

# Popular Annual Financial Report

for the fiscal year ending  
**September 30, 2023**

City of **Granbury, Texas**

# Table of Contents

- 2 - Mayor & City Council
- 3 - Focus Elements
- 4 - City Manager Message
- 5-7 - Preview of Granbury
- 8 - Major Projects
- 9 - Major Fund Types
- 10 - Statement of Activities
- 11 - Net Position
- 12-13- Major Revenues
- 14-15 - Major Expenses
- 16 - Capital Assets
- 17 - City-Wide Debt
- 18 - Operational Statistics
- 19 - Service Statistics
- 20 - Stay Informed

# MEET THE LEADERS

---

# City Council



**Jim Jarratt**  
Mayor

### About City Council

The Granbury City Council consists of the mayor and five council members elected citywide to serve three-year terms. The City Council is responsible for a wide variety of tasks including approving expenditures which exceed the amount stipulated in the Charter and by State law, appointing board and commission members, considering zoning issues, strategic planning, and approving the annual budget. Additionally, four city officers are appointed by the City

Council and operate under its guidance: City Manager, City Secretary, City Attorney and Municipal Judge.

### City Council Meetings

City Council meetings are held on the first and third Tuesday of each month at 6:00 p.m. in the Council Chambers at City Hall. These meetings are open to the public and citizen input is welcome. To watch the City Council meetings live or to view past recordings go to [www.granbury.org/live](http://www.granbury.org/live).



**Eddie Rodriguez**  
Council Member  
Place 2



**Bruce Wadley**  
Council Member  
Place 3



**Trish Burwell**  
Mayor Pro-Tem  
Place 4



**Steven Vale**  
Council Member  
Place 5



**Greg Corrigan**  
Council Member  
Place 6



## MISSION STATEMENT

“Providing quality of life through exceptional services with a friendly and responsive staff.”

## VISION STATEMENT

“Where Community, Heritage, Culture, and Tourism promote and provide our City with an exceptional quality of life.”

# FOCUS ELEMENTS

The 2022 Strategic Plan of the City Council established seven key focus elements of the future for Granbury. These elements are crucial for the fulfillment of the Council’s vision; therefore, they became the focal points in establishing the adopted budget.

	<b>Service Delivery</b>	To provide efficient and effective delivery of all City services
	<b>Infrastructure Basics</b>	To upgrade, enhance, expand, and maintain the existing infrastructure of the City and to prepare for future growth
	<b>Community Development</b>	To assure planned quality growth in the City and its extraterritorial jurisdiction
	<b>Tourism Development</b>	To make the City one of the “Top 20 Destinations” in the state by marketing our existing attractions and facilities and developing new ones
	<b>Citizen Involvement</b>	To enhance community awareness, encourage input, and increase community involvement in the decision-making process
	<b>Intergovernmental Relationships</b>	To cooperate with all government agencies to promote community objectives
	<b>Economic Development</b>	To proactively recruit economic development opportunities



**Chris Coffman**  
City Manager

# A MESSAGE FROM THE

---

# City Manager

Dear Residents,

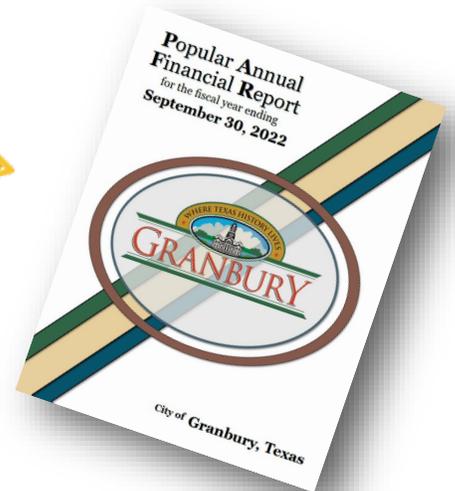
The City of Granbury is pleased to present the City's Popular Annual Financial Report (PAFR) for fiscal year ended September 30, 2023. This report provides a community profile, accomplishments and activities overview, as well as high level, easy-to-read budgetary, financial and trend data.

The purpose of the PAFR is to provide summarized financial data and a snapshot of the City's financial status in a more easily comprehensible format to increase awareness and knowledge of the operations of the City. The financial information contained in this report comes from the City of Granbury's 2023 Annual Comprehensive Financial Report (ACFR), which is prepared in accordance with the Generally Accepted Accounting Principles (GAAP). The ACFR contains additional detailed and extensive information, and it can be viewed at [www.granbury.org/ACFR2023](http://www.granbury.org/ACFR2023).

Last year, the City's PAFR won the Governmental Finance Officer Association (GFOA) Award of Excellence.

Hope you enjoy learning more about our City.

Chris Coffman, CPM  
City Manager



# Granbury History

Granbury, Texas is the county seat for **Hood County**. The Texas legislature created Hood County in 1866, and by **1871**, residents established Granbury along a bend in the Brazos River. Granbury is located along Highway 377 about 38 miles southwest of Fort Worth. The City encompasses 18 sq mi. The City has a 2023 population of **12,391**. The City is the shopping hub for the nearly 66,000 county residents. Granbury Independent School District has 10 campuses with approximately 7,727 students.



Granbury's tagline is "**Where Texas History Lives**". While Granbury has embodied that slogan since 1887, we continue to be the place where Texas history is still alive. This is seen all around town, with award-winning arts and culture inside hidden culinary locations, and walking around Texas' most historic courthouse square.

Located along the Brazos River, **Lake**

**Granbury** was created in 1969 and serves as a great recreational destination for both locals and tourists. The newly renovated Square also serves as a charming backdrop to an eclectic mix of art galleries, shops, wineries and eateries.



Granbury is the perfect destination for **tranquility**, with several miles of hike and bike trails that meander through the City's park system and through the new Memorial Lane section honoring our heroes.

The City of Granbury operates its own **water** and **wastewater** treatment plants, as well as an **electric** distribution system. In recent years, the City invested in AMI "smart meters" for both utility services the City offers. The City contracts out to a third-party for sanitation collection services.

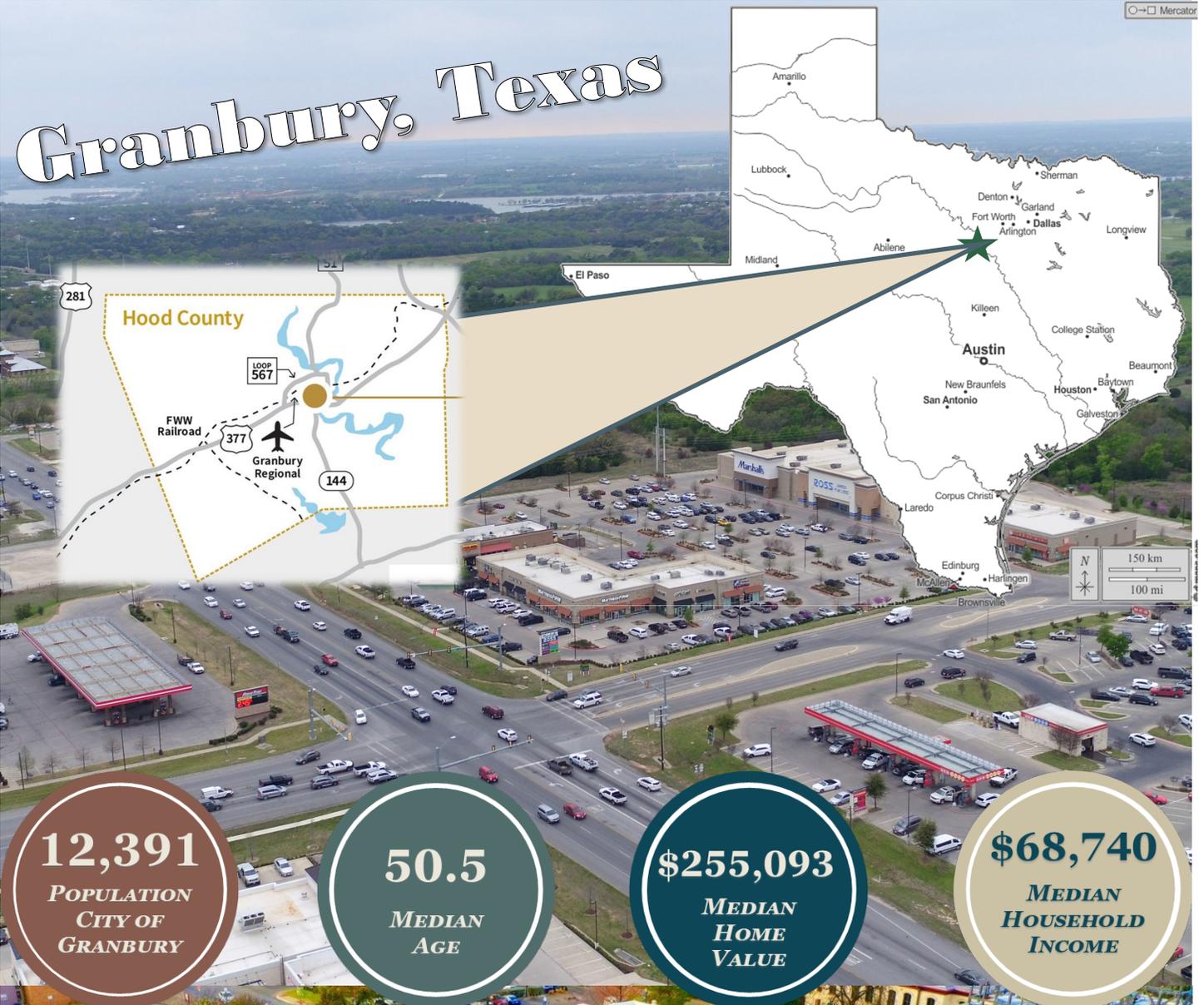


The City has **police**, volunteer **fire**, and ever expanding **community service** departments. The City also owns and operates a 15,000 sq. ft **Conference Center** along beautiful Lake Granbury. The City purchased and restored the

**Opera House**, first built in 1886 on the Historic Granbury Square with various entertainment year-round. The Granbury Regional **Airport** (KGDJ) or "The Friendliest Airport in Texas", services citizens and tourists alike with 5,200 ft of runway and 75 T-hangars.



# Granbury, Texas





# Major Projects

## Completed Projects



### New Police Station

During FY22, the City completed a stand-alone police station located on Loop 567 valued around \$13M. The new station houses 56 employees and has room for expansion as future needs arise. Previously, the Granbury Police department was located in a small 6,800 sq. ft space in City Hall.



### Water Treatment Plant Improvements

Due to TCEQ's requirement, the Water Treatment Plant was expanded from 2.5 million gallons per day (MGD) to 5.0 MGD to meet current and anticipated future growth. The new WTP was completed in 2018 for \$17M and the expansion was completed in 2022 at an additional \$13M. (See Page 18– City Voted Best Tasting Drinking Water in 2022!)



### Airport Runway

The City completed a new 5,200 feet long and 75 feet wide airport runway to accommodate larger aircrafts. This accommodation for jets will expand the customer market and promote both commercial and residential economic growth in the surrounding community.

## Ongoing Projects



### Wastewater System Improvements

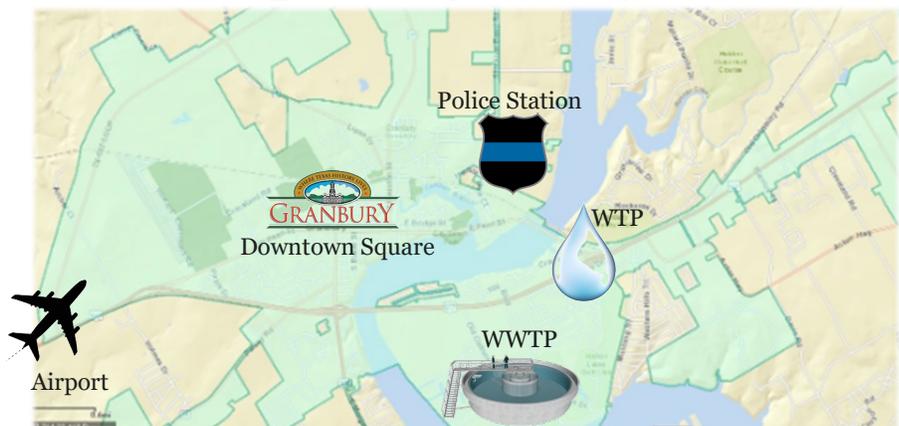
In 2020, 100% of the City's wastewater treatment capacity was accounted for with existing and upcoming permitted developments. To prepare for future growth and to meet TCEQ's requirements, the City must increase its capacity with a second treatment plant. There have been significant construction delays for the new plant. In the meantime, new development permits without "vested rights" are under a "moratorium" until the construction of the new plant is complete.



### Airport Terminal

During FY23, the City continued the expansion at the airport by beginning the construction of a new terminal building (FBO), utility infrastructure upgrades and street infrastructure.

## Map of Major Projects





# City of Granbury FUND STRUCTURE

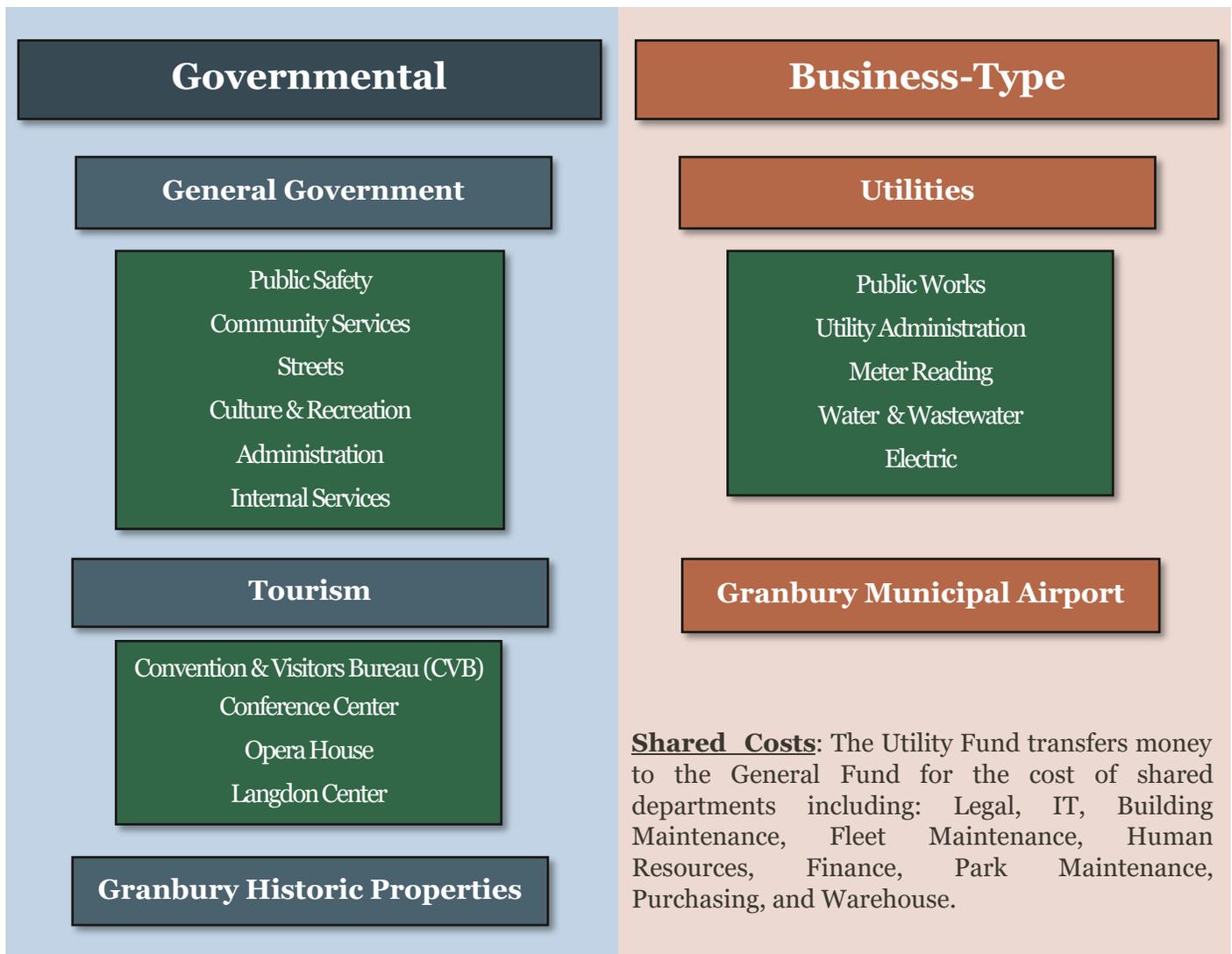
## Primary Financial Funds



The City government maintains two major financial funds.

**Governmental Funds** represent the core services and activities of a city government and are mostly tax-supported. (i.e. Property & Sales Tax)

**Business-Type Funds** are the business-like activities of a city government primarily self-supported by user fees and charges. (i.e. charges for Water, Sewer & Electric services, Hangar fees and Airport Fuel sales)



# Statement of Activities

The Statement of Activities accounts for the revenues and expenses of each of the major financial operations of the City during Fiscal Year 2023. **Governmental** activities combine all general government, including public safety, streets, culture, tourism and historic properties, even if accounted for in separate funds. **Business-Type** activities combine all municipal utilities and the regional airport.

The amount of which revenues exceeds (or is less than) expenses, contributes to the City's overall change in Net Position.

Statement of Activities	Governmental	Business-Type	Total
<b>Program Revenues</b>			
Charges For Services	2,176,673	28,971,124	31,147,797
Operating Grants & Contributions	304,952	94,913	399,865
Capital Grants & Contributions	1,870,999	11,830,891	13,701,890
<b>General Revenues</b>			-
Property Taxes	8,521,945	-	8,521,945
Sales Taxes	12,345,857	-	12,345,857
Hotel Occupancy Taxes	1,087,725	-	1,087,725
Franchise Taxes	2,809,831	-	2,809,831
Investment Earnings	3,421,509	1,547,557	4,969,066
Other Revenue	365,339	592,481	957,820
<b>Total Revenue</b>	<b>32,904,830</b>	<b>43,036,966</b>	<b>75,941,796</b>
<b>Governmental Activities</b>			
General Government	7,729,148	-	7,729,148
Public Safety	9,193,643	-	9,193,643
Community Development	628,696	-	628,696
Streets	3,274,033	-	3,274,033
Parks & Recreation	3,043,922	-	3,043,922
Tourism	2,751,619	-	2,751,619
Interest & Fiscal Charges	3,027,915	-	3,027,915
<b>Business-Type Activities</b>			
Airport	-	1,478,281	1,478,281
Water Treatment & Distribution	-	10,451,443	10,451,443
Wastewater Collection & Treatment	-	3,716,435	3,716,435
Electricity	-	9,380,832	9,380,832
<b>Total Expenses</b>	<b>29,648,976</b>	<b>25,026,991</b>	<b>54,675,967</b>
Change Before Transfers	3,255,854	18,009,975	21,265,829
Transfers	721,183	(721,183)	-
Change In Net Position	3,977,037	17,288,792	21,265,829
Beginning Net Position	54,176,191	73,419,468	127,595,659
<b>Net Position</b>	<b>58,153,228</b>	<b>90,708,260</b>	<b>148,861,488</b>

Total Revenue

\$75.9M

Total Expenses

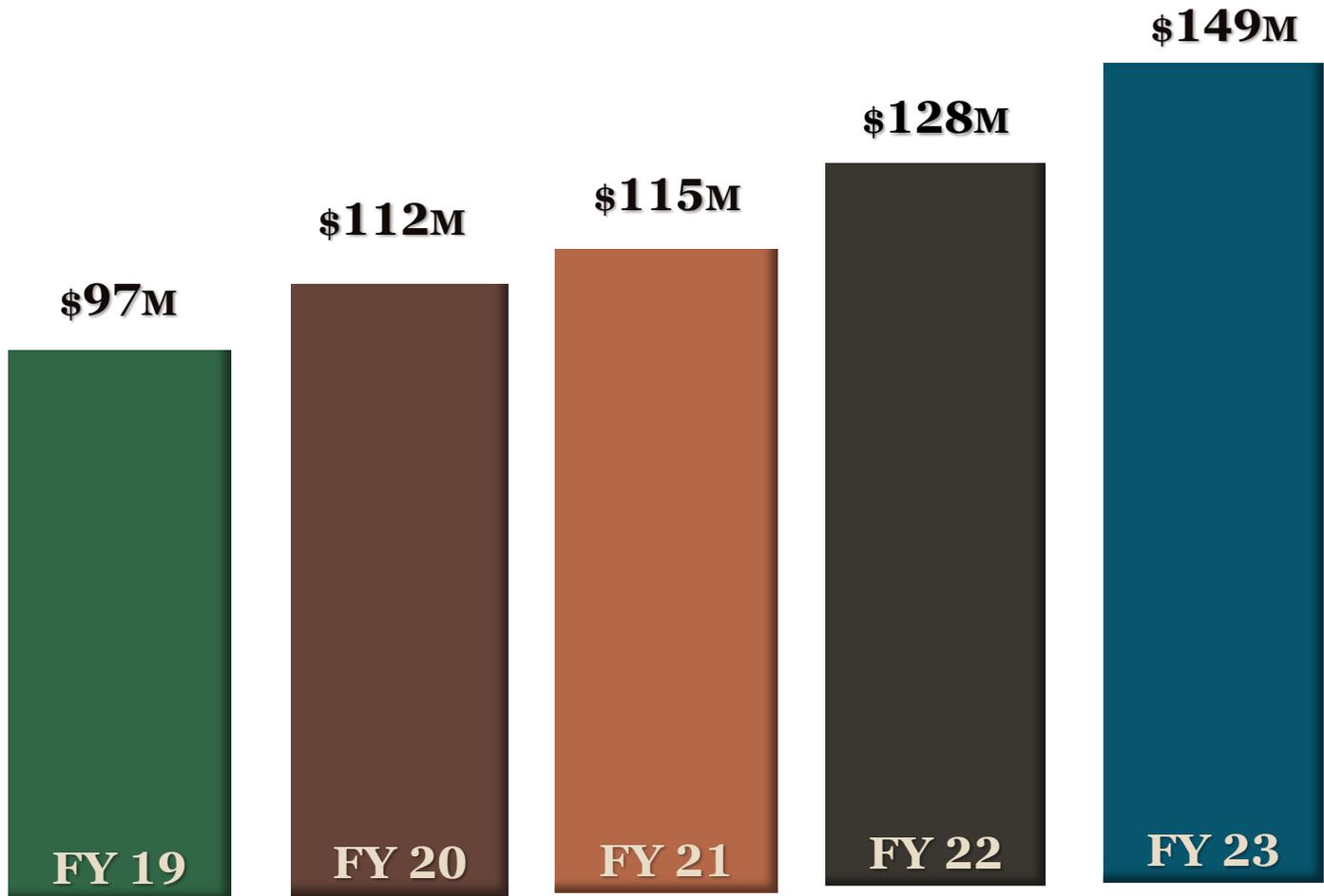
\$54.7M

Total Net Position

\$149M

# Net Position

The Statement of Net Position reflects the overall financial position of the organization at a given moment in time. As demonstrated by the increasing net position in the graph below, the City of Granbury has set itself up effectively to meet the needs of its citizens while also being prepared for unforeseen future expenditures.



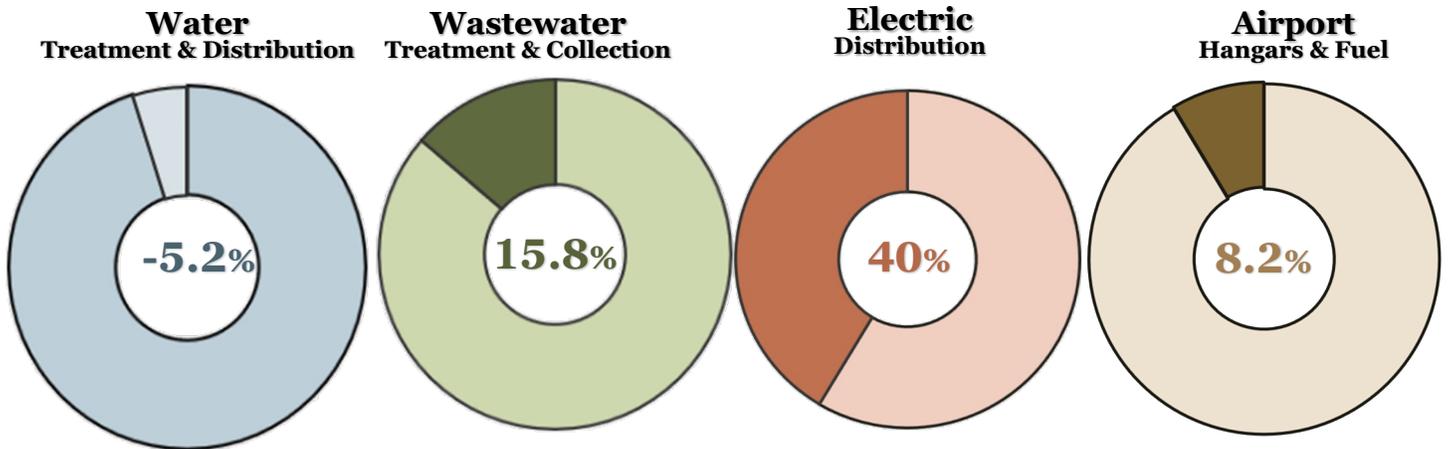
Net Position	Governmental	Business-type	Total
Current and other assets	75,689,254	40,663,426	116,352,680
Capital assets	77,527,059	142,068,037	219,595,096
<b>Total Assets</b>	<b>153,216,313</b>	<b>182,731,463</b>	<b>335,947,776</b>
<b>Deferred outflows of resources</b>	<b>5,523,284</b>	<b>1,283,577</b>	<b>6,806,861</b>
Current Liabilities	3,767,309	8,609,378	12,376,687
Long-term Liabilities	96,621,349	83,543,767	180,165,116
<b>Total Liabilities</b>	<b>100,388,658</b>	<b>92,153,145</b>	<b>192,541,803</b>
<b>Deferred inflow of resources</b>	<b>197,711</b>	<b>1,153,635</b>	<b>1,351,346</b>
<b>Net Position</b>	<b>58,153,228</b>	<b>90,708,260</b>	<b>148,861,488</b>

# Revenues

## Business-Type Service Charges

The majority of the City's business-type revenues come from providing utility services to the citizens of Granbury.

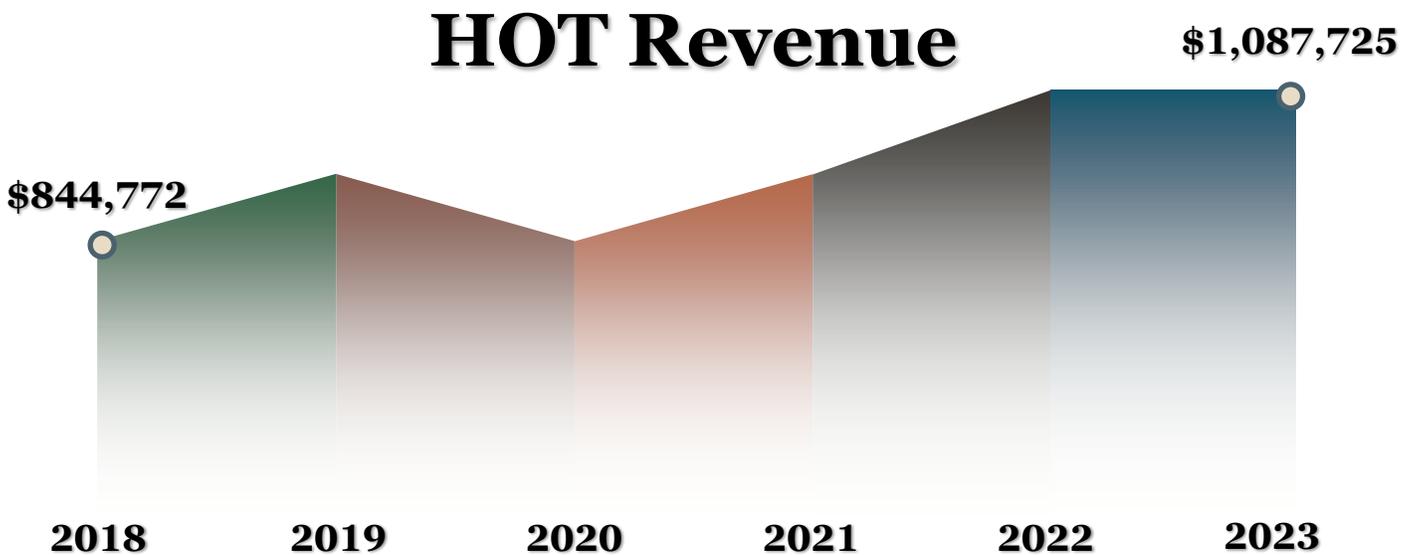
*Revenues Exceed Expenditures by...*



## Tourism Hotel/Motel Taxes (HOT)

Hotel Occupancy Tax Revenue is remitted to the City after being collected by all room rental establishments as a % of the room rate. This revenue is legally restricted for the use of expenditures related to promoting local tourism in the City of Granbury.

**HOT rates are 7% for the City and 6% for the State totaling 13%.**



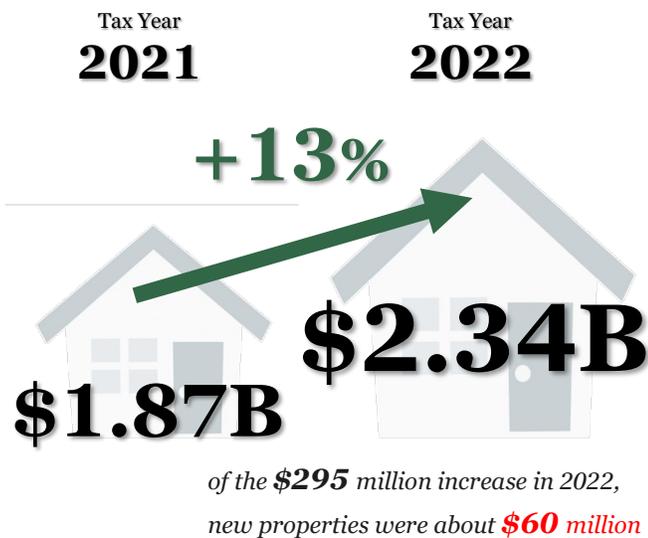
# Revenues

## Property Tax Revenue



The City's property tax rate was reduced to **\$0.38000** per \$100 valuation in FY 2023. On average, Granbury homeowners paid a total of \$3,421.46 in property taxes on a \$200,000 home in 2023. The City of Granbury only received **\$760**, (or about **22%**) of the total property tax amount paid by homeowners.

## Total Assessed Values



## Property Tax Uses

**42%**  
O&M

42% of the total Property Tax collected was applied toward the General Fund's Operations & Maintenance Expenditures

**58%**  
I&S

the other 58% of the total Property Tax collected was applied toward the City's debt obligations or interest and sinking (I&S) funds.

Property Tax Revenue for **O&M** in FY2023:

**\$ 3,580,610**

Public Safety Expenditures:

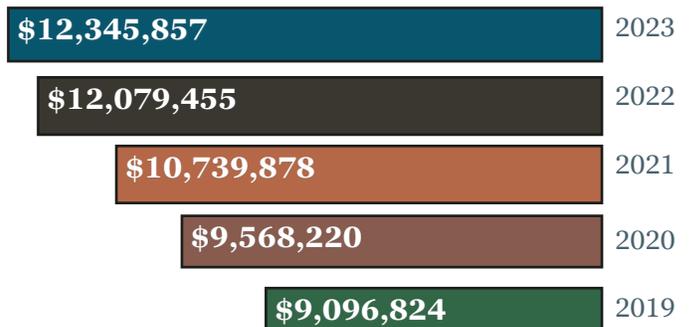
**\$ 9,193,643**

The amount collected in property taxes for operations & maintenance, funds **less than** 40% of public safety's average annual expenditures. Governmental operations are primarily funded with City sales tax revenue.

## Sales Tax Revenue

Granbury's sales tax rate is 8.25%. This revenue is divided between three different taxing entities. The State of Texas receives 6.25%, Hood County receives 0.50% and the City of Granbury receives **1.5%**.

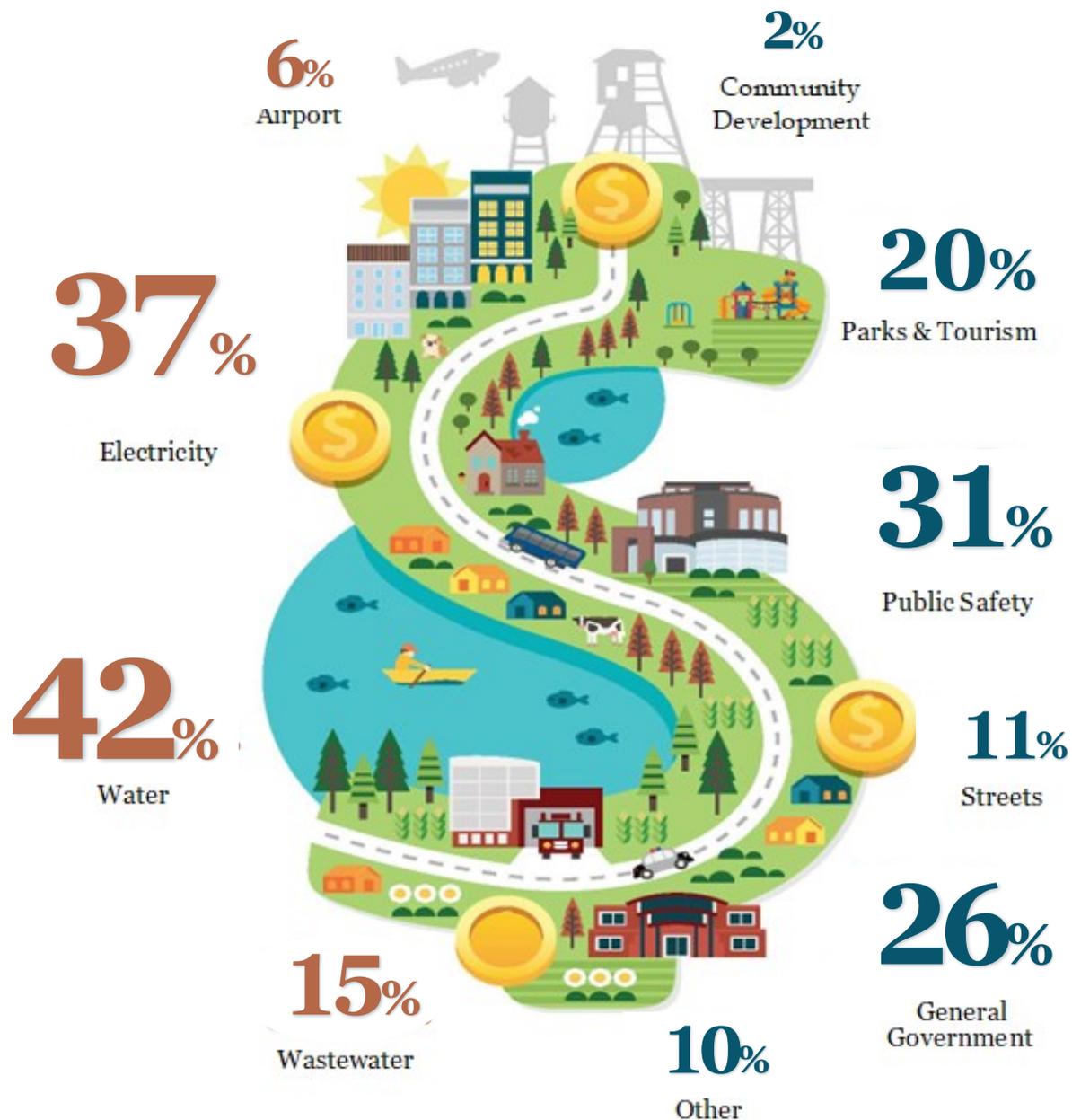
Of the City's 1.5% of sales tax, 1% is for General Fund operations and 0.5% is for property tax relief. The City has benefited from steady growth in sales tax revenues for more than ten years. In fiscal year 2023, sales tax receipts were up **2.2%** compared to the previous year.



# Expenses

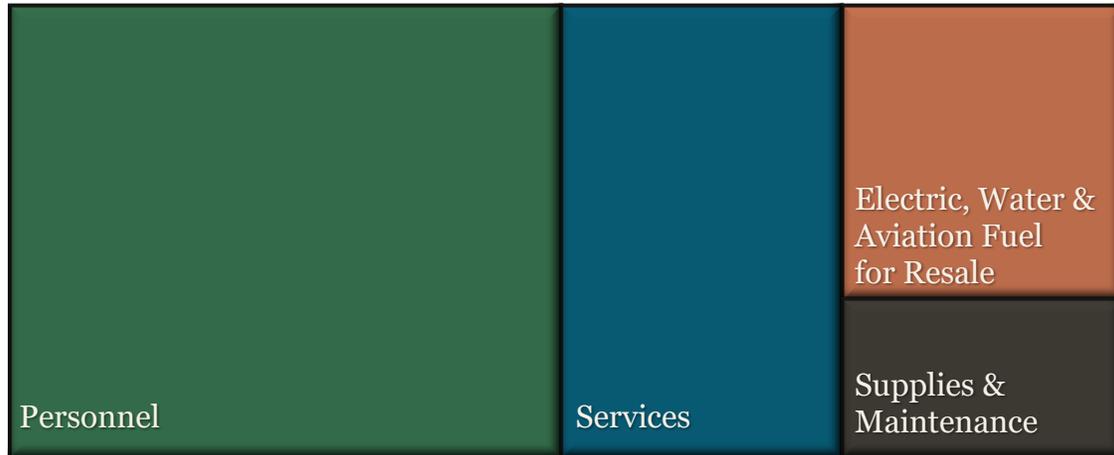
The largest spending category for **GOVERNMENTAL** expenses is public safety, accounting for **40%** of the City's total expenses. Public safety includes police, court, building inspections and supporting Granbury's volunteer fire department. **GOVERNMENTAL** services are funded primarily with property and sales tax.

The City's **BUSINESS-TYPE** expenses include: electric service, delivery and treatment of water, collection and treatment of wastewater, and the regional airport. **BUSINESS-TYPE** activities are primarily funded with user fees and charges.



# Expenses

## City-Wide Operating Expense Types



**Personnel** is the largest expenditure, but greatest asset for the City.

**Services** support daily operations like utilities, police dispatch, IT support, software & internet services and engineering.

**Supplies & Maintenance** includes City equipment fuel, maintenance, building maintenance & janitorial, non-capital items and wearing apparel.

**Electric, Water & Aviation Fuel for Resale** is a large expenditure for commodities that are sold through the City's business-type funds to generate revenue to both offset their cost and some of the costs in other categories.

## Reserve Requirements

The City of Granbury has a policy to maintain budgeted minimum reserves in the working capital/fund balances to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency. This also allows stability of City operations, should revenues fall short of budgeted projections and provides available resources to implement budgeted expenditures without regard to actual timing of cash flows into the City.

The unobligated fund balance in the General and Utility Funds should equal 25% of annual budgeted expenditures.

As of Sept. 30, 2023, the City's : **General Fund** had a reserve rate of **73%**

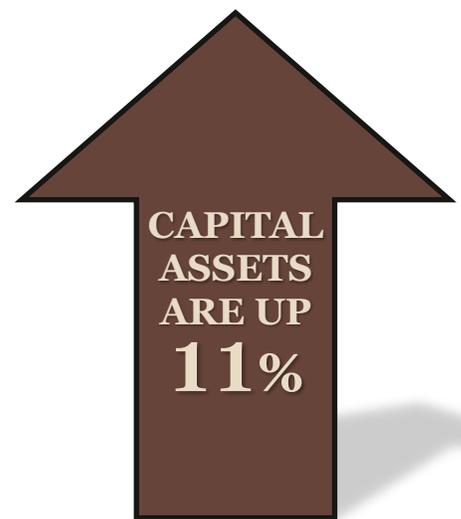
**Utility Fund** had a reserve rate of **61%**

# Capital Asset

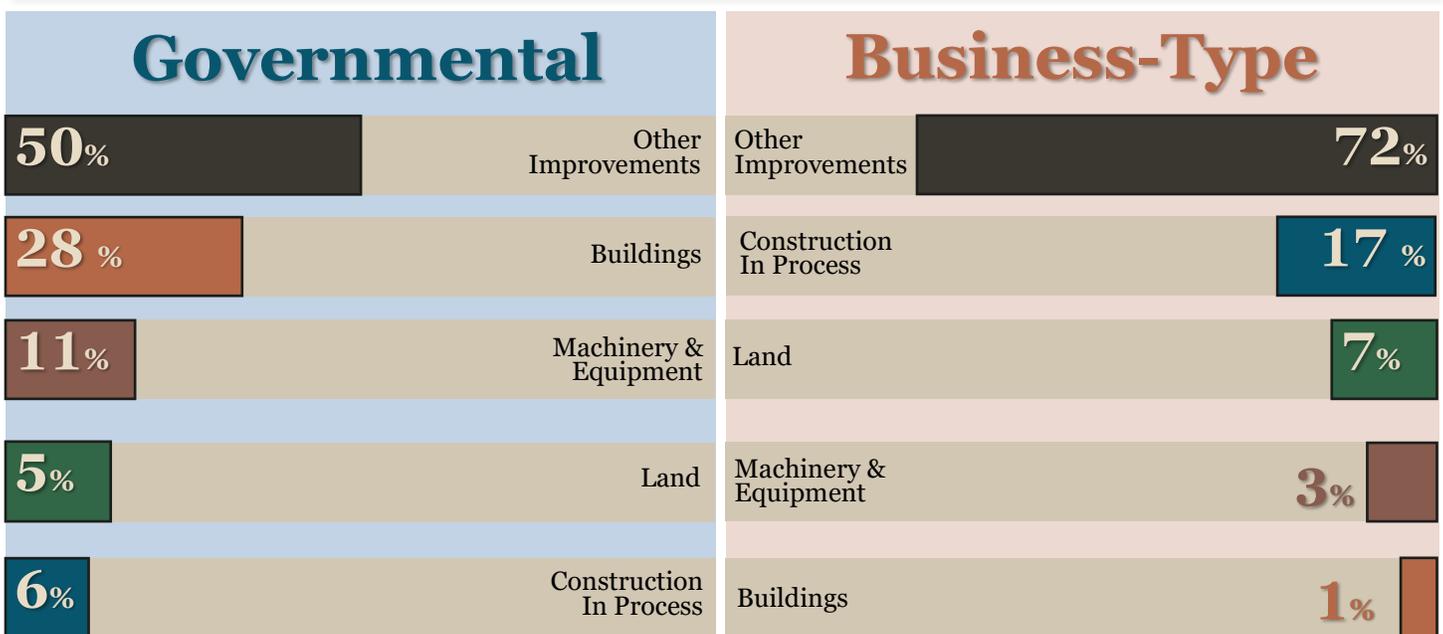
## Increases to City-Wide Capital Assets

Capital assets are the items the City owns that hold value. As shown below, the total amount of capital assets increased 11% in the last year. The majority of this change was due to the increase of construction in progress as the City continues to invest in the community through numerous capital improvement projects such as, the airport expansion, completion of the new police station and water and wastewater treatment plant expansions. As these projects are completed, a large amount of construction in progress will be reclassified to land, buildings, equipment, or other improvements.

City-Wide Capital Asset Values	2023	2022
Land	\$ 19,512,341	\$ 19,512,341
Buildings	\$ 41,560,708	\$ 41,482,341
Other Improvements	\$ 212,292,942	\$ 185,659,806
Machinery & Equipment	\$ 22,991,050	\$ 21,252,248
Construction in Progress	\$ 41,167,301	\$ 35,890,125
<b>Total</b>	<b>\$ 337,526,365</b>	<b>\$ 303,796,861</b>

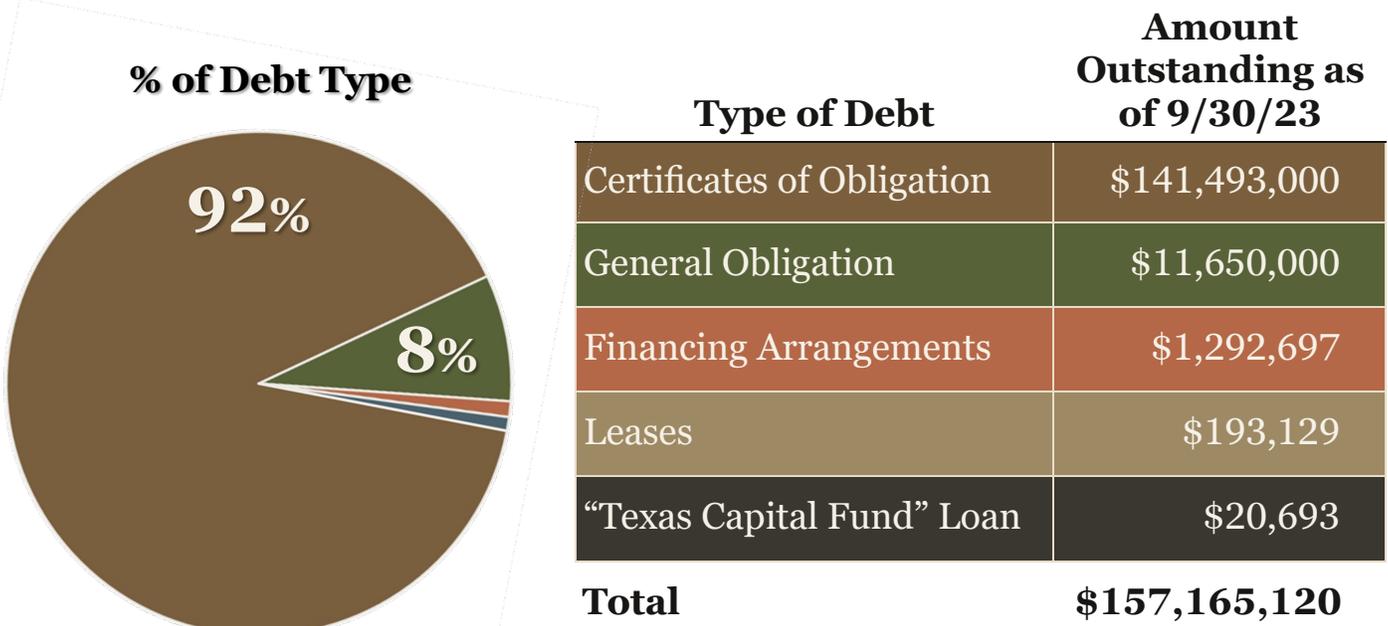


## Types of Capital Assets



# Debt

The City of Granbury had a total bonded debt, notes payable and capital leases payable in the amount of **\$157,165,120**. The City's **AA** bond rating is one of the highest ratings a city can receive from Fitch Ratings and Standard & Poor's rating agencies. The higher rating saves the taxpayers money by securing a more favorable interest rate on debt for the City when borrowing funds for major projects.



**Certificates of Obligation** (CO's) are debts secured by ad valorem taxes and surplus utility revenues. CO's are the most common debt type for the City of Granbury due to their lower interest rates and double-backed revenue sources. This debt is used to pay for large capital infrastructure.

**General Obligation** (GO's) bonded debt is backed by the full faith and credit of the government.

**Financing Arrangements** pertains to an energy retrofit project and associated equipment being financed as a lease/purchase.

**Leases** refers to the value of the City's "right to use" an underlying asset like a multi-year copier lease with a third party.

**“Texas Capital Fund” Loan** is a special assessment debt to be repaid by lease revenues received from companies who lease facilities acquired or rehabilitated with these funds.

# By the Numbers

## Operations

295

City  
Employees

47

Police Officers

65

Volunteer  
Firefighters

3

Fire Stations

113

Miles  
Electric Lines

18

Water Wells

7.5

Millions of Gallons/Day  
Water Treatment Plant Capacity

43

Wastewater  
Lift Stations

2.9

Miles  
Hike & Bike Trail

8

Soccer Fields

2

Volleyball Pits  
Boat Ramps

9

Baseball Fields

4

Playgrounds

93

Airplane Hangars

5,200

Feet  
of Airport Runway

1

Municipal Pool  
Skate Park  
Dog Park  
Beach  
Disc Golf Course

# By the Numbers

## Services

**1,104**



Fire Calls  
for Service

**12,391**



Population



**5,565**

Wastewater  
connections

Police Calls  
for Service

**30,816**



Police Calls



**3,887**

Electric  
connections



**6,600**

Water  
connections

**126**

Public Park



# Annual Events in Granbury



Goosebump Jump



Granbury Founder's Day Celebration!



Granbury Wine Walk



Lone Star Street Rod Association State Run



Hood County Stampede Rodeo



Lake Granbury Lakefest



Labor Day Weekend



Memorial Day Weekend



Oktoberfest



Harvest Moon Festival of the Arts



Christmas in Granbury



4th of July Weekend

## Stay Informed

### Social Media

[.com/cityofgranbury](https://twitter.com/cityofgranbury)

[YouTube.com/GranburyTv](https://www.youtube.com/GranburyTv)

[facebook.com/cityofgranbury](https://www.facebook.com/cityofgranbury)

[facebook.com/GranburyMedia](https://www.facebook.com/GranburyMedia)

### City Website

[Granbury.org](https://www.granbury.org)



*Recently Updated!*