400	359,701	440,034	500,499	443,190	702,204	216,736
Other Revenues	546,687	392,340	370,719	458,273	479,911	1,049,801	1,216,755	1,341,404	1,043,204	1,674,699
Total General Fund	9,998,349	11,073,441	11,781,859	11,630,063	12,634,796	14,141,928	16,368,567	16,190,871	17,268,393	24,679,390
Expenditures										
Current										
General Government	499,971	620,768	676,628	670,566	773,737	861,303	984,286	1,110,560	1,264,919	1,424,706
Staff Services	495,227	482,303	366,909	400,879	503,528	527,709	596,116	594,771	558,139	626,836
Public Safety	3,811,620	4,019,770	4,482,713	5,009,883	5,299,692	5,681,172	5,864,454	6,116,359	6,658,770	6,822,906
Public Services	1,669,754	1,712,754	1,923,656	2,069,286	1,994,054	2,099,810	2,317,104	2,246,005	2,591,314	2,561,488
Community Development	474,091	1,195,792	1,453,193	2,871,235	605,201	674,942	737,509	1,006,407	1,062,249	1,066,595
Economic Development	1,524,511	544,107	718,261	429,084	506,260	336,887	451,418	590,356	767,868	613,041
Community Promotions	-	30,000	83,548	50,922	26,017	52,560	112,928	91,185	-	-
Debt Service										
Principal	1,101,999	784,039	413,089	302,221	394,442	934,703	979,239	698,678	778,019	4,632,513
Interest & Other Fees	379,475	988,407	1,228,208	1,138,839	1,310,815	1,134,433	1,081,220	1,054,556	968,941	813,743
Debt Issuance Cost	-	-	-	-	-	-	-	-	35,000	-
Capital Outlay	2,501,182	441,425	432,222	2,731,958	5,669,856	2,819,233	3,809,395	2,777,163	1,876,422	1,037,122
Total Expenditures	12,457,830	10,819,365	11,778,427	15,674,873	17,083,602	15,122,752	16,933,669	16,286,040	16,561,641	19,598,950
Excess (deficiency) of Revenues Over Expenditures	(2,459,481)	254,076	3,432	(4,044,810)	(4,448,806)	(980,824)	(565,102)	(95,169)	706,752	5,080,440
Other Financing Sources (Uses)										
Issuance of Debt	2,121,410	333,095	3,160,000	2,400,000	7,050,000	2,500,000	540,000	-	1,035,000	-
Issuance of Refunding	-	-	-	-	-	5,840,000	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	(5,770,643)	-	-	-	-
Transfers-In	48,050	-	-	-	-	371,919	-	-	1,657	531,451
Transfers-out	(48,050)	-	-	-	-	(371,919)	-	-	(1,657)	(531,451)
Total Other Financing Sources (Uses)	2,121,410	333,095	3,160,000	2,400,000	7,050,000	2,569,357	540,000	-	1,035,000	-
Net Change in Fund Balance	(338,071)	587,171	3,163,432	(1,644,810)	2,601,194	1,588,533	(25,102)	(95,169)	1,741,752	5,080,440
Fund Balance – Beginning	5,273,215	4,935,144	5,522,315	8,685,747	7,040,937	9,642,131	11,231,060	11,205,958	11,110,789	12,852,543
Fund Balance – Ending	\$ 4,935,144	\$ 5,522,315	\$ 8,685,747	\$ 7,040,937	\$ 9,642,131	\$ 11,230,664	\$ 11,205,958	\$ 11,110,789	\$ 12,852,541	\$ 17,932,983
Debt Service as a percent Of noncapital expenditures	17.48%	20.60%	16.91%	12.53%	17.56%	20.22%	18.62%	14.91%	13.72%	29.43%

CITY OF BENBROOK, TEXAS
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(Unaudited)

Table 5

Fiscal Year Ended	Estimated Market Value		Less Tax-Exempt Property	Total Taxable Value	Total Direct Tax Rate
	Real Property	Personal Property			
2000	\$ 720,105,876	\$ 53,682,707	\$ 84,449,947	\$ 655,136,923	0.7850
2001	766,993,900	56,644,593	85,247,479	738,391,014	0.7850
2002	821,094,563	65,129,222	90,859,255	795,364,530	0.7725
2003	895,546,468	67,983,069	92,881,382	870,648,155	0.7725
2004	952,524,428	84,402,115	94,391,030	942,535,513	0.7625
2005	1,044,181,883	87,693,914	95,044,191	1,036,831,606	0.7625
2006	1,112,371,077	88,059,934	107,273,421	1,093,157,590	0.7425
2007	1,252,140,342	93,038,620	170,436,568	1,174,742,394	0.7225
2008	1,314,118,549	129,433,797	169,308,770	1,274,243,576	0.6975
2009	1,429,118,940	175,230,858	171,547,624	1,432,802,174	0.6775

(1) Values were taken from the certified tax roll prepared by the Tarrant Appraisal District. Assessed Value is 100% of Estimated Market Value.

CITY OF BENBROOK, TEXAS
Direct & Overlapping Property Tax Rates
(per \$100 of assessed value)
Last Ten Fiscal Years
(Unaudited)

Table 6

Fiscal Year Ended	City of Benbrook		Total	Overlapping Rates				Totals
	General Fund	Debt Service Fund		Ft. Worth School District	County Tarrant County	Hospital District	Junior College	
2000	\$ 0.580103	\$ 0.204897	\$ 0.785000	\$ 1.515000	\$ 0.264836	\$ 0.234070	\$ 0.106410	\$ 2.905316
2001	0.594204	0.190796	0.785000	1.641100	0.274785	0.234070	0.106410	3.041365
2002	0.600840	0.171660	0.772500	1.641100	0.274785	0.234070	0.106410	3.028865
2003	0.605672	0.166828	0.772500	1.685800	0.272500	0.232400	0.139380	3.102580
2004	0.617600	0.144900	0.762500	1.658000	0.272500	0.235397	0.139380	3.067777
2005	0.608285	0.154215	0.762500	1.658000	0.272500	0.235397	0.139380	3.067777
2006	0.614196	0.128304	0.742500	1.654000	0.272500	0.235397	0.139380	3.043777
2007	0.615346	0.107154	0.722500	1.514000	0.271500	0.235397	0.139380	2.882777
2008	0.599070	0.098430	0.697500	1.190000	0.266500	0.230397	0.139380	2.523777
2009	0.608100	0.069400	0.677500	1.257000	0.264000	0.227897	0.137960	2.564357

(1) Ft. Worth Independent School district serves the City.
(2) Rates provided by the Tarrant Appraisal District.

CITY OF BENBROOK, TEXAS
Property Tax Levies & Collections
Last Ten Fiscal Years
(Unaudited)

Table 8

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	
2000	5,411,308	5,411,308	5,370,954	99.25	40,167	5,411,121	100.00	124,884	2.31							
2001	5,796,360	5,796,360	5,740,745	99.04	31,772	5,772,517	99.59	136,155	2.35							
2002	6,144,191	6,144,191	6,112,941	99.49	43,199	6,156,140	100.19	162,812	2.65							
2003	6,725,757	6,725,757	6,692,014	99.50	67,289	6,759,303	100.50	180,424	2.68							
2004	7,186,940	7,186,940	7,181,281	99.92	56,492	7,237,773	100.71	198,026	2.76							
2005	7,905,841	7,905,841	7,814,469	98.84	97,739	7,912,208	100.08	197,784	2.50							
2006	8,116,695	8,116,695	8,095,015	99.73	68,935	8,163,950	100.58	206,370	2.53							
2007	8,487,514	8,487,514	8,376,430	98.69	58,824	8,435,254	99.38	229,169	2.70							
2008	8,887,849	8,887,849	8,787,765	98.87	82,263	8,870,028	99.80	233,505	2.63							
2009	9,707,235	9,707,235	9,570,682	98.59	73,410	9,644,092	99.35	203,004	2.09							

(1) All information from the Tarrant County Tax Assessor-Collector.

CITY OF BENBROOK, TEXAS
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Table 9

Fiscal Year Ended	Governmental Activities					Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Certificates of Obligation	Notes Payable	Capital Leases			
2000	7,001,259	1,245,000	606,288	96,430	1.98	443	
2001	6,581,289	1,240,000	434,436	72,599	1.12	408	
2002	9,366,656	1,230,000	156,345	46,416	1.36	528	
2003	9,115,758	1,210,000	2,553,932	17,505	1.48	626	
2004	12,570,000	1,195,000	5,783,141	4,613	2.07	945	
2005	13,015,000	2,560,000	5,708,050	-	2.05	988	
2006	12,300,000	2,375,000	6,168,782	-	1.91	933	
2007	11,810,000	2,250,000	6,085,105	-	1.71	882	
2008	11,290,000	3,115,000	5,997,086	-	1.60	870	
2009	10,745,000	2,950,000	2,063,856	-	1.10	659	

(1) Details on the City's outstanding debt can be founds in the notes to the financial statements.

(2) Taxable property and population data is available in Table 5 and Table 13 respectively

CITY OF BENBROOK, TEXAS
Direct & Overlapping Governmental Activities - Debt
September 30, 2008
(Unaudited)

Table 10

Jurisdiction	Debt Outstanding	Applicable to the City of Benbrook	Estimated Share of Overlapping Debt
Fort Worth Independent School District	\$ 669,933,290	3.42%	\$ 22,911,719
Tarrant County	321,311,250	1.32%	\$ 4,241,309
Tarrant County Hospital District	62,680,000	1.32%	\$ 827,376
Tarrant County Junior College District	39,402,779	1.32%	\$ 520,117
Benbrook Water & Sewer Authority	-	100.00	-
Overlapping Debt	1,093,327,319		28,500,520
City Direct Debt	10,745,000	100.00%	10,745,000
Direct & Overlapping Bonded Debt	\$ 1,104,072,319		\$ 39,245,520
Ratio of Overlapping Bonded Debt to Taxable Assessed Valuation		2.73	
Percentage of Personal Income		15.31%	

(1) Bonded debt includes only General Obligation bonded debt for each agency listed.
(2) All information provided by the agencies listed.
(3) Percentage based on Benbrook's share of the county population and the share of the FWISD enrollment.

CITY OF BENBROOK, TEXAS
Ratio of Net General Bonded Debt to Assessed Value
And Net Bonded Debt per Capita
Last Ten Fiscal Periods
(Unaudited)

Fiscal Year Ended	Estimated Population	Assessed Value	General Bonded Debt	Bonded Debt to Assessed Value	Bonded Debt per Capita
2000	20,208	689,338,636	7,001,259	1.02	346
2001	20,268	738,391,014	6,581,289	0.89	325
2002	20,450	795,364,530	9,366,656	1.18	458
2003	20,600	870,648,155	9,115,758	1.05	443
2004	20,700	942,535,513	12,570,000	1.33	607
2005	21,550	1,036,831,606	13,015,000	1.26	604
2006	22,350	1,093,157,590	12,300,000	1.13	550
2007	22,850	1,174,742,394	11,810,000	1.01	517
2008	23,450	1,274,243,576	11,290,000	0.88	481
2009	23,900	1,432,802,174	10,745,000	0.74	450

**CITY OF BENBROOK, TEXAS
Legal Debt Margin Information
As Of September 30, 2009
(Unaudited)**

Table 12

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

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

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 Council may levy.

The rate for fiscal 2009 was established at \$0.6775 per \$100 of assessed valuation,

CITY OF BENBROOK, TEXAS
Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

Table 13

Fiscal Year Ended	Estimated Population	Per Capita Income	School Enrollment	County Unemployment Rate
2000	20,208	\$ 27,538	4,112	3.4%
2001	20,268	28,835	4,098	4.4
2002	20,450	30,110	4,059	5.8
2003	20,600	30,110	4,592	6.6
2004	20,700	31,307	4,425	5.0
2005	21,550	31,054	4,430	5.2
2006	22,350	31,986	4,502	4.6
2007	22,850	32,946	4,423	4.3
2008	23,450	34,230	4,429	5.0
2009	23,900	34,606	4,700	8.2

(1) All information provided by the NCTCOG unless otherwise noted

(2) School enrollment provided by the FWISD

CITY OF BENBROOK, TEXAS
Principal Employers
Current Year & Ten Years Ago
(Unaudited)

Table 14

	2009			2000		
	Employer	Employees	Percent of Total City Employment	Employer	Employees	Percent of Total City Employment
Fort Worth School District (2)		130	2.73%	Fort Worth School District	319	7.39%
Weatherford		176	3.70%	Computalog	150	3.47%
Renaissance Park		110	2.31%	Renaissance Park	120	2.78%
City of Benbrook		109	2.29%	Albertson's Inc	106	2.46%
Benbrook YMCA		105	2.20%	IHS of Benbrook	100	2.32%
Benbrook Nursing & Rehabilitation		100	2.10%	Career Transition Center	100	2.32%
Cracker Barrel Old Country Store		100	2.10%	RGIS	100	2.32%
TXU Electric Delivery		97	2.04%	Cracker Barrel Old Country Store	95	2.20%
Albertson's Inc		91	1.91%	Lockheed	94	2.18%
Fowikes & Associates		75	1.57%	City of Benbrook	91	2.11%
Total		1,093	22.95%	Total	1,275	29.53%

(1) Local information provided by the various employers.

(2) Employers with multiple locations.

CITY OF BENBROOK, TEXAS
Local Employment Information
September 30, 2009
(Unaudited)

Table 15

Fiscal Year Ended	Ag	Construction	Manufacturing	Transportation & Storage	Wholesale	Retail	Services	Finance Insurance & Real Estate	Other	TOTALS
Number of Establishments										
2000	1	42	34	3	18	87	272	66	3	526
2001	1	42	34	4	24	102	282	60	3	552
2002	1	47	29	5	18	163	285	68	16	632
2003	1	43	25	4	20	145	260	62	12	572
2004	1	35	20	3	20	144	260	61	11	555
2005	1	33	19	4	19	104	258	60	12	510
2006	1	35	20	3	19	89	278	59	12	516
2007	1	34	21	4	20	89	282	59	13	523
2008	1	31	24	5	17	87	282	62	13	522
2009	1	31	25	5	19	88	282	62	14	527
Employment Levels										
2000	2	189	422	30	90	576	2,494	381	133	4,317
2001	2	250	403	35	159	586	2,505	372	190	4,502
2002	2	257	432	39	130	597	2,512	413	197	4,579
2003	2	228	409	37	143	564	2,371	401	215	4,370
2004	2	163	392	31	168	574	2,961	392	181	4,864
2005	2	187	385	41	131	508	2,501	408	537	4,700
2006	2	210	389	39	176	477	2,690	412	299	4,694
2007	2	197	393	40	178	478	2,771	407	300	4,766
2008	2	186	417	42	172	470	2,762	436	303	4,790
2009	2	157	415	41	177	489	2,737	436	308	4,762

Note:
(1) Information provided by the survey of local employment.

CITY OF BENBROOK, TEXAS
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years
(Unaudited)

Table 16

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
City Manager	2	2	2	2	2	2	2	2	2	2
City Secretary	1	2	2	2	2	2	2	3	3	3
Staff Services	3	3	3	3	3	3	3	2	2	2
Finance	-	-	-	-	-	1	1	1	1	1
Information Services	1	1	1	1	1	1	1	1	1	1
Budget & Research										
Public Safety	44	45	46	48	47	49	49	49	53	52
Police	8	9	9	12	12	12	12	16	16	16
Fire	2	2	2	2	2	2	2	2	2	2
Municipal Court	-	-	-	-	-	-	-	-	-	-
Code Enforcement										
Public Services	1	1	1	1	1	1	1	1	1	1
Administration	10	10	9	9	9	9	9	9	8	8
Public Works	7	7	7	8	7	7	7	7	8	8
Parks & Recreation	5	4	4	4	4	4	4	4	4	4
Services										
Community Development										
Administration	1	1	1	1	1	1	1	1	1	1
Planning	1	1	1	1	2	2	2	2	2	2
City Inspection	3	3	4	4	4	3	4	5	5	5
Economic Development										
Administration	1	1	1	1	2	2	2	2	2	2
Total	90	92	93	99	99	101	102	107	111	111

Source: City Budgets

CITY OF BENBROOK, TEXAS
Operating Indicators by Function/Program
Last Ten Fiscal Years
(Unaudited)

Table 17

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Licensed Officers	36	36	36	36	36	36	36	37	42	42
Police Reservist	6	6	5	5	5	3	3	3	3	3
Emergency Warning Sirens	7	7	7	7	7	6	6	6	6	6
Fire (1)										
Stations	3	3	3	3	3	3	3	3	3	3
Firefighters	32	33	33	33	36	36	36	36	36	36
Paramedics/EMT's	34	33	33	33	34	34	39	39	39	39
City Fire Support Unit Staff	21	21	21	21	21	21	21	21	21	21
Emergency Vehicles	17	19	19	19	19	19	19	19	19	19
Public Works										
Miles of Street	103	103	103	103	105	105	105	107	107	107
Number of Street Lights	749	749	749	756	771	914	1,156	1,210	1,210	1,210
Parks & Recreation										
Parks	5	5	5	5	5	5	5	5	5	5
Acreage	272	272	272	272	272	272	272	272	272	272
Playgrounds	2	2	2	2	2	2	2	2	2	2
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	8
Golf Courses	3	3	3	3	3	4	4	4	4	4
Lakes	1	1	1	1	1	1	1	1	1	1

Source: City Budgets

CITY OF BENBROOK, TEXAS
Texas Municipal Retirement System
Analysis of Funding Progress & Contribution Rates
Last Ten Fiscal Years
(Unaudited)

Table 18

Fiscal Year Ended	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Funded Ratio (1/2)	(4) Unfunded Actuarial Accrued Liability	(5) Annual Covered Payroll	(6) UAAL as a Percentage of ACP (4/5)	(7) City Contributions	(8) Average City Rate (7/5)
2000	8,158,263	10,213,148	79.88	2,054,265	3,720,695	55.21	510,857	13.73%
2001	9,635,569	12,132,592	79.42	2,497,023	3,673,827	67.96	559,551	15.23%
2002	10,847,524	13,541,763	80.10	2,694,239	4,120,397	65.39	574,672	13.95%
2003	12,411,221	15,309,033	81.10	2,897,412	4,627,709	62.61	699,595	15.12%
2004	12,885,583	16,329,394	78.91	3,443,811	4,763,760	72.29	720,288	15.12%
2005	12,977,206	16,738,637	77.53	3,761,431	5,184,936	72.55	788,533	15.21%
2006	13,749,491	18,212,572	75.49	4,463,081	5,642,683	79.10	827,431	14.66%
2007	15,059,570	20,049,353	75.11	4,989,783	5,712,998	87.34	815,429	14.27%
2008	14,320,124	22,747,235	62.95	8,427,111	5,965,049	141.27	894,959	15.00%
2009	16,162,052	25,019,393	64.60	8,857,341	6,783,465	130.60	1,055,515	15.56%

(1) Information provided by TMRS

