(See "Continuing Disclosure of Information" herein)

OFFICIAL STATEMENT

Dated April 17, 2023

Ratings: Insured/Uninsured
S&P: "AA"/"A+"
(See "BOND INSURANCE" and"OTHER INFORMATION - Ratings" herein)

NEW ISSUE - Book-Entry-Only

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law, subject to the matters described under "TAX MATTERS – THE BONDS" herein.

THE BONDS **HAVE BEEN** DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

$3,105,000
CITY OF BURKBURNETT, TEXAS
(Wichita County)
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023

Dated Date: March 1, 2023 — **Due: February 15, as shown below**
Interest Accrues from Delivery Date

PAYMENT TERMS . . . Interest on the $3,105,000 City of Burkburnett, Texas, General Obligation Refunding Bonds, Series 2023 (the "Bonds") will accrue from the delivery date (the "Delivery Date"), will be payable February 15 and August 15 of each year, commencing February 15, 2024, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of $5,000 or integral multiples thereof within a maturity. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar (identified below) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds. See "THE OBLIGATIONS - Book-Entry-Only System" herein. The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company N.A., Dallas, Texas (see "THE OBLIGATIONS - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE . . . The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Chapter 1207, Texas Government Code, as amended, and are direct obligations of the City of Burkburnett, Texas (the "City"), payable from a direct and continuing annual ad valorem tax levied on all taxable property within the City, within the limits prescribed by law, as provided in the ordinance authorizing the issuance of the Bonds adopted by the Board of Commissioners of the City on April 17, 2023 (the "Bond Ordinance") (see "THE OBLIGATIONS - Authority for Issuance" and "THE OBLIGATIONS – Security and Source of Payment").

PURPOSE . . . Proceeds from the sale of the Bonds will be used for (i) refunding outstanding debt as shown in Schedule I (the "Refunded Bonds") for debt service savings, and (ii) costs of issuance of the Bonds. (see "PLAN OF FINANCING").

BOND INSURANCE . . . The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by ASSURED GUARANTY MUNICIPAL CORP. See "BOND INSURANCE" herein.

MATURITY SCHEDULE

See page 2

SEPARATE ISSUES . . . The Bonds are being offered by the City concurrently with the "City of Burkburnett, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2023" (the "Taxable Certificates") under a common Official Statement, and such Bonds and Taxable Certificates are hereinafter sometimes referred to collectively as the "Obligations." The Bonds and Taxable Certificates are separate and distinct securities offerings being issued and sold independently except for the common Official Statement, and, while the Obligations share certain common attributes, each issue is separate from the other and should be reviewed and analyzed independently, including the type of obligation being offered, its terms for payment, the security for its payment, the rights of the holders, and other features.

LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the underwriter listed below (the "Underwriter") and subject to the approving opinion of the Attorney General of Texas and the opinion of Norton Rose Fulbright US LLP Dallas, Texas (see Appendix C, "Forms of Bond Counsel's Opinions"). Certain legal matters will be passed upon for the Underwriter of the Bonds by McCall, Parkhurst & Horton L.L.P., Dallas, Texas.

DELIVERY . . . It is expected that the Bonds will be available for delivery through the facilities of DTC on May 17, 2023 (the "Delivery Date").

SAMCO CAPITAL

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023

MATURITY SCHEDULE **CUSIP Prefix [1]: 121295**

Amount	Maturity February 15	Interest Rate	Initial Yield	CUSIP Suffix [1]	Amount	Maturity February 15	Interest Rate	Initial Yield	CUSIP Suffix [1]
$ 25,000	2025	5.000%	2.880%	GH6	$ 465,000	2030	5.000%	2.700%	GN3
25,000	2026	5.000%	2.790%	GJ2	490,000	2031	5.000%	2.740%	GP8
295,000	2027	5.000%	2.740%	GK9	515,000	2032	5.000%	2.770%	GQ6
305,000	2028	5.000%	2.730%	GL7	535,000	2033	5.000%	2.800% [2]	GR4
450,000	2029	5.000%	2.700%	GM5					

____

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the City, the Financial Advisor or the Underwriter of the Bonds shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.
(2) Yield shown to first optional redemption date of February 15, 2032.

REDEMPTION . . . The City reserves the right, at its option, to redeem Bonds having stated maturities on and after February 15, 2033, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE OBLIGATIONS - Optional Redemption").

HTS Continuing Disclosure Services
A Division of Hilltop Securities.

(See "Continuing Disclosure of Information" herein)

OFFICIAL STATEMENT

Dated April 17, 2023

Ratings: Insured/Uninsured
S&P: "AA"/"A+"
(See BOND INSURANCE" and "OTHER INFORMATION - Ratings" herein)-

NEW ISSUE - Book-Entry-Only

Interest on the Taxable Certificates is not excludable from gross income for federal income tax purposes under existing laws. See "TAX MATTERS – THE TAXABLE CERTIFICATES" herein.

$1,060,000
CITY OF BURKBURNETT, TEXAS
(Wichita County)
TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2023

Dated Date: March 1, 2023 **Due: February 15, as shown below**
Interest Accrues from Delivery Date

PAYMENT TERMS . . . Interest on the $1,060,000 City of Burkburnett, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2023 (the "Taxable Certificates") will accrue from the delivery date (the "Delivery Date"), will be payable February 15 and August 15 of each year, commencing February 15, 2024, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Taxable Certificates will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Taxable Certificates may be acquired in denominations of $5,000 or integral multiples thereof within a maturity. **No physical delivery of the Taxable Certificates will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Taxable Certificates will be payable by the Paying Agent/Registrar (identified below) to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Taxable Certificates. See "THE OBLIGATIONS - Book-Entry-Only System" herein. The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company N.A., Dallas, Texas (see "THE OBLIGATIONS - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE . . . The Taxable Certificates are issued pursuant to the Constitution and the City's Home Rule Charter and general laws of the State of Texas (the "State"), particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, and constitute direct obligations of the City of Burkburnett, Texas (the "City"), payable from a combination of (i) the levy and collection of a direct and continuing annual ad valorem tax, within the limits prescribed by law, on all taxable property within the City, and (ii) a limited pledge of $1,000 of the Net Revenues of the City's Waterworks and Sewer System (the "System") as provided in the ordinance authorizing the Taxable Certificates adopted by the Board of Commissioners of the City on April 17, 2023 (the "Taxable Certificate Ordinance") (see "THE OBLIGATIONS - Authority for Issuance" and "THE OBLIGATIONS – Security and Source of Payment").

PURPOSE . . . Proceeds from the sale of the Taxable Certificates will be used for (i) constructing, renovating, improving, and equipping existing City owned golf course facilities, and (ii) professional services rendered in relation to such projects and the financing thereof (see "PLAN OF FINANCING").

BOND INSURANCE . . . The scheduled payment of principal of and interest on the Taxable Certificates when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Taxable Certificates by ASSURED GUARANTY MUNICIPAL CORP. See "BOND INSURANCE" herein.

MATURITY SCHEDULE

See page 4

SEPARATE ISSUES . . . The Taxable Certificates are being offered by the City concurrently with the "City of Burkburnett, Texas, General Obligation Refunding Bonds, Series 2023" (the "Bonds"), and such Taxable Certificates and Bonds are hereinafter sometimes referred to collectively as the "Obligations." The Taxable Certificates and Bonds are separate and distinct securities offerings being issued and sold independently except for the common Official Statement, and, while the Obligations share certain common attributes, each issue is separate from the other and should be reviewed and analyzed independently, including the type of obligation being offered, its terms for payment, the security for its payment, the rights of the holders, and other features.

LEGALITY . . . The Taxable Certificates are offered for delivery when, as and if issued and received by the underwriter listed below (the "Underwriter") and subject to the approving opinion of the Attorney General of Texas and the opinion of Norton Rose Fulbright US LLP Dallas, Texas (see Appendix C, "Forms of Bond Counsel's Opinions"). Certain legal matters will be passed upon for the Underwriter of the Taxable Certificates by McCall, Parkhurst & Horton L.L.P., Dallas, Texas.

DELIVERY . . . It is expected that the Taxable Certificates will be available for delivery through the facilities of DTC on May 17, 2023 (the "Delivery Date").

SAMCO CAPITAL

TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2023

$340,000 5.000% TERM TAXABLE CERTIFICATES DUE FEBRUARY 15, 2032 PRICED TO YIELD 5.000% - CUSIP #121295HA0[(1)]
$340,000 5.000% TERM TAXABLE CERTIFICATES DUE FEBRUARY 15, 2038 PRICED TO YIELD 5.220% - CUSIP #121295HG7[(1)]
$380,000 5.375% TERM TAXABLE CERTIFICATES DUE FEBRUARY 15, 2043 PRICED TO YIELD 5.460% - CUSIP #121295HM4[(1)]

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(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP services. None of the City, the Financial Advisor or the Underwriter of the Taxable Certificates shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

REDEMPTION . . . The City reserves the right, at its option, to redeem Taxable Certificates having stated maturities on and after February 15, 2038, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE OBLIGATIONS - Optional Redemption"). In addition, the Taxable Certificates maturing on February 15, 2032, February 15, 2038 and February 15, 2043 (the "Term Taxable Certificates") are also subject to mandatory sinking fund redemption in part prior to maturity at the price of par plus accrued interest to the redemption date (see “THE OBLIGATIONS – Mandatory Sinking Fund Redemption”).

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Obligations or the advisability of investing in the Obligations. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "Bond Insurance" and "Appendix D - Specimen Municipal Bond Insurance Policy".

This Official Statement, which includes the cover pages, Schedule I and the Appendices hereto, does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer, solicitation or sale.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter of the Obligations to give any information, or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City.

Certain information set forth herein has been obtained from the City and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Financial Advisor or the Underwriter. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described herein since the date hereof. See "Continuing Disclosure of Information" for a description of the City's undertaking to provide certain information on a continuing basis.

None of the City, the Underwriter or the Financial Advisor make any representation or warranty with respect to the information contained in this Official Statement regarding the Depository Trust Company, New York, New York ("DTC") or its book-entry-only system, as such information has been provided by DTC.

The Obligations are exempt from registration with the SEC and consequently have not been registered therewith. The registration, qualification, or exemption of the Obligations in accordance with applicable securities law provisions of the jurisdiction in which the Obligations have been registered, qualified or exempted should not be regarded as a recommendation thereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy of completeness of such information.

THE OBLIGATIONS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not a part of, this offering document for any purposes.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE OBLIGATIONS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE RESPECTIVE OBLIGATIONS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

TABLE OF CONTENTS

The cover pages hereof, this page, the schedule and the appendices included herein and any addenda, supplement, or amendment hereto, are part of the Official Statement.

OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Official Statement. The offering of the Obligations to potential investors is made only by means of this entire Official Statement. No person is authorized to detach this summary from this Official Statement or to otherwise use it without the entire Official Statement.

THE CITY .... The City of Burkburnett (the "City") is a political subdivision and municipal corporation of the State, located in Wichita County, Texas. The City covers approximately 9.51 square miles (see "INTRODUCTION - Description of the City").

THE BONDS .... The $3,105,000 General Obligation Refunding Bonds, Series 2023 (the "Bonds" and together with the Taxable Certificates, the "Obligations") are scheduled to mature on February 15 in each of the years 2025 through 2033, inclusive (see "THE OBLIGATIONS - Description of the Obligations").

THE TAXABLE CERTIFICATES ..... The $1,060,000 Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2023 (the "Taxable Certificates" and together with the Bonds, the "Obligations") are scheduled to mature on February 15 as Term Taxable Certificates in the years 2032, 2038 and 2043 (see "THE OBLIGATIONS - Description of the Obligations" and "THE OBLIGATIONS – Mandatory Sinking Fund Redemption").

PAYMENT OF INTEREST .... Interest on the Obligations accrues from the delivery date and is payable commencing February 15, 2024 and each February 15 and August 15 thereafter until maturity or prior redemption. (see "THE OBLIGATIONS - Description of the Obligations" and "THE OBLIGATIONS - Optional Redemption").

AUTHORITY FOR ISSUANCE .... The Taxable Certificates are issued pursuant to the Constitution and general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, and an ordinance passed by the Board of Commissioners of the City on April 17, 2023 (the "Taxable Certificate Ordinance") (see "THE OBLIGATIONS - Authority for Issuance" and "THE OBLIGATIONS – Security and Source of Payment").

The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Chapter 1207, Texas Government Code, as amended, and are direct obligations of the City , payable from a direct and continuing annual ad valorem tax levied on all taxable property within the City, within the limits prescribed by law, as provided in the ordinance authorizing the issuance of the Bonds adopted by the Board of Commissioners of the City on April 17, 2023 (the "Bond Ordinance") (see "THE OBLIGATIONS - Authority for Issuance" and "THE OBLIGATIONS – Security and Source of Payment").

SECURITY FOR THE TAXABLE CERTIFICATES .... The Taxable Certificates constitute direct obligations of the City, payable from a combination of (i) an annual ad valorem tax levied, within the limits prescribed by law, on all taxable property within the City, and (ii) a limited pledge of $1,000 of the Net Revenues of the City's Waterworks and Sewer System (the "System") as provided in the Taxable Certificate Ordinance (see "THE OBLIGATIONS - Security and Source of Payment").

SECURITY FOR THE BONDS .... The Bonds constitute direct and general obligations of the City, payable from a direct and continuing annual ad valorem tax levied, within the limits prescribed by law, on all taxable property located within the City (see "THE OBLIGATIONS - Security and Source of Payment").

REDEMPTION .... The City reserves the right, at its option, to redeem the Bonds having stated maturities on and after February 15, 2033, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption and the right, at its option, to redeem the Taxable Certificates having stated maturities on and after February 15, 2038, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE OBLIGATIONS - Optional Redemption"). In addition, the Taxable Certificates maturing on February 15, 2032, February 15, 2038 and February 15, 2043 (the "Term Taxable Certificates") are also subject to mandatory sinking fund redemption in part prior to maturity at the price of par plus accrued interest to the redemption date (see "THE OBLIGATIONS – Mandatory Sinking Fund Redemption").

TAX-EXEMPTION .... In the opinion of Bond Counsel, the interest on the Bonds will be excludable from gross income for federal income tax purposes under existing law subject to the matters described under "TAX MATTERS – The Bonds" herein.

Interest on the Taxable Certificates is **not** excludable from gross income for federal income tax purposes under existing law. See "TAX MATTERS – The Taxable Certificates" herein.

QUALIFIED TAX-EXEMPT BONDS... The Bonds ***have been*** designated as "Qualified Tax-Exempt Obligations" for financial institutions. See "TAX MATTERS – The Bonds" herein.

USE OF PROCEEDS .... Proceeds from the sale of the Bonds will be used for (i) refunding outstanding debt as shown in Schedule I (the 'Refunded Bonds") for debt service savings, and (ii) paying costs of issuance of the Bonds (see "PLAN OF FINANCING").

Proceeds from the sale of the Taxable Certificates will be used for (i) constructing, renovating, improving, and equipping existing City owned golf course facilities, and (ii) professional services rendered in relation to such projects and the financing thereof (see "PLAN OF FINANCING").

RATINGS .... The Obligations and certain of the presently outstanding tax supported debt of the City are rated "A+" by S&P Global Ratings, a division on S&P Global Inc. ("S&P"). Additionally, the Obligations are rated "AA" by S&P by virtue of a separate municipal bond insurance policies to be issued by AGM upon delivery of the Obligations to the Underwriter (see "OTHER INFORMATION - Ratings").

BOOK-ENTRY-ONLY SYSTEM...... The definitive Obligations will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Obligations may be acquired in denominations of $5,000 or integral multiples thereof within a maturity. No physical delivery of the Obligations will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Obligations will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Obligations (see "THE OBLIGATIONS - Book-Entry-Only System").

PAYMENT RECORD .... The City has never defaulted on the payment of its bonded indebtedness.

SELECTED FINANCIAL INFORMATION

Fiscal Year Ended 9/30	Estimated City Population [1]	Taxable Assessed Valuation [2]	Per Capita Taxable Assessed Valuation	Funded Tax Debt	Per Capita Funded Debt	Ratio Funded Debt to Taxable Assessed Valuation	% of Total Tax Collections to Tax Levy
2019	11,950	$ 468,313,930	$ 39,189	$ 14,920,000	$ 1,249	3.19%	100.00%
2020	11,950	484,331,022	40,530	14,060,000	1,177	2.90%	100.00%
2021	11,950	507,988,385	42,509	12,395,000	1,037	2.44%	102.06%
2022	11,423	541,295,668	47,386	11,505,000	1,007	2.13%	102.73%
2023	11,423	612,340,083	53,606	11,285,000 [3]	988 [3]	1.84% [3]	96.84% [4]

(1) Estimate provided by City staff.
(2) As reported by the Wichita Appraisal District on City's annual State Property Tax Reports; subject to change during the ensuing tax year.
(3) Projected, includes the Obligations. Excludes the Refunded Bonds.
(4) As of February 1, 2023. Preliminary information provided by City staff.

For additional information regarding the City, please contact:

Fred Tillman
Interim City Manager
City of Burkburnett
501 Sheppard Road
Burkburnett, Texas 76354
(940) 569-2263

or

Trish Holley
Director of Administration
City of Burkburnett
501 Sheppard Road
Burkburnett, Texas 76354
(940) 569-2263

or

Nick Bulaich
Hilltop Securities Inc.
777 Main Street, Suite 1525
Fort Worth, Texas 76102
(817) 332-9710

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CITY OFFICIALS, STAFF, AND CONSULTANTS

ELECTED OFFICIALS

Board of Commissioners	Term Expires	Occupation
Lori Kemp Mayor	May, 2025	Vice President of Operations for Carebuilders at Home
Michael Richter Mayor Pro-Tem, Place 4	May, 2025	Executive Director Meals on Wheels
Cory Brinkley Commissioner, Place 1	May, 2024	Department of Defense Firefighter
Randy Brewster Commissioner, Place 2	May, 2024	Banker
Susan Mitchell Commissioner, Place 3	May, 2025	Self-Employed
Marguerite Love Commissioner, Place 5	May, 2023	Insurance Agent
Bill Lindenborn Commissioner, Place 6	May, 2023	Sales Consultant

SELECTED ADMINISTRATIVE STAFF

Name	Position	Year of Employment
Fred Tillman	Interim City Manager	2019
Trish Holley	Director of Administration	1990
Mike Whaley	Director of Public Works	1999
Margie Poole	City Clerk	2019

INDEPENDENT AUDITORS, CONSULTANTS AND ADVISORS

Independent Auditors .... MWH Group, P.C.
Wichita Falls, Texas

Bond Counsel .... Norton Rose Fulbright US LLP
Dallas, Texas

Financial Advisor .... Hilltop Securities Inc.
Fort Worth, Texas

OFFICIAL STATEMENT

RELATING TO

CITY OF BURKBURNETT, TEXAS

\$3,105,000	**\$1,060,000**
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2023	**TAX AND WATERWORKS AND SEWER SYSTEM (LIMITED PLEDGE) REVENUE CERTIFICATES OF OBLIGATION, TAXABLE SERIES 2023**

INTRODUCTION

This Official Statement, which includes the Appendices and Schedule hereto, provides certain information regarding the issuance of \$3,105,000 City of Burkburnett, Texas, General Obligation Refunding Bonds (the "Bonds"), Series 2023 and \$1,060,000 City of Burkburnett, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2023 (the "Taxable Certificates", together with the "Bonds", the "Obligations"). The Obligations are separate and distinct securities offerings being authorized for issuance under separate ordinances (the "Bond Ordinance" and the "Taxable Certificate Ordinance") each adopted by the Board of Commissioners of the City of Burkburnett, Texas (the "City") on April 17, 2023, but are being offered and sold pursuant to a common Official Statement. While the Obligations share certain common attributes, each issue is separate and apart from the other and should be reviewed and analyzed independently, including the kind and type of obligation being issued, its terms of payment, the security for its payment, the rights of the holders, and the covenants and agreements made with respect thereto. Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Ordinance and Taxable Certificate Ordinance (collectively, the "Ordinances"), except as otherwise indicated herein.

This Official Statement contains descriptions of the Obligations and certain information regarding the City and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City's Financial Advisor, Hilltop Securities Inc. ("HilltopSecurities"), Fort Worth, Texas.

DESCRIPTION OF THE CITY . . . The City is a political subdivision located in Wichita County operating as a home-rule city under the laws of the State of Texas and a charter approved by the voters in 1923. The City operates under the Council/Manager form of government and the City's governing body known as the Board of Commissioners (the "Board") consists of the Mayor and six Commissioners who are elected for staggered two-year terms. The Board of Commissioners formulates operating policy, while the City Manager is the chief administrative officer. The estimated 2023 population for the City is 11,423. The City covers approximately 9.51 square miles.

INFECTIOUS DISEASE OUTBREAK – COVID-19

In March 2020, the World Health Organization and the President of the United States separately declared the outbreak of a respiratory disease caused by a novel coronavirus ("COVID-19") to be a public health emergency. On March 13, 2020, the Governor of Texas (the "Governor") declared a state of disaster for all counties in the State because of the effects of COVID-19. Subsequently, in response to a rise in COVID-19 infections in the State and pursuant to Chapter 418 of the Texas Government Code, the Governor issued a number of executive orders intended to help limit the spread of COVID-19 and mitigate injury and the loss of life, including limitations imposed on business operations, social gatherings and other activities.

Over the ensuing year, COVID-19 negatively affected commerce, travel and businesses locally and globally, and negatively affected economic growth worldwide and within the U.S., the State and the City. Following the widespread release and distribution of various COVID-19 vaccines beginning in December 2020 and a decrease in active COVID-19 cases generally in the United States, state governments (including the State) began lifting business and social limitations associated with COVID-19. Under executive orders in effect as of the date of this Official Statement, there are no State-imposed COVID-19 related operating limits for any business or other establishment in the State and no State-imposed requirement to wear a face covering. The Governor retains the right to impose future restrictions on activities if needed in order to mitigate the effects of COVID-19. Additional information regarding executive orders issued by the Governor is accessible on the website of the Governor at https://gov.texas.gov/. Neither the information on (nor accessed through) such website of the Governor is incorporated by reference, either expressly or by implication, into this Official Statement.

With the easing or removal of associated governmental restrictions and the widespread availability of vaccines, economic activity has increased. However, there are no assurances that economic activity will continue or increase at the same rate, especially if there are future outbreaks of COVID-19 or variants of COVID-19. The COVID-19 pandemic may result in lasting changes in some businesses and social practices, which could affect business activity and limit the growth of or reduce the City's ad valorem and sales tax collections, as well as reduce the collection of taxes, charges and fees within the City, including water and sewer system revenues. In addition, further or extended reductions in the value of stocks and other investments could impact employee retirement plans or other funds and could require actions by the State. See “DEBT INFORMATION – Pension Fund.” The City cannot predict the long-term economic effect of COVID-19 or the effect of any future outbreak of COVID-19, or variants of COVID-19, or a similar virus on the City's operations or financial condition.

PLAN OF FINANCING

PURPOSE . . . Proceeds from the sale of the Bonds will be used for (i) refunding outstanding debt as shown in Schedule I for debt service savings, and (ii) and paying costs of issuance of the Bonds.

Proceeds from the sale of the Taxable Certificates will be used for (i) constructing, renovating, improving, and equipping existing City owned golf course facilities and (ii) professional services rendered in relation to such projects and the financing thereof.

REFUNDED OBLIGATIONS. . . The principal and interest due on the Refunded Obligations are to be paid on the redemption date of such Refunded Obligations as set forth in Schedule I, from funds to be deposited pursuant to a certain Escrow Agreement (the "Escrow Agreement") between the City and The Bank of New York Mellon Trust Company (the “Escrow Agent”). The Bond Ordinance provides that from the proceeds of the sale of the Bonds received from the Underwriter, the City will deposit with the Escrow Agent the amount necessary to accomplish the discharge and final payment of the Refunded Obligations on the redemption date. Such funds will be held by the Escrow Agent pursuant to the Escrow Agreement in a special account used to defease and redeem the Refunded Obligations on the redemption date.

The City’s financial advisor or the paying agent/registrar for the Refunded Obligations will execute a certificate verifying that the funds on deposit pursuant to the Escrow Agreement will be sufficient to pay, when due, the amount necessary to accomplish the discharge and final payment of the Refunded Obligations on the redemption date (the "Sufficiency Certificate").

By the deposit of the cash with the Escrow Agent pursuant to the Escrow Agreement, the City will have effected the defeasance of all of the Refunded Obligations in accordance with State law. It is the opinion of Bond Counsel that as a result of such defeasance and in reliance upon the Sufficiency Certificate, the Refunded Obligations will be outstanding only for the purpose of receiving payments from the cash held for such purpose by Escrow Agent pursuant to the Escrow Agreement and the Refunded Obligations will not be deemed as being outstanding obligations of the City payable from ad valorem taxes nor for the purpose of applying any limitation on the issuance of debt.

SOURCES AND USES OF PROCEEDS . . . The proceeds from the sale of the Obligations will be applied approximately as follows:

	The Bonds	The Taxable Certificates
Sources:		
Par Amount	$ 3,105,000.00	$ 1,060,000.00
Reoffering Premium	432,839.70	-
Transfer from Prior Issue Debt Service Fund	73,843.75	-
Total Sources of Funds	$ 3,611,683.45	$ 1,060,000.00
Uses:		
Deposit to Construction Fund	$ -	$ 1,001,170.20
Deposit with Escrow Agent	3,515,203.82	-
Original Issue Discount	-	11,567.00
Costs of Issuance (1)	96,479.63	47,262.80
Total Uses of Funds	$ 3,611,683.45	$ 1,060,000.00

(1) Also includes Underwriter's Discount and Bond Insurance Premium.

THE OBLIGATIONS

DESCRIPTION OF THE OBLIGATIONS . . . The Obligations are dated March 1, 2023 (the "Dated Date") and mature on February 15 in each of the years and in the amounts shown on pages 2 and 4 hereof. Interest will accrue from the date of initial delivery thereof (the "Delivery Date"), will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on February 15 and August 15 of each year, commencing February 15, 2024, until maturity or prior redemption. The definitive Obligations will be issued only in fully registered form in any integral multiple of $5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Obligations will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Obligations will be payable by The Bank of New York Mellon Trust Company N.A., Dallas, Texas (the "Paying Agent/Registrar") to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Obligations. See "THE OBLIGATIONS - Book-Entry-Only System" herein.

AUTHORITY FOR ISSUANCE . . . The Taxable Certificates are being issued pursuant to the Constitution, the City's Home Rule Charter, and general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, and the Taxable Certificate Ordinance.

The Bonds are being issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Chapter 1207, Texas Government Code, as amended, and the Bond Ordinance.

SECURITY AND SOURCE OF PAYMENT . . .

The Taxable Certificates . . . The principal of and interest on the Taxable Certificates is payable from a direct and continuing annual ad valorem tax levied by the City, within the limits prescribed by law, upon all taxable property in the City. Additionally, the Taxable Certificates are payable from a limited pledge of $1,000 of the Net Revenues (as defined in the Taxable Certificate Ordinance) of the City's Waterworks and Sewer System (the "System"), such pledge of the Net Revenues for the payment of the Taxable Certificates, being junior and subordinate to the lien on and pledge of such Net Revenues securing the payment of Prior Lien Obligations (as defined in the Taxable Certificate Ordinance) (none currently outstanding) hereafter issued by the City.

The Bonds . . . The principal of and interest on the Bonds is payable from a direct and continuing annual ad valorem tax levied by the City, within the limits prescribed by law, upon all taxable property in the City as provided in the Bond Ordinance.

TAX RATE LIMITATION . . . All taxable property within the City is subject to the assessment, levy, and collection by the City of a continuing, direct annual ad valorem tax, within the limits prescribed by law, sufficient to provide for the payment of principal of and interest on all ad valorem tax debt. Article XI, Section 5, of the Texas Constitution is applicable to the City, and provides for a maximum ad valorem tax rate of $2.50 per $100 Taxable Assessed Valuation for all City purposes. The Home Rule Charter of the City adopts the constitutionally authorized maximum tax rate of $2.50 per $100 taxable assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of $1.50 of the $2.50 maximum tax rate for all general obligations debt service, as calculated at the time of issuance based on a 90% collection factor.

OPTIONAL REDEMPTION . . . The City reserves the right, at its option, to redeem the Bonds, having stated maturities on and after February 15, 2033, in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption and the right, at its option, to redeem the Taxable Certificates having stated maturites on and after February 15, 2038, in whole or in part, in principal amounts of $5,000 or any integral multiple thereof, on February 15, 2032, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds or Taxable Certificates are to be redeemed, the City may select the maturities of Bonds or Taxable Certificates, as the case may be, to be redeemed. If less than all of the Bonds or Taxable Certificates of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Obligations are in Book-Entry-Only form) shall determine by lot the Bonds or Taxable Certificates, or portions thereof, within such maturity to be redeemed. If a Bond or Taxable Certificate (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond or Taxable Certificate (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

MANDATORY SINKING FUND REDEMPTION . . . In addition to the optional redemption provisions described above, the Taxable Certificates maturing on February 15, 2032, February 15, 2038 and February 15, 2043 (the "Term Taxable Certificates"), are subject to mandatory redemption in part prior to their scheduled maturities, and will be redeemed by the City at a redemption price equal to the principal amounts thereof, plus accrued interest to the dates of redemption, on the dates and in the principal amounts as follows:

Term Taxable Certificate Maturing February 15, 2032		Term Taxable Certificate Maturing February 15, 2038		Term Taxable Certificate Maturing February 15, 2043	
Redemption Date	Principal Amount	Redemption Date	Principal Amount	Redemption Date	Principal Amount
February 15, 2024	$ 20,000	February 15, 2033	$ 50,000	February 15, 2039	$ 70,000
February 15, 2025	35,000	February 15, 2034	50,000	February 15, 2040	70,000
February 15, 2026	35,000	February 15, 2035	55,000	February 15, 2041	75,000
February 15, 2027	35,000	February 15, 2036	60,000	February 15, 2042	80,000
February 15, 2028	40,000	February 15, 2037	60,000	February 15, 2043*	85,000
February 15, 2029	40,000	February 15, 2038*	65,000		$ 380,000
February 15, 2030	45,000		$ 340,000		
February 15, 2031	45,000				
February 15, 2032*	45,000				
	$ 340,000				

* Maturity.

The Term Taxable Certificates to be redeemed shall be selected by lot or other customary random method of the Paying Agent/Registrar (or by DTC in accordance with its procedures while the Certificates are in book-entry-only form) approximately 45 days prior to each mandatory redemption date. Any Term Taxable Certificates not selected for prior redemption shall be paid on the date of their stated maturity.

The principal amount of Term Taxable Certificates of a stated maturity required to be redeemed on any mandatory redemption date pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City, by the principal amount of any Term Taxable Certificates of the same maturity which, at least 50 days prior to a mandatory redemption date (1) shall have been acquired by the City and delivered to the Paying Agent/Registrar for cancellation, or (2) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory redemption requirement.

NOTICE OF REDEMPTION . . . Not less than 30 days prior to a redemption date for the Obligations, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Obligations to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE OBLIGATIONS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY OBLIGATION OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH OBLIGATION OR PORTION THEREOF SHALL CEASE TO ACCRUE.

With respect to any optional redemption of the Obligations, unless certain prerequisites to such redemption required by the respective Ordinances have been met and moneys sufficient to pay the redemption price of the Obligations to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for redemption. If a conditional notice of redemption is given and such prerequisites to the redemption are not satisfied or sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Obligations and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Obligations have not been redeemed.

AMENDMENTS . . . The City, may, without the consent of or notice to any registered owners, from time to time and at any time, amend the Ordinances in any manner not detrimental to the interests of the registered owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the City may, with the written consent of holders of a majority in aggregate principal amount of the Bonds or Taxable Certificates, as the case may be, then outstanding, amend, add to, or rescind any of the provisions of the respective Ordinances; provided that, without the consent of the registered owners of all of the Bonds or Taxable Certificates, as the case may be, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds or Taxable Certificates, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds or Taxable Certificates, (2) give any preference to any Bond or Taxable Certificate over any other Bond or Taxable Certificate, as the case may be, or (3) reduce the aggregate principal amount of the Bonds or Taxable Certificates, as the case may be, required to be held by the owners of the Bonds or Taxable Certificates, as the case may be, for consent to any such amendment, addition, or rescission.

DEFEASANCE . . . The Ordinances provide for the defeasance of the Obligations when the payment of the principal of and premium, if any, on the Obligations, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, redemption, or otherwise), is provided by irrevocably depositing with a paying agent or other authorized entity, in trust (1) money sufficient to make such payment or (2) Government Securities, certified by an independent public accounting firm or other qualified third party firm, to mature as to principal and interest in such amounts and at such times to insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to make such payment, and all necessary and proper fees, compensation and expenses of the paying agent for the Obligations being defeased, and thereafter, the City will have no further responsibility with respect to amounts available to such paying agent (or other financial institution permitted by applicable law) for the payment of such defeased Obligations, including any insufficiency therein caused by the failure of such paying agent (or other financial institution permitted by applicable law) to receive payment when due on the Government Securities. The Ordinances provide that "Government Securities" means: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (d) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Obligations. The City has additionally reserved the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon making such a deposit described above, such Obligations shall no longer be deemed outstanding obligations payable from the proceeds of an ad valorem tax but will be payable solely from the cash and securities deposited with the place of payment and will not be considered outstanding debt of the City for purposes of applying any limitation on the City's ability to issue debt or for any other purpose; provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Obligations, to call for redemption, at an earlier date, those Obligations which have been defeased to their maturity date, if the City: (i) in the proceedings providing for firm banking and financial arrangements, expressly reserves the right to call the Obligations for redemption; (ii) gives notice of the reservation of that right to the owners of the Obligations immediately following the making of the firm banking arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

BOOK-ENTRY-ONLY SYSTEM . . . *This section describes how ownership of the Obligations is to be transferred and how the principal of, premium, if any, and interest on the Obligations are to be paid to and credited by The Depository Trust Company, New York, New York, ("DTC") while the Obligations are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.*

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Obligations, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Obligations), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Obligations. The Obligations will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Obligation certificate will be issued for each maturity and series of the Obligations, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of "AA+". The DTC Rules applicable to its

Participants are on file with the United States Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Obligations under the DTC system must be made by or through Direct Participants, which will receive a credit for the Obligations on DTC's records. The ownership interest of each actual purchaser of each Obligation ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Obligations are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Obligations, except in the event that use of the book-entry system for the Obligations is discontinued.

To facilitate subsequent transfers, all Obligations deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Obligations with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Obligations; DTC's records reflect only the identity of the Direct Participants to whose accounts such Obligations are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Obligations may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Obligations, such as redemptions, tenders, defaults, and proposed amendments to the Obligation documents. For example, Beneficial Owners of Obligations may wish to ascertain that the nominee holding the Obligations for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the register and request that copies of the notices be provided directly to them.

Redemption notices for the Obligations shall be sent to DTC. If less than all of the Obligations within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Obligations unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Obligations are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Obligations will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar of each series, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Paying Agent/Registrar of each series, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Paying Agent/Registrar of each series, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to one or both series of the Obligations at any time by giving reasonable notice to the City or the respective Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, obligation certificates are required to be printed and delivered.

The City may decide to discontinue the use of the system of book-entry-only transfers through DTC (or a successor depository). In that event, Obligations will be printed and delivered.

Use of Certain Terms in Other Sections of this Official Statement. In reading this Official Statement it should be understood that while the Obligations are in the Book-Entry-Only System, references in other sections of this Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Obligations, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the Ordinances will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the City, the Financial Advisor, or the Underwriter.

Effect of Termination of Book-Entry-Only System . . . In the event that the Book-Entry-Only System of the Obligations is discontinued, printed securities will be issued to the DTC Participants or the holder, as the case may be, and such Obligations will be subject to transfer, exchange and registration provisions as set forth in the Ordinances and summarized under "THE OBLIGATIONS – Transfer, Exchange and Registration" below.

PAYING AGENT/REGISTRAR . . . The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company N.A., Dallas, Texas. In the Ordinances, the City retains the right to replace the Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds or Taxable Certificates, as the case may be, are duly paid and any successor Paying Agent/Registrar shall be a commercial bank, financial institution or trust company or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Obligations. Upon any change in the Paying Agent/Registrar for the Bonds or Taxable Certificates, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of the Obligations affected by the changes by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

TRANSFER, EXCHANGE AND REGISTRATION . . . In the event the Book-Entry-Only System should be discontinued, with respect to the Bonds or Taxable Certificates, as the case may be, certificates will be printed and delivered to the registered owners thereof and thereafter may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds and Taxable Certificates may be assigned by the execution of an assignment form on the respective Bonds and Taxable Certificates or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds and Taxable Certificates will be delivered by the Paying Agent/Registrar, in lieu of the Obligations being transferred or exchanged, at the designated office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds and Taxable Certificates issued in an exchange or transfer of Bonds and Taxable Certificates will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Obligations to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds and Taxable Certificates registered and delivered in an exchange or transfer shall be in any integral multiple of $5,000 for any one maturity and for a like aggregate principal amount and series as the Obligations surrendered for exchange or transfer. See "Book-Entry-Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Obligations. Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond or Taxable Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation on transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond or Taxable Certificate.

RECORD DATE FOR INTEREST PAYMENT . . . The record date ("Record Date") for the interest payable on the Obligations on any interest payment date means the close of business on the last business day of the preceding month.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Holder of an Obligation appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

OBLIGATIONHOLDERS' REMEDIES. . . The Ordinances do not specify events of default with respect to the Obligations. If the City defaults in the payment of principal, interest or redemption price, as applicable, on the Obligations when due, or if it fails to make payments into any fund or funds created in the Ordinances, or defaults in the observation or performance of any other covenants, conditions or obligations set forth in the Ordinances, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Obligations if there is no other available remedy at law to compel performance of the Obligations or the Ordinances and the City's obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Obligations in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Ordinances do not provide for the appointment of a trustee to represent the interest of the holders of the Obligations upon any failure of the City to perform in accordance with the terms of the Ordinances, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners. On April 1, 2016, the Texas Supreme Court ruled in *Wasson Interests, Ltd. V. Cty of Jacksonville*, 489 S.W. 3d 427 (Tex. 2016) ("Wasson") that sovereign immunity does not imbue a city with derivative immunity when it performs proprietary, as opposed to governmental, functions in respect to contracts executed by a city. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under the authority or for the benefit of the state. The Texas Supreme Court reviewed *Wasson* again in June 2018 and clarified that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. If sovereign immunity is determined by a court to exist, then the Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W.3d 325 (Tex.2006) that a waiver of sovereign immunity in the contractual dispute must be provided for by statute in "clear and unambiguous" language. Because it is unclear whether the Texas legislature has effectively waived the City's sovereign immunity from a suit for money damages, holders of the Obligations may not be able to bring such a suit against the City for breach of the Obligations or the covenants in the Ordinances. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City's property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Obligations. Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or holders of the Obligations of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce creditors' rights would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinions of Bond Counsel will note that all opinions relative to the enforceability of the Ordinances and the Obligations are qualified with respect to the customary rights of debtors relative to their creditors.

BOND INSURANCE

BOND INSURANCE POLICY

Concurrently with the issuance of the Obligations, Assured Guaranty Municipal Corp. ("AGM") will issue separate Municipal Bond Insurance Policies for the Obligations (the "Policy" and collectively, the "Policies"). The Policy guarantees the scheduled payment of principal of and interest on the Obligations when due as set forth in the form of the Policy included as an appedix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

ASSURED GUARANTY MUNICIPAL CORP.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On October 21, 2022, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On July 8, 2022, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM

At December 31, 2022:

- The policyholders' surplus of AGM was approximately $2,747 million.

- The contingency reserve of AGM was approximately $855 million.

- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,134 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed with the Securities and Exchange Commission (the "SEC") on March 1, 2023 that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM makes no representation regarding the Obligations or the advisability of investing in the Obligations. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE".

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BOND INSURANCE RISK FACTORS

BOND INSURANCE RISK FACTORS . . . In the event of default of the scheduled payment of principal of or interest on the Obligations when all or a portion thereof becomes due, any owner of the Obligations shall have a claim under the Policy for such payments. The payment of principal and interest in connection with mandatory or optional prepayment of the Obligations by the City which is recovered by the City from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy; however, such payments will be made by AGM (the "Insurer") at such time and in such amounts as would have been due absent such prepayment by the City (unless the Insurer chooses to pay such amounts at an earlier date).

Payment of principal of and interest on the Obligations is not subject to acceleration, but other legal remedies upon the occurrence of non-payment do exist. The Insurer may reserve the right to direct the pursuit of available remedies, and, in addition, may reserve the right to consent to any remedies available to and requested by the owners.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Obligations are payable solely from the sources of funds pledged to the payment of the Obligations (see "THE OBLIGATIONS – Security and Source of Payment"). In the event the Insurer becomes obligated to make payments with respect to the Obligations, no assurance is given that such event will not adversely affect the market price or the marketability (liquidity) of the Obligations.

If a Policy is acquired, the long-term ratings on the Obligations will be dependent in part on the financial strength of the Insurer and its claims-paying ability. The Insurer's financial strength and claims-paying ability are predicated upon a number of factors which could change over time. No assurance can be given that the long-term ratings of the Insurer and of the ratings on the Obligations, whether or not subject to a Policy, will not be subject to downgrade and such event could adversely affect the market price or the marketability (liquidity) for the Obligations.

The obligations of the Insurer under a Policy are general obligations of the Insurer and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law. None of the City, the Financial Advisor or the Underwriter have made independent investigation into the claims-paying ability of any potential Insurer and no assurance or representation regarding the financial strength or projected financial strength of any potential Insurer is given.

CLAIMS-PAYING ABILITY AND FINANCIAL STRENGTH OF MUNICIPAL BOND INSURERS . . . Moody's Investor Services, Inc., S&P Global Ratings, a division of S&P Global Inc., and Fitch Ratings (collectively, the "Rating Agencies") have downgraded and/or placed on negative watch the claims-paying ability and financial strength of most providers of municipal bond insurance. Additional downgrades or negative changes in the rating outlook for all bond insurers is possible. In addition, recent events in the credit markets have had substantial negative effects on the bond insurance business. These developments could be viewed as having a material adverse effect on the claims-paying ability of such bond insurers, including any bond insurer of the Obligations. Thus, when making an investment decision, potential investors should carefully consider the ability of any such bond insurer to pay principal and interest on the Obligations and the claims paying ability of any such bond insurer, particularly over the life of the Bonds.

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PROPERTY TAX INFORMATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors *are encouraged to review Title I of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.*

VALUATION OF TAXABLE PROPERTY . . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the City is the responsibility of the Wichita Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner's principal residence ("homestead" or "homesteads") to be based solely on the property's value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the City, in establishing their tax rolls and tax rates (see "PROPERTY TAX INFORMATION – City and Taxpayer Remedies").

STATE MANDATED HOMESTEAD EXEMPTIONS . . . State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS . . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than $5,000) and (2) an additional exemption of at least $3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may also be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit.

LOCAL OPTION FREEZE FOR THE ELDERLY AND DISABLED . . . The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

PERSONAL PROPERTY . . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the "production of income" is taxed based on the property's market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

FREEPORT AND GOODS-IN-TRANSIT EXEMPTIONS . . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication ("Freeport Property") are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal.

Certain goods, that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days ("Goods-in-Transit"), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer's motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

OTHER EXEMPT PROPERTY . . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

TEMPORARY EXEMPTION FOR QUALIFIED PROPERTY DAMAGED BY A DISASTER . . . The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes, located in an area declared by the governor to be a disaster area following a disaster and is at least 15 percent damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15 percent to 100 percent based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code. Section 11.35 of the Property Tax Code was enacted during the 2019 legislative session, and there is no historical judicial precedent for how the statute will be applied. Texas Attorney General Opinion KP-0299, issued on April 13, 2020, concluded a court would likely find the Texas Legislature intended to limit the temporary tax exemption to apply to property physically harmed as a result of a declared disaster and would not apply to purely economic, non-physical damage to property such as economic losses caused by COVID-19.

TAX INCREMENT REINVESTMENT ZONES . . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones ("TIRZ") within its boundaries. At the time of the creation of the TIRZ, a "base value" for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the "tax increment". During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

TAX ABATEMENT AGREEMENTS . . . Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit, in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

The City does not have any active abatements. See "PROPERTY TAX INFORMATION – Tax Abatement Policy".

CITY AND TAXPAYER REMEDIES . . . Under certain circumstances, taxpayers and taxing units, including the City, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the City may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year "minimum eligibility amount", as determined by the State Comptroller, and situated in a county with a population of one million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at $52,978,200 for the 2022 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the City and provides for taxpayer referenda that could result in the repeal of certain tax increases (see “PROPERTY TAX INFORMATION – Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES . . . The City is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the City. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the City may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

CITY’S RIGHTS IN THE EVENT OF TAX DELINQUENCIES . . . Taxes levied by the City are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the City, having power to tax the property. The City’s tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the City is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the City may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer’s debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

PUBLIC HEARING AND MAINTENANCE AND OPERATIONS TAX RATE LIMITATIONS . . . The following terms as used in this section have the meanings provided below:

“adjusted” means lost values are not included in the calculation of the prior year’s taxes and new values are not included in the current year’s taxable values.

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional $500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“special taxing unit” means a city for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per $100 of taxable value.

“unused increment rate” means the cumulative difference between a city’s voter-approval tax rate and its actual tax rate for each of the tax years 2020 through 2022, which may be applied to a city’s tax rate in tax years 2021 through 2023 without impacting the voter-approval tax rate.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the “unused increment rate”.

The City's tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the current year (the "maintenance and operations tax rate"), and (2) a rate for funding debt service in the current year (the "debt service tax rate"). Under State law, the assessor for the City must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the City to the Board by August 1 or as soon as practicable thereafter.

A city must annually calculate its voter-approval tax rate and no-new-revenue tax rate in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the city and the county tax assessor-collector for each county in which all or part of the city is located. A city must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a city fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the city for the preceding tax year.

As described below, the Property Tax Code provides that if a city adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A city may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such city participates has delivered notice to each taxpayer of the estimated total amount of property taxes owed and the city has held a public hearing on the proposed tax increase.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate. However, for any tax year during which a city has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a city's adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the city's voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the city would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city's total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City's tax-supported debt obligations, including the Obligations.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

City Application of Tax Code . . . The City grants an exemption to the market value of the residence homestead of persons 65 years of age or older of $10,000.

The City grants an exemption to disabled veterans.

The City has not granted an additional exemption of 20% of the market value of residence homesteads; minimum exemption of $5,000.

See Table 1 for a listing of the amounts of the exemptions described above.

The City has not adopted the tax freeze for citizens who are disabled or are 65 years of age or older, which became a local option and subject to local referendum on January 1, 2004.

Ad valorem taxes are not levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property. Wichita County collects taxes for the City.

The City does permit split payments, and discounts are allowed.

The City does not tax freeport property.

The City does not tax goods-in-transit.

The City does collect the additional one-half cent sales tax for reduction of ad valorem taxes.

Tax Abatement Policy . . . The City has established a tax abatement program to encourage economic development. In order to be considered for tax abatement, a project must meet several criteria pertaining to job creation and property value enhancement. Generally, projects are eligible for a tax abatement of up to 100% for a period of ten years.

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TABLE 1 – VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT

2022/23 Market Valuation Established by Wichita Appraisal District		$ 717,523,821
Less Exemptions/Reductions at 100% Market Value:		
Over 65 Years of Age/Disabled	$ 7,398,235	
Disabled Veterans Exemptions	38,713,646	
Abatement Exemption	3,800,009	
Pollution Control	1,016,049	
Freeport	4,263,126	
Solar	1,146,003	
Cap Loss	42,752,113	
Agricultural Land Use Reductions	6,094,557	105,183,738
2022/23 Taxable Assessed Valuation		$ 612,340,083
City Funded Debt Payable from Ad Valorem Taxes		
Outstanding Debt (as of 1/31/23)	$ 8,030,000 (1)	
The Taxable Certificates	1,060,000	
The Bonds	3,105,000	
Debt Payable from Ad Valorem Taxes		$ 12,195,000
Less Self-Supporting Debt: (2)		
Water and Sewer General Obligation Debt		1,800,000
Net Funded Debt Payable from Ad Valorem Taxes		$ 10,395,000
Interest and Sinking Fund (as of 1/31/23)		$ 860,434
Ratio Total Funded Debt to Taxable Assessed Valuation		1.99%

2023 Estimated Population - 11,423
Per Capita Taxable Assessed Valuation - $53,606
Per Capita Funded Debt - $1,068
Per Capita Net Funded Debt - $910

(1) Excludes the Refunded Obligations. Preliminary, subject to change.
(2) General obligation debt in the amounts shown for which repayment is provided from revenues of the respective revenue systems. The amount of self-supporting debt is based on the percentages of revenue support as shown in Table 10. It is the City's current policy to provide these payments from waterworks and sewer system (the "System") revenues; this policy is subject to change in the future. If the System revenues are not sufficient to provide for the payment of such obligations, the City will be required to levy and collect ad valorem taxes sufficient to provide for the payment of the principal and interest on such obligations.

TABLE 2 – TAXABLE ASSESSED VALUATIONS BY CATEGORY

	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2023		2022		2021	
Category	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 570,838,938	79.56%	$ 459,151,593	77.27%	$ 420,599,443	75.85%
Real, Residential, Multi-Family	13,039,936	1.82%	11,706,026	1.97%	11,087,109	2.00%
Real, Vacant Lots/Tracts	4,315,440	0.60%	3,701,602	0.62%	3,280,036	0.59%
Real, Acreage (Land Only)	6,795,965	0.95%	6,054,216	1.02%	6,076,270	1.10%
Real, Farm and Ranch Improvements	4,527,745	0.63%	3,807,680	0.64%	3,651,809	0.66%
Real, Commercial	50,992,134	7.11%	44,725,713	7.53%	43,926,351	7.92%
Real, Industrial	5,917,387	0.82%	5,371,799	0.90%	5,781,117	1.04%
Real Oil, Gas and Minerals	376,200	0.05%	290,320	0.05%	604,150	0.11%
Real and Personal Utility	15,006,366	2.09%	16,321,478	2.75%	12,922,855	2.33%
Personal Commercial	24,716,512	3.44%	23,462,747	3.95%	25,353,723	4.57%
Personal Industrial	13,326,620	1.86%	12,341,379	2.08%	14,207,572	2.56%
Tangible Personal, Mobile Homes	2,061,724	0.29%	1,392,188	0.23%	1,236,630	0.22%
Special Inventory	5,578,704	0.78%	5,822,586	0.98%	5,509,538	0.99%
Real Property Inventory	30,150	0.00%	47,875	0.01%	286,445	0.05%
Total Appraised Value Before Exemptions	$ 717,523,821	100.00%	$ 594,197,202	100.00%	$ 554,523,048	100.00%
Less: Total Exemptions/Reductions	(105,183,738)		(52,901,534)		(46,534,663)	
Taxable Assessed Value	$ 612,340,083		$ 541,295,668		$ 507,988,385	

	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2020		2019	
Category	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	$ 393,759,085	74.69%	$ 370,554,727	73.43%
Real, Residential, Multi-Family	8,503,873	1.61%	10,466,254	2.07%
Real, Vacant Lots/Tracts	3,371,770	0.64%	3,270,717	0.65%
Real, Acreage (Land Only)	6,250,013	1.19%	6,192,956	1.23%
Real, Farm and Ranch Improvements	3,368,362	0.64%	3,543,633	0.70%
Real, Commercial	44,226,956	8.39%	42,244,240	8.37%
Real, Industrial	6,021,354	1.14%	6,386,654	1.27%
Real Oil, Gas and Minerals	652,210	0.12%	530,080	0.11%
Real and Personal Utility	12,777,766	2.42%	12,715,330	2.52%
Personal Commercial	26,085,143	4.95%	27,834,123	5.52%
Personal Industrial	15,649,146	2.97%	14,064,556	2.79%
Tangible Personal, Mobile Homes	1,005,164	0.19%	989,478	0.20%
Special Inventory	5,300,065	1.01%	5,479,182	1.09%
Real Property Inventory	206,597	0.04%	366,443	0.07%
Total Appraised Value Before Exemptions	$ 527,177,504	100.00%	$ 504,638,373	100.00%
Less: Total Exemptions/Reductions	(42,846,482)		(36,324,443)	
Taxable Assessed Value	$ 484,331,022		$ 468,313,930	

NOTE: Valuations shown are certified taxable assessed values reported by the Wichita Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population [1]	Taxable Assessed Valuation [2]	Taxable Assessed Valuation Per Capita	Debt Outstanding at End of Year	Ratio Debt to Taxable Assessed Valuation	Funded Debt Per Capita
2019	11,950	$ 468,313,930	39,189	$ 14,920,000	3.19%	1,249
2020	11,950	484,331,022	40,530	14,060,000	2.90%	1,177
2021	11,950	507,988,385	42,509	12,395,000	2.44%	1,037
2022	11,423	541,295,668	47,386	11,505,000	2.13%	1,007
2023	11,423	612,340,083	53,606	11,285,000 [3]	1.84% [3]	988 [3]

(1) Source: Estimate provided by City Officials.
(2) As reported by the Wichita Appraisal District on City's annual State Property Tax Board Reports; subject to change during the ensuing year.
(3) Projected. Excludes the Refunded Obligations and includes the Bonds and Taxable Certificates.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

Fiscal Year Ended 9/30	Tax Rate	Distribution: General Fund	Distribution: Interest and Sinking Fund	Tax Levy	% of Current Tax Collections to Tax Levy	% of Total Tax Collections to Tax Levy
2019	0.725509	$ 0.520119	$ 0.205390	$ 3,397,660	96.61%	100.00%
2020	0.725509	0.528547	0.196962	3,443,587	93.61%	100.00%
2021	0.729345	0.539652	0.189693	3,704,988	100.03%	102.06%
2022	0.714521	0.544042	0.170479	3,867,671	100.18%	102.73%
2023	0.671453	0.519611	0.151842	4,111,576	96.12% [1]	96.84% [1]

(1) Collections for partial year only, through February 1, 2023.

TABLE 5 – TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2022/23 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
Fiberglass Systems LP	Industrial Manufacturing	$ 5,907,252	0.96%
Oncor Electric Delivery Co.	Electric Utility/Power Plant	5,488,500	0.90%
Techvestors Burkburnett Residences	Apartments	4,942,000	0.81%
Lipscomb Ford LP	Car Dealership	3,910,419	0.64%
Helena Agri Enterprises LLC	Chemical Plant	3,388,606	0.55%
Fiber Glass Systems LP	Industrial Manufacturing	3,109,893	0.51%
Cheney Brothers Properties LLC	Real Estate	2,953,571	0.48%
Atmos Energy Mid TX Dist U	Utility	2,817,060	0.46%
Field-DA Acquisitions Inc.	Commercial Building	2,815,221	0.46%
Maverick Transportation LLC	Transportation	2,803,582	0.46%
		$ 38,136,104	6.23%

GENERAL OBLIGATION DEBT LIMITATION . . . No general obligation debt limitation is imposed on the City under current State law or the City's Home Rule Charter (see "THE OBLIGATIONS – Tax Rate Limitation").

TABLE 6 – TAX ADEQUACY[(1)]

2023 Principal and Interest Requirements	$ 906,054
$0.1510 Tax Rate at 98.00% Collection Produces	$ 906,141
Average Annual Principal and Interest Requirements, 2023 - 2043	$ 644,763
$0.1075 Tax Rate at 98.00% Collection Produces	$ 645,100
Maximum Principal and Interest Requirements, 2028	$ 1,019,894
$0.1700 Tax Rate at 98.00% Collection Produces	$ 1,020,159

(1) Excludes the Refunded Obligations and includes the Bonds and Taxable Certificates, less self-supporting debt (See "Table 10 – Computation of Self-Supporting Debt").

TABLE 7 – ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional Tax Debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional Tax Debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

Taxing Jurisdiction	2022/23 Taxable Assessed Value	2022/23 Tax Rate	Total Tax Debt	Estimated % Applicable	City's Overlapping Tax Debt As of 1/31/23	Authorized But Unissued Debt as of 1/31/2023
City of Burkburnett	$ 612,340,083	$ 0.693262	$ 10,395,000 [(1)]	100.00%	$ 10,395,000	$ -
Burkburnett Independent School District	973,821,921	1.340000	35,600,000	51.46%	18,319,760	-
Wichita County	8,983,766,077	0.614000	59,218,366	6.83%	4,044,614	-
Total Direct and Overlapping Tax Debt					$ 32,759,374	
Ratio of Direct and Overlapping Tax Debt to Taxable Assessed Valuation					5.35%	
Per Capita Overlapping Tax Debt					2867.843333	

(1) Excludes the Refunded Obligations and includes the Bonds and Taxable Certificates, less self-supporting debt.

DEBT INFORMATION

TABLE 8 – GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year Ended	Outstanding Debt [(1)]			The Bonds [(2)]		The Taxable Certificates [(3)]		Total Debt Service	Less: Self-Supporting Debt	Total Outstanding	% of Principal
9/30	Principal	Interest	Total	Principal	Interest	Principal	Interest	Requirements	Requirements	Debt	Retired
2023	$ 910,000	$ 302,249	$ 1,212,249	$ -	$ -	$ -	$ -	$ 1,212,249	$ 306,195	$ 906,054	
2024	835,000	204,122	1,039,122	-	193,200	20,000	67,229	1,319,550	316,473	1,003,078	
2025	860,000	180,557	1,040,557	25,000	154,625	35,000	52,550	1,307,732	311,429	996,304	
2026	880,000	155,527	1,035,527	25,000	153,375	35,000	50,800	1,299,702	311,110	988,593	
2027	460,000	135,714	595,714	295,000	145,375	35,000	49,050	1,120,139	101,900	1,018,239	36.20%
2028	480,000	121,144	601,144	305,000	130,375	40,000	47,175	1,123,694	103,800	1,019,894	
2029	250,000	109,525	359,525	450,000	111,500	40,000	45,175	1,006,200	105,500	900,700	
2030	255,000	101,100	356,100	465,000	88,625	45,000	43,050	997,775	102,100	895,675	
2031	265,000	92,425	357,425	490,000	64,750	45,000	40,800	997,975	103,600	894,375	
2032	275,000	83,400	358,400	515,000	39,625	45,000	38,550	996,575	104,900	891,675	68.72%
2033	285,000	74,025	359,025	535,000	13,375	50,000	36,175	993,575	106,000	887,575	
2034	800,000	56,750	856,750	-	-	50,000	33,675	940,425	102,000	838,425	
2035	720,000	33,450	753,450	-	-	55,000	31,050	839,500	-	839,500	
2036	755,000	11,325	766,325	-	-	60,000	28,175	854,500	-	854,500	
2037	-	-	-	-	-	60,000	25,175	85,175	-	85,175	96.35%
2038	-	-	-	-	-	65,000	22,050	87,050	-	87,050	
2039	-	-	-	-	-	70,000	18,544	88,544	-	88,544	
2040	-	-	-	-	-	70,000	14,781	84,781	-	84,781	
2041	-	-	-			75,000	10,884	85,884	-	85,884	
2042	-	-	-			80,000	6,719	86,719	-	86,719	99.30%
2043	-	-	-			85,000	2,284	87,284	-	87,284	100.00%
	$ 8,030,000	$ 1,661,313	$ 9,691,313	$ 3,105,000	$ 1,094,825	$ 1,060,000	$ 663,891	$ 15,615,029	$ 2,075,006	$ 13,540,023	

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(1) "Outstanding Debt" does not include lease/purchase obligations. Excludes the Refunded Obligations. Preliminary, subject to change.
(2) Average life of the issue – 7.052 years. Interest on the Bonds has been calculated at the rates stated on page 2 hereof.
(3) Average life of the issue – 12.046 years. Interest on the Taxable Certificates has been calculated at the rates stated on page 4 hereof.

TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION

General Purpose Debt Service Requirements, Fiscal Year Ending 9/30/23		$ 906,054
Interest and Sinking Fund Balance, as of 9/30/22	$ 95,315	
Budgeted Interest and Sinking Fund Tax Levy Collection	935,020	
Surplus Funds / BFAC Payment	50,000	
Estimated Investment Income	2,000	1,082,335
Ending Fund Balance, 9/30/23		$ 176,281

TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT

Waterworks and Sewer System	
Estimated Net Revenues available from Waterworks and Sewer System, Fiscal Year 9-30-2022	$ 903,144
Less: Revenue Bond Requirements, 2023 Fiscal Year	407,225
Balance available for other purposes	$ 495,919
System General Obligation Bonds Requirements, 2023 Fiscal Year	306,195
Balance	$ 189,724
Percentage of System General Obligation Bonds Self Supporting	100.00%

TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

The City has no authorized but unissued general obligation bonds as of January 31, 2023.

ANTICIPATED ISSUANCE OF GENERAL OBLIGATION DEBT . . . The City does not anticipate the issuance of additional general obligation debt within the next 12 months.

TABLE 12 – OTHER OBLIGATIONS

Notes Payable

In January 2021, the City entered into a note payable agreement with a local bank to purchase a Street Sweeper in the amount of $221,515. The note bears interest at the rate of 2.00% with fixed monthly payments of $9,426. The final maturity date is in January 2023.

In January 2021, the City entered into a note payable agreement with a local bank to purchase a Belt Press in the amount of $268,450. The note bears interest at the rate of 2.00% with fixed monthly payments of $11,420. The final maturity date is in January 2023.

In September 2020, the City entered into a note payable agreement with a local bank to fund the Water Outfall Project in the amount of $447,057. The note bears interest at the rate of 2.00% with fixed annual payments of $94,925. The final maturity date is in September 2025.

The commitments under notes payable agreements provide for minimum future payments as of September 30, 2022 as follows:

	Governmental Activities		Business-Type Activities	
	Notes Payable		Notes Payable	
	Principal	Interest	Principal	Interest
2023	$ 37,490	$ 141	$ 134,864	$ 5,657
2024	-	-	91,247	3,678
2025	-	-	92,664	2,261
Total	$ 37,490	$ 141	$ 318,775	$ 11,596

Financing Purchases

The City entered into the following agreements that are considered financed purchases for accounting purposes:

Description	Interest Rate	Issue Date	Maturity Date	Original Issue	Balance at 9/30/22	Carrying Value of Equipment
Governmental Activities						
2018 CAT Wheel Loader	2.85%	1/30/2018	1/30/2023	$ 160,569	$ 100,975	$ 93,240
2018 CASE Backhoe	3.95%	1/29/2019	1/29/2024	$ 70,318	29,772	44,535
					$ 130,747	$ 137,775

The liabilities for Governmental Activities are reported with notes and financed purchases payable due within one year of $115,572 and notes and financed purchases payable due in more than one year of $15,175.

The commitments under financed purchase agreements for equipment provide for minimum future payments as of September 30, 2022 as follows:

	Governmental Activities	
	Principal	Interest
2023	$ 115,572	$ 4,054
2024	15,175	599
	$ 130,747	$ 4,653

Leases

The City adopted the provisions of GASB Statement no. 87, Leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use and underlying asset. The beginning balances for leased capital assets and lease liabilities were increased by $578,926 and $131,368 for Governmental Activities and Business-Type activities, respectively, as a result of this implementation. Beginning net asset balances were not required to be restated.

The City, as a lessee, has entered into lease agreements for vehicles.

The total costs of the City's lease assets are recorded in Governmental Activities as $934,672, less accumulated amortization of $188,372, and Business-type Activities as $267,810, less accumulated amortization of $54,856.

The future lease payments under lease agreements are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	$ 212,524	$ 12,716	$ 68,895	$ 3,650
2024	213,017	8,493	69,272	2,277
2025	197,980	4,257	55,609	928
2026	101,259	965	20,584	137
2027	9,655	53	-	-
Total	$ 734,435	$ 26,484	$ 214,360	$ 6,992

PENSION FUND . . The City of Burkburnett participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act (Title 8, Subtitle G, Texas Government Code) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com*. All eligible employees of the city are required to participate in TMRS.

BENEFITS PROVIDED . . . TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS. At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payments options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

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

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

	Plan Year 2021	Plan Year 2020
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	10
Service retirement eligibility (expressed as age/years of service)	60/5, 0/20	60/10, 0/20
Updated Service Credit	100% Repeating Transfers	100% Repeating Transfers
Annutiy Increase (to retirees)	0% of CPI	0% of CPI

As of the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receving Benefits	58
Inactive Employees Entitled to But Not Yet Receving Benefits	39
Active Employees	69
	166

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

Employees for the City of Burkburnett were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Burkburnett were 10.89% and 10.63**%** in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022, were $391,257, and were equal to the required contribution.

NET PENSION LIABILITY . . . The City's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The TPL in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.55%
Core fixed income	6.00%	2.00%
Non-core fixed income	20.00%	5.68%
Real return	12.00%	7.22%
Real estate	12.00%	6.85%
Hedge Funds	5.00%	5.35%
Private equity	10.00%	10.00%
	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2020	$ 15,848,171	$ 14,831,827	$ 1,016,344
Changes for the year:			
Service cost	506,172	-	506,172
Interest	1,056,610	-	1,056,610
Change of benefit terms	-	-	-
Difference between expected and actual experience	(23,685)	-	(23,685)
Changes of assumptions	-	-	-
Contributions-employer	-	383,058	(383,058)
Contributions-employee	-	246,227	(246,227)
Net investment income	-	1,929,233	(1,929,233)
Benefit payments, including refunds of employee contributions	(895,560)	(895,560)	-
Administrative expense	-	(8,946)	8,946
Other changes	-	60	(60)
Net Changes	643,537	1,654,072	(1,010,535)
Balance at December 31, 2021	$ 16,491,708	$ 16,485,899	$ 5,809

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

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

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's Net Pension Liability	$ 2,064,864	$ 5,809	$ (1,702,090)

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2022, the City recognized pension income of $109,990.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ -	$ 76,142
Changes in actuarial assumptions	-	2,499
Difference between projected and actual investment earnings	-	991,218
Contributions subsequent to the measurement date	284,593	-
	$ 284,593	$ 1,069,859

$284,593 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	$ (231,802)
2023	(439,714)
2024	(212,726)
2025	(185,617)
Total	$ (1,069,859)

OTHER POST-EMPLOYMENT BENEFITS . . . The City of Burkburnett participates in a cost sharing multiple-employer defined benefit group 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 participate in SBDF, and the City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

BENEFITS PROVIDED

The SBDF provides group-term life insurance coverage to both current and retired employees. 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.

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	12
Active Employees	69
Total	124

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability was measured as of December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5% per year
Overall payroll growth	3.50% to 11.50%, including inflation
Investment Rate of Return	1.84%
Retirees' share of benefit-related cost	$0

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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

Mortality rates for disabled retirees are based on the 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a full generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Changes in Total OPEB Liability

Total OPEB Liability - beginning of year	$	321,203
Changes for the year:		
Service Cost		27,085
Interest on Total OPEB Liability		6,607
Changes of benefit terms		-
Differences between expected and actual experience		(11,028)
Changes in assumptions or other inputs		11,029
Benefit payments		(8,794)
Net changes		24,899
Total OPEB Liability - end of year	$	346,102

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.84 percent) or 1-percentage-point higher (2.84% percent) than the current discount rate:

	1% Decrease in Discount Rate (0.84%)	Discount Rate (1.84%)	1% Increase in Discount Rate (2.84%)
City's total OPEB liability	$ 427,754	$ 346,102	$ 284,470

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

For the year ended September 30, 2022, the City recognized OPEB expense of $45,355.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in expected and actual experience	$ -	$ 30,885
Changes in actuarial assumptions	46,554	-
Contributions subsequent to the measurement date	10,441	-
	$ 56,995	$ 30,885

$10,441 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended December 31:	
2022	$ 9,166
2023	4,108
2024	2,394
2025	1
Thereafter	-
Total	$ 15,669

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FINANCIAL INFORMATION

TABLE 13 - CHANGES IN NET POSITION

Revenues:	Fiscal Year Ended September 30,				
Program Revenues	2022	2021	2020	2019	2018
Charges for Services	$ 2,696,255	$ 2,457,116	$ 2,292,715	$ 2,190,350	$ 2,131,650
Operating Grants and Contributions	380,919	214,558	224,748	123,846	124,992
Capital Grants and Contributions	16,500	544,142	82,981	221,191	1,091,179
General Revenues					
Property Taxes	3,931,933	3,794,492	3,550,623	3,485,701	3,427,472
Franchise Taxes	1,013,806	1,000,943	1,080,179	1,008,435	1,035,200
Sales Tax	1,479,405	1,408,520	1,288,810	1,094,756	1,031,108
Other Taxes	40,861	40,196	61,035	68,126	58,190
Unrestricted Investment Earnings	72,847	49,754	47,681	43,342	57,647
Miscellaneous	435,023	267,096	268,444	112,409	87,427
Total Revenues	$ 10,067,549	$ 9,776,817	$ 8,897,216	$ 8,348,156	$ 9,044,865
Expenses:					
General Government [2]	$ 829,077	$ 643,040	$ 367,268	$ 442,065	$ 332,135
Administration	165,420	194,707	165,704	189,475	252,988
Tax Assessing/Collecting	50,079	48,911	47,809	46,364	40,844
City Hall	178,741	161,608	187,559	143,777	214,041
Police Department	1,949,992	2,026,077	2,018,168	2,032,765	1,867,400
Municipal Court	83,396	85,736	89,342	144,107	93,925
Fire Department	1,075,206	709,167	144,441	152,500	183,903
Library	196,469	174,566	179,843	184,042	168,137
Streets and Public Works	1,314,803	1,452,279	1,608,283	1,685,689	1,592,831
Parks and Recreation	516,651	500,536	475,288	465,212	490,599
Aquatic Center	511,618	370,220	434,222	465,194	452,282
Community Center	23,896	25,532	22,940	26,524	34,198
Garbage Collection	1,672,507	1,549,961	1,546,191	1,518,450	1,472,415
E.M.T.	-	464,403	457,447	470,516	441,880
Community Planning	236,792	192,526	203,486	210,668	206,013
Drainage Improvement	24,312	51,743	12,572	33,913	88,142
Grant Outlay	13,718	3,000	12,718	93,244	50,028
Interest Expense	326,001	354,342	371,934	387,669	443,724
Total Expenses	$ 9,168,678	$ 9,008,354	$ 8,345,215	$ 8,692,174	$ 8,425,485
Increase (Decrease) in Net Position	$ 898,871	$ 768,463	$ 552,001	$ (344,018)	$ 619,380
Prior Period Adjustments	-	-	-	-	-
Special Items and Transfers	(59,758)	(21,072)	(35,300)	-	-
Net Position - October 1	9,799,054	9,051,663	8,534,962 [1]	9,071,781	8,452,401
Net Position - September 30	$ 10,638,167	$ 9,799,054	$ 9,051,663	$ 8,727,763	$ 9,071,781

(1) Restated.

TABLE 13A - GENERAL FUND REVENUES AND EXPENDITURE HISTORY

	Fiscal Year Ended September 30,				
Revenues	2022	2021	2020	2019	2018
Property Taxes, including penalty & interest	$ 2,850,243	$ 2,658,185	$ 2,394,752	$ 2,382,558	$ 2,322,764
Non-property taxes	2,496,068	2,411,678	2,371,014	2,104,978	2,067,981
Fines & Forfeitures	42,477	51,306	54,469	66,552	83,246
Licenses & Permits	50,381	57,205	44,818	42,633	61,938
Fees & Services	2,306,831	2,051,390	1,918,145	1,962,536	1,869,593
Miscellaneous	195,104	114,803	96,817	98,259	92,090
Intergovernmental Revenue	35,527	579,669	94,306	39,125	40,910
Total Revenues	$ 7,976,631	$ 7,924,236	$ 6,974,321	$ 6,696,641	$ 6,538,522
Expenditures					
General Government	$ 612,855	$ 485,819	$ 273,024	$ 276,774	$ 211,667
Administration	199,239	176,526	157,750	190,199	223,497
Tax Assessing/Collecting	50,079	48,911	47,809	46,364	40,844
City Hall	171,899	166,917	181,044	132,939	204,306
Police Department	1,891,220	1,906,155	1,794,520	1,743,860	1,693,739
Municipal Court	88,832	90,170	87,624	140,059	91,615
Fire Department	1,056,408	635,931	102,645	104,813	110,814
Library	186,785	156,807	131,480	144,930	131,628
Streets & Public Works	639,105	745,903	847,493	870,129	832,351
Parks & Recreation	475,418	450,379	437,360	427,322	417,071
Aquatic Center	361,207	220,577	281,779	311,027	303,770
Community Center	19,475	19,111	18,519	22,103	29,777
Garbage Collection	1,670,727	1,548,182	1,544,412	1,517,115	1,472,415
E.M.T.	-	475,199	433,031	422,691	409,608
Community Planning	253,742	205,243	199,959	190,597	193,959
Total Expenditures	$ 7,676,991	$ 7,331,830	$ 6,538,449	$ 6,540,922	$ 6,367,061
Excess (Deficiency) of Revenues Over Expenditures	$ 299,640	$ 592,406	$ 435,872	$ 155,719	$ 171,461
Capital Outlay	$ 570,068	$ 584,887	$ 82,323	$ 69,153	$ 74,720
Capital Improvement Fund	-	-	-	-	-
	$ 570,068	$ 584,887	$ 82,323	$ 69,153	$ 74,720
Other Financing Sources:					
(Decrease) Increase in Due to Others	$ -	$ -	$ -	$ -	$ -
Interest Income	37,261	32,931	35,120	33,592	25,147
Interest Expense	338,388	-	-	-	-
Principal Payments	-	-	-	-	-
Note Payments	-	-	-	-	-
Sale of Capital Assets	243,925	231,893	29,207	4,959	-
Transfers from Other Funds	(102,167)	(5,973)	(257,497)	53,926	(346,678)
Total Other financing Sources (Uses)	$ 517,407	$ 258,851	$ (193,170)	$ 92,477	$ (321,531)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	246,979	266,370	160,379	179,043	(224,790)
Change in Fund Balances - Modified Cash Basis	$ 246,979	$ 266,370	$ 160,379	$ 179,043	$ (224,790)
Fund Balance, October 1	2,296,405	2,030,035	1,869,656 [1]	2,369,125	2,369,125
Fund Balance, September 30	$ 2,543,384	$ 2,296,405	$ 2,030,035	$ 2,548,168	$ 2,144,335

(1) Restated.

TABLE 14 - MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, VATCS, Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. On January 18, 1997, the voters of the City approved the imposition of an additional sales and use tax of one-half of one percent (½% of 1%) for economic development and an additional one-half of one percent (½ of 1%) for property tax reduction. Collection for the additional tax will go into effect on October 1, 1997. The sales tax for economic development is collected solely for the benefit of Burkburnett Economic Development Corporation (the "Corporation"), and may be pledged to secure payment of sales tax revenue bonds issued by the Corporation.

Fiscal Year Ended 9/30	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita
2019	$ 1,094,756	32.22%	0.2338	92
2020	1,704,291	49.49%	0.3519	143
2021	1,863,309	50.29%	0.3668	156
2022	1,947,767	50.36%	0.3598	171
2023	651,552 (1)	15.85%	0.1064	57

Fiscal Year Ended 9/30	Property Tax Reduction Collected	4B Sales Tax Collected
2019	$ 547,378	$ 547,378
2020	852,146	852,146
2021	931,655	931,655
2022	973,884	973,884
2023 (1)	325,776	325,776

(1) Partial collections through February 1, 2023.

The sales tax breakdown for the City is as follows:

Property Tax Relief	.50¢
Economic and Community Development	.50¢
City Sales & Use Tax	1.00¢
State Sales & Use Tax	6.25¢
Total	8.25¢

FINANCIAL POLICIES

Basis of Accounting . . . For the fiscal year ended September 30, 2004, the City implemented GASB 34. The purpose of GASB 34 is to create new information and restructure much of the information that governments have presented in the past to provide a more comprehensive demonstration of their annual financial performance on a system-wide basis. Among the significant changes effected by the new accounting standard are new presentations for proprietary or business-type operations of the City, such as those reported for the City's water and waste water operations (the "Proprietary Funds"). As required by the newly adopted accounting principles, the City's annual report consists of three basic financial statements for the Proprietary Funds: the Statement of Net Assets; the Statement of Revenues, Expenses and Changes in Net Assets; and the Statement of Cash Flows. Those statements are included in the financial statements of the City for the year ended September 30, 2022 in Appendix B. In addition, a discussion of GASB 34 is set forth in the Management Discussion and Analysis and in various notes to the City's financial statements in Appendix B.

Use of Bond Proceeds . . . The City's policy is to use bond proceeds for capital expenditures only. The use of funds may include professional services, such as engineering, which may be performed by a third-party consultant or City staff.

Budgetary Procedures . . . The City Charter establishes the fiscal year as the twelve-month period beginning October 1. The departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year by the middle of May. The City Manager subsequently submits a budget of estimated expenditures and revenues to the Board by August 15. The Board shall hold a public hearing on the budget after giving at least 10 days notice of the hearing in the official newspaper of the City. The Council shall then make any changes in the budget as it deems advisable and shall adopt a budget prior to October 1. If the Council fails to adopt a budget, the budget proposed by the City Manager shall deem to have been adopted.

During the fiscal year, strict budgetary control is maintained by various methods, including the review of departmental appropriation balances with purchase requisitions prior to their release to vendors.

Departmental appropriations that have not been expended or encumbered lapse at the end of the fiscal year. Therefore, funds that were budgeted and not used by the departments during the fiscal year are not available for their use unless appropriated in the ensuing fiscal year's budget.

Fund Investments . . . The City's investment policy parallels, and in some cases is more restrictive than, the state laws which govern the investment of public funds. The City generally restricts investments to direct obligations of the United States Government and its agencies and to insured or collateralized bank certificates of deposit and public funds investment pools.

INVESTMENTS

The City invests its investable funds in investments authorized by Texas law in accordance with investment policies approved by the Board of the City. Both state law and the City's investment policies are subject to change.

LEGAL INVESTMENTS . . . Under State law and subject to certain limitations, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities; (2) direct obligations of the State of Texas or its agencies and instrumentalities; (3) collateralized mortgage obligations issued and secured by a federal agency or instrumentality of the United States; (4) other obligations unconditionally guaranteed or insured by the State of Texas or the United States or their respective agencies and instrumentalities; (5) "A" or better rated obligations of states, agencies, counties, cities, and other political subdivisions of any state; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) federally insured interest-bearing bank deposits, brokered pools of such deposits, and collateralized certificates of deposit and share certificates; (8) fully collateralized U.S. government securities repurchase agreements; (9) one-year or shorter securities lending agreements secured by obligations described in clauses (1) through (7) above or (11) through (14) below or an irrevocable letter of credit issued by an "A" or better rated state or national bank; (10) 270-day or shorter bankers' acceptances, if the short-term obligations of the accepting bank or its holding company are rated at least "A-1" or "P-1"; (11) commercial paper rated at least "A-1" or "P-1"; (12) SEC-registered no-load money market mutual funds that are subject to SEC Rule 2a-7; (13) SEC-registered no-load mutual funds that have an average weighted maturity of less than two years; (14) "AAA" or "AAAm"-rated investment pools that invest solely in investments described above; and (15) in the case of bond proceeds, guaranteed investment contracts that are secured by obligations described in clauses (1) through (7) above and, except for debt service funds and reserves, have a term of 5 years or less.

The City may not, however, invest in (1) interest only obligations, or non-interest bearing principal obligations, stripped from mortgage-backed securities; (2) collateralized mortgage obligations that have a remaining term that exceeds 10 years; and (3) collateralized mortgage obligations that bear interest at an index rate that adjusts opposite to the changes in a market index. In addition, the City may not invest more than 15 percent of its monthly average fund balance (excluding bond proceeds and debt service funds and reserves) in mutual funds described in clause (13) above or make an investment in any mutual fund that exceeds 10% of the fund's total assets.

Except as stated above or inconsistent with its investment policy, the City may invest in obligations of any duration without regard to their credit rating, if any. If an obligation ceases to qualify as an eligible investment after it has been purchased, the City is not required to liquidate the investment unless it no longer carries a required rating, in which case the City is required to take prudent measures to liquidate the investment that are consistent with its investment policy.

INVESTMENT POLICIES . . . Under State law, the City is required to adopt and annually review written investment policies and must invest its funds in accordance with its policies. The policies must identify eligible investments and address investment diversification, yield, maturity, and the quality and capability of investment management. For investments whose eligibility is rating dependent, the policies must adopt procedures to monitor ratings and liquidate investments if and when required. The policies must require that all investment transactions settle on a delivery versus payment basis. The City must adopt a written investment strategy for each fund group to achieve investment objectives in the following order of priority: (1) suitability, (2) preservation and safety of principal, (3) liquidity, (4) marketability, (5) diversification, and (6) yield.

State law requires the City's investments be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived." The City is required to perform an annual audit of the management controls on investments and compliance with its investment policies and provide regular training for its investment officers.

TABLE 15 - CURRENT INVESTMENTS

As of February 1, 2023, the City's investable funds were invested in the following categories:

Description	Percent	Balance
Certificates of Deposit	19.16%	$ 1,579,666
Money Market	80.84%	6,663,596
	100.00%	$ 8,243,262

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TAX MATTERS – THE BONDS

TAX EXEMPTION . . .The delivery of the Bonds is subject to the opinion of Norton Rose Fulbright US LLP ("Bond Counsel") to the effect that interest on the Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the "Code"), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals. A form of Bond Counsel's opinion is reproduced as Appendix C. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the City made in a certificate dated the date of delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance by the City with the provisions of the Bond Ordinance subsequent to the issuance of the Bonds. The Bond Ordinance contains covenants by the City with respect to, among other matters, the use of the proceeds of the Bonds and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage "profits" from the investment of the proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of such Bonds.

Bond Counsel's opinion is not a guarantee of a result, but represent its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the "IRS") with respect to the matters addressed in the opinions of Bond Counsel, and Bond Counsel's opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the "taxpayer," and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, corporations subject to the alternative minimum tax on adjusted financial statement income, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust ("FASIT"), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

For taxable years beginning after 2022, the Code imposes a minimum tax of 15 percent of the adjusted financial statement income of certain large corporations, generally consisting of corporations (other than S corporations, regulated investment companies and real estate investment trusts) with more than $1 billion in average annual adjusted financial statement income, determined over a three-year period. For this purpose, adjusted financial statement income generally consists of the net income or loss of the taxpayer set forth on the taxpayer's applicable financial statement for the taxable year, subject to various adjustments, but is not reduced for interest earned on tax-exempt obligations, such as the Bonds. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential impact of owning the Bonds.

Existing law may change to reduce or eliminate the benefit to holders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

QUALIFIED TAX-EXEMPT OBLIGATIONS FOR FINANCIAL INSTITUTIONS . . . Section 265 of the Code provides, in general, that interest expense to acquire or carry tax-exempt obligations is not deductible from the gross income of the owner of such obligations. In addition, section 265 of the Code completely disallows any deduction for interest expense which is incurred by "financial institutions" described in such section and is allocable, as computed in such section, to tax-exempt interest on obligations acquired after August 7, 1986. Section 265(b) of the Code provides an exception to this rule for interest expense allocable to tax-exempt obligations (other than private activity bonds) which are designated by an issuer, such as the City, as "qualified tax-exempt obligations." An issuer may designate obligations as "qualified tax-exempt obligations" only if the amount of the issue of which they are a part, when added to the amount of all other tax-exempt obligations (other than private activity bonds) issued or reasonably anticipated to be issued by the issuer during the same calendar year, does not exceed $10,000,000.

The City will designate the Bonds as "qualified tax-exempt obligations" and will certify its expectation that the above-described $10,000,000 ceiling will not be exceeded. Accordingly, it is anticipated that financial institutions which purchase the Bonds will not be subject to the one-hundred percent (100%) disallowance of interest expense allocable to interest on the Bonds under Section 265(b) of the Code. However, twenty percent (20%) of the interest expense incurred by a financial institution which is allocable to the interest on the Bonds will not be deductible pursuant to section 291 of the Code.

TAX ACCOUNTING TREATMENT OF DISCOUNT AND PREMIUM ON CERTAIN BONDS. . .The initial public offering price of certain Bonds (the "Discount Tax-Exempt Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bonds (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bonds. A portion of such original issue discount allocable to the holding period of such Discount Bonds by the initial purchaser will upon the disposition of such Discount Bonds (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bonds, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bonds and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, corporations subject to the alternative minimum tax on adjusted financial statement income, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may have been deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt bonds. Moreover, in the event of the redemption sale or other taxable disposition of a Discount Bonds by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bonds in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bonds was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The purchase price of certain Bonds (the "Premium Tax-Exempt Bonds") paid by an owner may be greater than the amount payable on such Tax-Exempt Bonds at maturity. An amount equal to the excess of a purchaser's tax basis in a Premium Tax-Exempt Bonds over the amount payable at maturity constitutes premium to such purchaser. The basis for federal income tax purposes of a Premium Tax-Exempt Bonds in the hands of such purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Tax-Exempt Bond. The amount of premium that is amortizable each year by a purchaser is determined by using such purchaser's yield to maturity (or, in some cases with respect to a callable Bond, the yield based on a call date that results in the lowest yield on the Bond).

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

TAX MATTERS –THE TAXABLE CERTIFICATES

The following is a general summary of the United States federal income tax consequences of the purchase and ownership of the Taxable Certificates. The discussion is based upon laws, Treasury Regulations, rulings and decisions now in effect, all of which are subject to change or possibly differing interpretations. No assurances can be given that future changes in the law will not alter the conclusions reached herein. The discussion below does not purport to deal with United States federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of United States federal income taxation that may be relevant to a particular investor in the Taxable Certificates in light of the investor's particular personal investment circumstances or to certain types of investors subject to special treatment under United States federal income tax laws (including insurance companies, tax exempt organizations, financial institutions, brokers-dealers, and persons who have hedged the risk of owning the Taxable Certificates). The summary is therefore limited to certain issues relating to initial investors who will hold the Taxable Certificates as "capital assets" within the meaning of section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), and acquire such Taxable Certificates for investment and not as a dealer or for resale. Prospective investors should note that no rulings have been or will be sought from the Internal Revenue Service (the "IRS") with respect to any of the U.S. federal income tax consequences discussed below, and no assurance can be given that the IRS will not take contrary positions.

INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS IN DETERMINING THE FEDERAL, STATE, LOCAL, FOREIGN AND ANY OTHER TAX CONSEQUENCES TO THEM FROM THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE TAXABLE CERTIFICATES.

PAYMENTS OF STATED INTEREST ON THE OBLIGATIONS . . . The stated interest paid on the Taxable Certificates will be included in the gross income, as defined in section 61 of the Code, of the beneficial owners thereof and be subject to U.S. federal income taxation when received or accrued, depending on the tax accounting method applicable to the beneficial owners thereof.

Original Issue Discount . . .If a substantial amount of the Taxable Certificates of any stated maturity is purchased at original issuance for a purchase price (the "Issue Price") that is less than their stated redemption price at maturity by more than one quarter of one percent times the number of complete years to maturity, the Taxable Certificates of such maturity will be treated as being issued with "original issue discount." The amount of the original issue discount will equal the excess of the stated redemption price at maturity of such Taxable Certificates over its Issue Price, and the amount of the original issue discount on the Taxable Certificates will be amortized over the life of the Taxable Certificates using the "constant yield method" provided in the Treasury Regulations. As the original issue discount accrues under the constant yield method, the beneficial owners of the Taxable Certificates, regardless of their regular method of accounting, will be required to include such accrued amount in their gross income as interest. This can result in taxable income to the beneficial owners of the Taxable Certificates that exceeds actual cash distributions to the beneficial owners in a taxable year.

The amount of the original issue discount that accrues on the Taxable Certificates each taxable year will be reported annually to the IRS and to the beneficial owners. The portion of the original issue discount included in each beneficial owner's gross income while the beneficial owner holds the Taxable Certificates will increase the adjusted tax basis of the Taxable Certificates in the hands of such beneficial owner.

PREMIUM . . .If a beneficial owner purchases a Taxable Certificate for an amount that is greater than its stated redemption price at maturity, such beneficial owner will be considered to have purchased the Taxable Certificate with "amortizable bond premium" equal in amount to such excess. A beneficial owner may elect to amortize such premium using a constant yield method over the remaining term of the Taxable Certificate and may offset interest otherwise required to be included in respect of the Taxable Certificate during any taxable year by the amortized amount of such excess for the taxable year. Bond premium on a Taxable Certificate held by a beneficial owner that does not make such an election will decrease the amount of gain or increase the amount of loss otherwise recognized on the sale, exchange, redemption or retirement of a Taxable Certificate. However, if the Taxable Certificate may be optionally redeemed after the beneficial owner acquires it at a price in excess of its stated redemption price at maturity, special rules would apply under the Treasury Regulations which could result in a deferral of the amortization of some bond premium until later in the term of the Taxable Certificate. Any election to amortize bond premium applies to all taxable debt instruments held by the beneficial owner on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

MEDICARE CONTRIBUTION TAX . . .Pursuant to Section 1411 of the Code, as enacted by the Health Care and Education Reconciliation Act of 2010, an additional tax is imposed on individuals beginning January 1, 2013. The additional tax is 3.8% of the lesser of (i) net investment income (defined as gross income from interest, dividends, net gain from disposition of property not used in a trade or business, and certain other listed items of gross income), or (ii) the excess of "modified adjusted gross income" of the individual over $200,000 for unmarried individuals ($250,000 for married couples filing a joint return and a surviving spouse). Holders of the Taxable Certificates should consult with their tax advisor concerning this additional tax, as it may apply to interest earned on the Taxable Certificates as well as gain on the sale of a Taxable Certificate.

DISPOSITION OF TAXABLE CERTIFICATES AND MARKET DISCOUNT . . .A beneficial owner of Taxable Certificates will generally recognize gain or loss on the redemption, sale or exchange of a Taxable Certificate equal to the difference between the redemption or sales price (exclusive of the amount paid for accrued interest) and the beneficial owner's adjusted tax basis in the Taxable Certificates. Generally, the beneficial owner's adjusted tax basis in the Taxable Certificates will be the beneficial owner's initial cost, increased by the original issue discount previously included in the beneficial owner's income to the date of disposition. Any gain or loss generally will be capital gain or loss and will be long-term or short-term, depending on the beneficial owner's holding period for the Taxable Certificates.

Under current law, a purchaser of a Taxable Certificate who did not purchase the Taxable Certificates in the initial public offering (a "subsequent purchaser") generally will be required, on the disposition of the Taxable Certificates, to recognize as ordinary income a portion of the gain, if any, to the extent of the accrued "market discount." Market discount is the amount by which the price paid for the Taxable Certificates by a subsequent purchaser is less than the sum of Issue Price and the amount of original issue discount previously accrued on the Taxable Certificates. The Code also limits the deductibility of interest incurred by a subsequent purchaser on funds borrowed to acquire Taxable Certificates with market discount. As an alternative to the inclusion of market discount in income upon disposition, a subsequent purchaser may elect to include market discount in income currently as it accrues on all market discount instruments acquired by the subsequent purchaser in that taxable year or thereafter, in which case the interest deferral rule will not apply. The re-characterization of gain as ordinary income on a subsequent disposition of Taxable Certificates could have a material effect on the market value of the Taxable Certificates.

LEGAL DEFEASANCE . . .If the City elects to defease the Taxable Certificates by depositing in escrow sufficient cash and/or obligations to pay when due outstanding Taxable Certificates (a "legal defeasance"), under current tax law, a beneficial owner of Taxable Certificates may be deemed to have sold or exchanged its Taxable Certificates. In the event of such a legal defeasance, a beneficial owner of Taxable Certificates generally would recognize gain or loss in the manner described above. Ownership of the Taxable Certificates after a deemed sale or exchange as a result of a legal defeasance may have tax consequences different from those described above, and each beneficial owner should consult its own tax advisor regarding the consequences to such beneficial owner of a legal defeasance of the Taxable Certificates.

BACKUP WITHHOLDING . . .Under section 3406 of the Code, a beneficial owner of the Taxable Certificates who is a United States person, as defined in section 7701(a)(30) of the Code, may, under certain circumstances, be subject to "backup withholding" on payments of current or accrued interest on the Taxable Certificates. This withholding applies if such beneficial owner of Taxable Certificates: (i) fails to furnish to payor such beneficial owner's social security number or other taxpayer identification number ("TIN"); (ii) furnishes the payor an incorrect TIN; (iii) fails to report properly interest, dividends, or other "reportable payments" as defined in the Code; or (iv) under certain circumstances, fails to provide the payor with a certified statement, signed under penalty of perjury, that the TIN provided to the payor is correct and that such beneficial owner is not subject to backup withholding.

Backup withholding will not apply, however, with respect to payments made to certain beneficial owners of the Taxable Certificates. Beneficial owners of the Taxable Certificates should consult their own tax advisors regarding their qualification for exemption from backup withholding and the procedures for obtaining such exemption.

WITHHOLDING ON PAYMENTS TO NONRESIDENT ALIEN INDIVIDUALS AND FOREIGN CORPORATIONS . . .Under sections 1441 and 1442 of the Code, nonresident alien individuals and foreign corporations are generally subject to withholding at the rate of 30% on periodic income items arising from sources within the United States, provided such income is not effectively connected with the conduct of a United States trade or business. Assuming the interest received by the beneficial owners of the Taxable Certificates is not treated as effectively connected income within the meaning of section 864 of the Code, such interest will be subject to 30% withholding, or any lower rate specified in an income tax treaty, unless such income is treated as portfolio interest. Interest will be treated as portfolio interest if: (i) the beneficial owner provides a statement to the payor certifying, under penalties of perjury, that such beneficial owner is not a United States person and providing the name and address of such beneficial owner; (ii) such interest is treated as not effectively connected with the beneficial owner's United States trade or business; (iii) interest payments are not made to a person within a foreign country which the IRS has included on a list of countries having provisions inadequate to prevent United States tax evasion; (iv) interest payable with respect to the Taxable Certificates is not deemed contingent interest within the meaning of the portfolio debt provision; (v) such beneficial owner is not a controlled foreign corporation, within the meaning of section 957 of the Code; and (vi) such beneficial owner is not a bank receiving interest on the Taxable Certificates pursuant to a loan agreement entered into in the ordinary course of the bank's trade or business.

Assuming payments on the Taxable Certificates are treated as portfolio interest within the meaning of sections 871 and 881 of the Code, then no backup withholding under section 1441 and 1442 of the Code and no backup withholding under section 3406 of the Code is required with respect to beneficial owners or intermediaries who have furnished Form W-8 BEN, Form W-8 EXP or Form W-8 IMY, as applicable, provided the payor does not have actual knowledge that such person is a United States person.

FOREIGN ACCOUNT TAX COMPLIANCE ACT . . . Sections 1471 through 1474 of the Code impose a 30% withholding tax on certain types of payments made to a foreign financial institution, unless the foreign financial institution enters into an agreement with the U.S. Treasury to, among other things, undertake to identify accounts held by certain United States persons or U.S.-owned entities, annually report certain information about such accounts, and withhold 30% on payments to account holders whose actions prevent it from complying with these and other reporting requirements, or unless the foreign financial institution is otherwise exempt from those requirements. In addition, the Foreign Account Tax Compliance Act ("FATCA") imposes a 30% withholding tax on the same types of payments to a non-financial foreign entity unless the entity certifies that it does not have any substantial U.S. owners or the entity furnishes identifying information regarding each substantial United States owner. Failure to comply with the additional certification, information reporting and other specified requirements imposed under FATCA could result in the 30% withholding tax being imposed on payments of interest and principal under the Taxable Certificates and sales proceeds of Taxable Certificates held by or through a foreign entity. Prospective investors should consult their own tax advisors regarding FATCA and its effect on them.

REPORTING OF INTEREST PAYMENTS . . .Subject to certain exceptions, interest payments made to beneficial owners with respect to the Taxable Certificates will be reported to the IRS. Such information will be filed each year with the IRS on Form 1099 which will reflect the name, address, and TIN of the beneficial owner. A copy of Form 1099 will be sent to each beneficial owner of a Taxable Certificate for U.S. federal income tax purposes.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinances, the City has made the following agreement for the benefit of the holders and beneficial owners of the Obligations. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Obligations. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB").

ANNUAL REPORTS . . . The City will provide certain updated financial information and operating data to the MSRB on an annual basis in an electronic format that is prescribed by the MSRB and available via EMMA. The information to be updated includes all quantitative financial information and operating data with respect to the City of the general type included in this Official Statement under Tables numbered 1 through 6 and 8 through 15 and in APPENDIX B. The City will update and provide the information in Tables 1 through 6 and 8 through 15 within six months after the end of each fiscal year ending in and after 2023 and will update and provide audited financial statements within 12 months after the end of each fiscal year ending in and after 2023. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City will file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation. The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site identified above or filed with the United States Securities and Exchange Commission (the "SEC'), as permitted by SEC Rule 15c2-12 (the "Rule").

The City's current fiscal year end is September 30. Accordingly, the City must provide updated information included in Tables 1 through 6 and 8 through 15 by the last day of March in each year and audited financial statements for the preceding fiscal year (or unaudited financial statements if the audited financial statements are not yet available) by September 30 of each year. If the City changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the City otherwise would be required to provide financial information and operating data as set forth above.

NOTICE OF CERTAIN EVENTS . . . The City shall notify the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, of any of the following events with respect to the Obligations: (1) Principal and interest payment delinquencies; (2) Non-payment related defaults, if material; (3) Unscheduled draws on debt service reserves reflecting financial difficulties; (4) Unscheduled draws on credit enhancements reflecting financial difficulties; (5) Substitution of credit or liquidity providers, or their failure to perform; (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Obligations, or other material events affecting the tax status of the Obligations; (7) modifications to rights of holders of the Obligations, if material; (8) Obligation calls, if material, and tender offers; (9) Defeasances; (10) Release, substitution, or sale of property securing repayment of the Obligations, if material; (11) Rating changes; (12) Bankruptcy, insolvency, receivership or similar event of the City (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) Appointment of a successor or additional trustee or change in the name of the trustee, if material; (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties. In addition, the City will provide timely notice of any failure by the City to provide annual financial information in accordance with its agreement described above under "Annual Reports."

For these purposes, (a) any event described in the immediately preceding clause (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets of business of the City, and (b) the City intends to words used in the immediately preceding clauses (15) and (16) and the definition of Financial Obligation in such clauses to have the meanings ascribed to them in SEC Release No. 34-83885, dated August 20, 2018.

LIMITATIONS AND AMENDMENTS . . . The City has agreed to update information and to provide notices of certain events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Obligations at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Obligations may seek a writ of mandamus to compel the City to comply with its agreement.

The City may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, if (i) the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds or Taxable Certificates, as applicable, in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the outstanding Bonds or Taxable Certificates, as applicable, consent to the amendment or (b) any person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds or Taxable Certificates, as applicable. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds or Taxable Certificates, as applicable, in the primary offering of the Bonds or Taxable Certificates, as applicable. If the City so amends the agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

COMPLIANCE WITH PRIOR UNDERTAKINGS . . . During the last five (5) years, the City believes it has complied in all material respects with all continuing disclosure agreements made by it in accordance with the Rule.

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OTHER INFORMATION

RATINGS

The Obligations and certain of the presently outstanding tax supported debt of the City are rated "A+ by S&P. Additionally, the Obligations are rated "AA" by S&P by virtue of policies to be issued by AGM upon delivery of the Obligations. An explanation of the significance of such ratings may be obtained from the company furnishing the rating. The ratings reflect only the respective views of such organizations and the City makes no representation as to the appropriateness of the ratings. There is no assurance that such ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by either or both of such rating companies, if in the judgment of either or both companies, circumstances so warrant. Any such downward revision or withdrawal of such ratings, or either of them, may have an adverse effect on the market price of the Obligations.

LITIGATION

It is the opinion of the City Attorney and City Staff that there is no pending litigation against the City that would have a material adverse financial impact upon the City or its operations.

REGISTRATION AND QUALIFICATION OF OBLIGATIONS FOR SALE

The sale of the Obligations has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Obligations have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Obligations been qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for qualification of the Obligations under the securities laws of any jurisdiction in which the Obligations may be sold, assigned, pledged, hypothecated, or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Obligations shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code), as amended provides that the Obligations are negotiable instruments, investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State of Texas. In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Obligations are legal investments for state banks, savings banks, trust companies with at least $1 million of capital, and savings and loan associations. For political subdivisions in Texas that have adopted investment policies and guidelines in accordance with the Public Funds Investment Act (Texas, Government Code, Chapter 2256, as amended) the Obligations may have to be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency before the Obligations are eligible investments for sinking funds and other public funds. The City has made no investigation of other laws, rules, regulations, or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Obligations for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Obligations for such purposes. The City has made no review of laws in other states to determine whether the Obligations are legal investments for various institutions in those states.

LEGAL MATTERS

The City will furnish complete transcripts of proceedings had incident to the authorization and issuance of the Obligations, including the unqualified approving legal opinions of the Attorney General of Texas approving the Initial Bond and the Initial Taxable Certificate, respectively and to the effect that the Obligations are valid and legally binding obligations of the City, and based upon examination of such transcripts of proceedings, the approving legal opinions of Bond Counsel, to like effect and to the effect that the interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described under “Tax Matters – The Bonds” herein. Though it may represent the Financial Advisor and the Underwriter from time to time in matters unrelated to the issuance of the Obligations, Bond Counsel has been engaged by and only represents the City in connection with the issuance of the Obligations. Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information under the captions “PLAN OF FINANCING”, “OBLIGATIONS” (exclusive of the subcaptions “Tax Rate Limitation” “Book-Entry-Only System,” “Remedies”, and “Sources and Uses of Proceeds”), “TAX MATTERS – THE BONDS”, “TAX MATTERS – THE TAXABLE CERTIFICATES” and “CONTINUING DISCLOSURE OF INFORMATION” (exclusive of the subcaption “Compliance with Prior Undertakings”) and the subcaptions “Registration and Qualification of Obligations for Sale,” “Legal Matters” (exclusive of the last two sentences of the first paragraph thereunder) and “Legal Investments and Eligibility to Secure Public Funds in Texas” under the caption “Other Information” in the Official Statement and such firm is of the opinion that the information relating to the Obligations and the legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Obligations, such information conforms to the respective Ordinances. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Obligations is contingent on the sale and delivery of the Obligations. The legal opinions will accompany the Obligations deposited with DTC or will be printed on the Obligations in the event of the discontinuance of the Book-Entry-Only System. Certain legal matters will be passed upon for the Underwriter by its counsel, McCall, Parkhurst & Horton, L.L.P., Dallas, Texas. The legal fee of such firm is contingent upon the sale and delivery of the Obligations.

The legal opinions to be delivered concurrently with the delivery of the Obligations express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

The financial data and other information contained herein have been obtained from City records, audited financial statements, and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents, and ordinances contained in this Official Statement are made subject to all of the provisions of such statutes, documents, and ordinances. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

FINANCIAL ADVISOR

Hilltop Securities Inc., is employed as Financial Advisor to the City in connection with the issuance of the Obligations. The Financial Advisor's fee for services rendered with respect to the sale of the Obligations is contingent upon the issuance and delivery of the Obligations. Hilltop Securities, in its capacity as Financial Advisor, has not verified and does not assume any responsibility for the information, covenants, and representations contained in any of the legal documents with respect to the federal income tax status of the Obligations, or the possible impact of any present, pending, or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the City has provided the following sentence for inclusion in this Official Statement. The Financial Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

UNDERWRITING

The Underwriter of the Bonds (the "Underwriter of the Bonds") has agreed, subject to certain conditions, to purchase the Bonds from the City, at an underwriting discount of $27,893.45. The Underwriter of the Bonds will be obligated to purchase all of the Bonds if any Bonds are purchased. The Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriter of the Bonds and other dealers depositing Bonds into investment trusts) at prices lower than the public offering prices of such Bonds and such public offering prices may be changed, from time to time, by the Underwriter of the Bonds.

The Underwriter of the Taxable Certificates (the "Underwriter of the Taxable Certificates" and together with the Underwriter of the Bonds, the "Underwriter") has agreed, subject to certain conditions, to purchase The Taxable Certificates from the City, at an underwriting discount of $15,573.60. The Underwriter of the Taxable Certificates will be obligated to purchase all of The Taxable Certificates if any Taxable Certificates are purchased. The Taxable Certificates to be offered to the public may be offered and sold to certain dealers (including the Underwriter of the Taxable Certificates and other dealers depositing Taxable Certificates into investment trusts) at prices lower than the public offering prices of such Taxable Certificates and such public offering prices may be changed, from time to time, by the Underwriter of the Taxable Certificates.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of the information.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various investment banking services for the City for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the bank.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. The City's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

MISCELLANEOUS

The Ordinances authorizing the issuance of the Obligations approved the form and content of this Official Statement, and any addenda supplement or amendment thereto, and authorize its further use in the reoffering of the Obligations by the Underwriter.

/s/ LORI KEMP
Mayor
City of Burkburnett, Texas

ATTEST:

/s/ MARGIE POOLE
City Clerk

Schedule I

SCHEDULE OF REFUNDED BONDS

General Obligation Bonds, Series 2013

Original Dated Date	Maturity Date	Interest Rate	Principal Amount Outstanding	Principal Amount Refunded
7/15/2013	2/15/2024 (1)	4.250%	$ 60,000	$ 60,000
	2/15/2025 (1)	4.250%	60,000	60,000
	2/15/2026 (1)	4.250%	65,000	65,000
	2/15/2027 (1)	4.250%	330,000	330,000
	2/15/2028	4.250%	340,000	340,000
	2/15/2029	4.250%	485,000	485,000
	2/15/2030 (2)	4.250%	500,000	500,000
	2/15/2031 (2)	4.250%	525,000	525,000
	2/15/2032 (3)	4.250%	545,000	545,000
	2/15/2033 (3)	4.250%	565,000	565,000
			$ 3,475,000	$ 3,475,000

The 2024 – 2033 maturities will be redeemed prior to original maturity on May 23, 2023 at par.

(1) Represents a Term Bond with a final maturity of February 15, 2027.
(2) Represents a Term Bond with a final maturity of February 15, 2031.
(3) Represents a Term Bond with a final maturity of February 15, 2033.

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

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LOCATION AND HISTORY . . . The City of Burkburnett (the "City") is located in Wichita County approximately 13 miles north of the City of Wichita Falls, 125 miles northwest of the Cities of Dallas and Fort Worth and 130 miles southwest of Oklahoma City, Oklahoma. Wichita County is the principal population center of North Texas, serving a trade area which extends into southern Oklahoma.

The City was incorporated in 1907 under the general laws of the State of Texas and adopted its home-rule charter in 1923. The Board of Commissioners (the "Board") is composed of a mayor and six commissioners elected at large. All City residents vote for all six places. The members are elected for three year staggered terms and elections are held annually in May.

Policy-making and oversight functions are the responsibility of, and are vested in, the Board. The Board is required by the charter to appoint a City Manager to serve as the chief administrative and executive officer of the City. The duties of the City Manager include the appointment of City department heads and the daily conduct of City affairs.

ECONOMY . . . The City's economy is based on mineral production, manufacturing, agribusiness and government installations. Dairy products, cotton, grain sorghums, wheat and other grain products comprise the principal sources of agricultural income. Principal industries produce fiberglass pipe, flat glass materials, oilfield equipment, jeans and electronic capacitors. Sheppard Air Force Base Technical Training Center, located in the City of Wichita Falls, is situated within approximately six miles of the City's corporate boundary.

EDUCATION . . . The City's public school system includes three Elementary, one Middle and one Senior High Schools with a combined enrollment exceeding 3,250 students. Higher education needs are provided by Midwestern State University, a fully accredited four-year university in Wichita Falls, Vernon Regional Junior College and a branch campus of Wayland Baptist University. Other universities within a 130-mile radius include the University of Oklahoma in Norman, Oklahoma, Texas Christian University, Fort Worth, Southern Methodist University, Dallas, and Austin College, Sherman, Texas.

TRANSPORTATION . . . Ground transportation is provided by Interstate Highway 44, U.S. Highways 281 and 271, and State Highway 240. Motor freight service consists of 4 interstate and 3 intrastate carriers. Air service is provided by the City of Wichita Falls Municipal Airport with two commercial airlines operating 16 daily flights. The city is also served by the M-K-T and Burlington Northern railroads.

MAJOR EMPLOYERS IN THE CITY

Company	Type of Business	Number of Estimated Employees
Burkburnett Independent School District	School System	517
Ameron Fiberglass Pipe Division	Manufacturing Epoxy Pipe	152
United Super Market	Grocer	94
City of Burkburnett	Municipal Government	72
Pruitt Ford	Auto Dealership	59
Superior Pallet	Manufacturing Pallets	40
Lipscomb Chevrolet	Auto Dealership	32
First Bank	Commercial Banking	25
U.S. Post Office	Mail Delivery	21
Pitts Ready Mix	Cement Batch Plant	20

WICHITA COUNTY . . . The County's economy is based primarily on manufacturing, oil, agribusiness, medical services and government. Agricultural products include cow-calf production, wheat and cotton.

HISTORICAL EMPLOYMENT DATA

Wichita County	January 2023	Average Annual 2022	Average Annual 2021	Average Annual 2020	Average Annual 2019	Average Annual 2018
Civilan Labor Force	55,771	55,458	55,714	55,486	56,068	56,349
Employed	53,442	53,290	52,752	53,072	53,985	54,419
Unemployed	2,329	2,168	2,962	2,414	2,083	1,930
% of Unemployment	4.18%	3.91%	5.32%	4.35%	3.72%	3.43%

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APPENDIX B

CITY OF BURKBURNETT, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended September 30, 2022

The information contained in this Appendix consists of excerpts from the City of Burkburnett, Texas Annual Comprehensive Financial Report for the Year Ended September 30, 2022, and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

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MWH GROUP
CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS

Independent Auditor's Report on Financial Statements

The Board of Commissioners
City of Burkburnett, Texas
501 Sheppard Road
Burkburnett, Texas 76354

Members of the City Council:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Burkburnett, Texas, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Burkburnett, Texas' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Burkburnett, Texas, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principle

As described in Note L to the financial statements, in 2022, the City adopted new accounting guidance, GASB Statement No. 87, Leases . Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Burkburnett, Texas' ability

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to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Budgetary Comparison Schedule – General Fund, Texas Municipal Retirement System Schedule of Changes in Net Pension Liability and Related Ratios, Texas Municipal Retirement System Schedule of Contributions, and Texas Municipal Retirement System Schedule of Changes in Total OPEB Liability and Related Ratios on pages 4 through 12 and 48 through 52 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Burkburnett, Texas' basic financial statements. The combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2023, on our consideration of the City of Burkburnett, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Burkburnett, Texas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Burkburnett, Texas' internal control over financial reporting and compliance.

Respectfully submitted,

MWH Group, P.C.

MWH GROUP, P.C.

Wichita Falls, Texas
March 17, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

The City of Burkburnett, Texas’ discussion and analysis is designed to provide an objective and easy-to-read analysis of the City’s financial activities for the year ended September 30, 2022. It is intended to provide the readers of this report with a broad overview short-term and long-term analysis of the City’s activities based on information presented in the financial report and the City’s adopted fiscal policies.

As with other sections of this financial report, the information contained within this narrative should be considered only a part of a greater whole. The reader should take time to read and evaluate all sections of this report, including the financial statements, footnotes, and other required supplementary information.

FINANCIAL HIGHLIGHTS

The following are the highlights of financial activity for the fiscal year ending September 30, 2022:

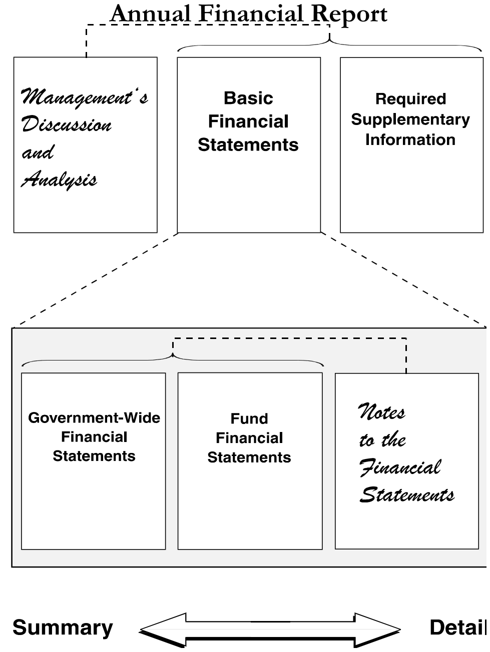
- The City’s assets exceed its liabilities at September 30, 2022, by $14,807,787 (net position). Of this amount, $2,515,094 (unrestricted net position) may be used to meet the City’s ongoing obligations to citizens and creditors in accordance with the City’s fund designation and fiscal policies.
- During the year, the City’s total net position increased by $1,101,999.
- As of the close of the current fiscal year, the City’s governmental funds reported combined ending fund balance of $4,607,003. Of the fund balance, $2,511,392, or 55%, is available for spending at the government’s discretion (unassigned fund balance).
- As of September 30, 2022, unassigned fund balance for the General Fund was $2,531,282 or 31% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - *management’s discussion and analysis* (this section), the *basic financial statements*, *and required supplementary information*. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City’s overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the City’s operations in more detail than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short-term* as well as what remains for future spending.
- The *proprietary fund statements* offer *short-* and *long-term* financial information about the activities the government operates *like businesses*, such as the water and sewer system.

Figure A-1
Required Components of the City’s Annual Financial Report



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The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the City's financial statements, including the portion of the City's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2. Major Features of the City's Government-wide and Fund Financial Statements

		Fund Statements	
Type of Statements	**Government-wide**	**Governmental Funds**	**Proprietary Funds**
Scope	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the City that are not proprietary or fiduciary	Activities the City operates similar to private businesses - the water and sewer system
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures & changes in fund balances	• Statement of net position • Statement of revenues, expenses, and changes in net position • Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position - the difference between the City's assets and liabilities - is one way to measure the City's financial health or *position*.

- Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City, one needs to consider additional non-financial factors such as changes in the City's tax base.

The government-wide financial statements of the City are divided into three categories:

- *Governmental activities*. Most of the City's basic services are included here, such as the police department, streets and public works, garbage collection, parks and recreation, and administration.

- *Business-type activities.* The City charges fees to customers to help it cover the cost of certain services it provides. The City's water and sewer system are included here.

- *Component Unit.* The City includes one other entity in its report - the Burkburnett Development Corporation. Although legally separate, this "component unit" is important because the City is financially accountable for it.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant *funds* - not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law and by bond covenants. The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The City has the following kinds of funds:

- *Governmental funds* - Most of the City's basic services are included in governmental funds, which focus on (1) *how cash and other financial assets that can* readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the page subsequent to the governmental funds statement that explains the relationship (or differences) between them.

- *Proprietary funds* - Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both short- and long-term financial information. In fact, the City's proprietary funds are the same as its business-type activities, but provide more detail and information, such as cash flows.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net position. The City's combined net position was $14,807,787 at September 30, 2022. (See Table A-1) The $2,515,094 of unrestricted net position at September 30, 2022, represents resources available to fund the programs of the City next year if sufficient resources are not derived from future resources. The restricted net position is required to be set aside for long-term debt and other program purposes.

Table A-1
City's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	Restated* 2021	2022	Restated* 2021	2022	Restated* 2021
Cash and cash equivalents	$ 2,096,424	$ 2,295,543	$ 1,276,363	$ 747,029	$ 3,372,787	$ 3,042,572
Receivables	1,077,934	993,722	704,382	673,045	1,782,316	1,666,767
Internal balances	729,578	484,654	(729,578)	(484,654)	-	-
Restricted assets	4,202,905	2,831,752	539,600	2,493,471	4,742,505	5,325,223
Capital assets, net	17,372,034	17,970,926	10,147,578	10,205,233	27,519,612	28,176,159
Other assets	9,326	4,999	82,408	82,408	91,734	87,407
Total assets	25,488,201	24,581,596	12,020,753	13,716,532	37,508,954	38,298,128
Total deferred outflows of resources	283,648	289,125	85,212	87,352	368,860	376,477
Current liabilities	3,013,693	1,881,069	988,131	2,118,365	4,001,824	3,999,434
Long-term liabilities:						
Due within one year	1,097,423	1,075,041	842,096	882,824	1,939,519	1,957,865
Due in more than one year	10,158,254	11,668,086	5,869,686	6,763,480	16,027,940	18,431,566
Total liabilities	14,269,370	14,624,196	7,699,913	9,764,669	21,969,283	24,388,865
Total deferred inflows of resources	864,312	447,471	236,432	132,481	1,100,744	579,952
Net position						
Net investment in capital assets	6,587,678	6,507,473	3,769,454	3,397,760	10,357,132	9,905,233
Restricted	1,621,401	1,381,740	314,160	309,528	1,935,561	1,691,268
Unrestricted	2,429,088	1,909,841	86,006	199,446	2,515,094	2,109,287
Total net position	$ 10,638,167	$ 9,799,054	$ 4,169,620	$ 3,906,734	$ 14,807,787	$ 13,705,788

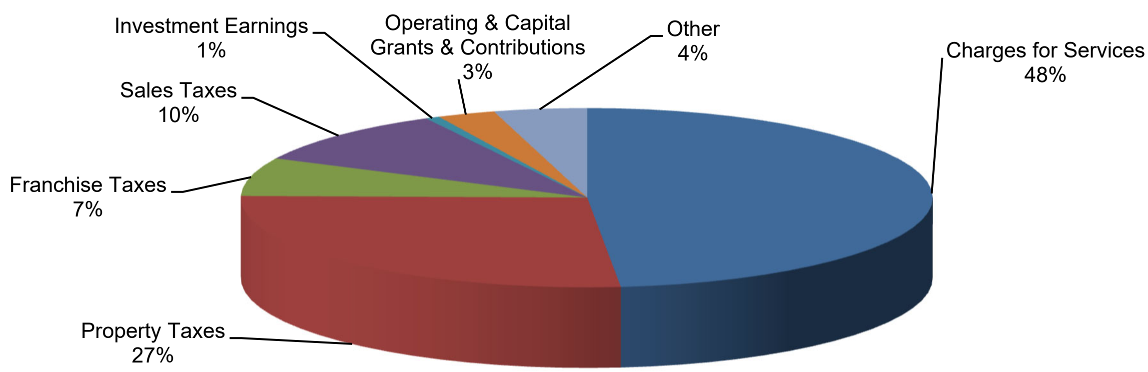
*The City adopted the provisions of GASB Statement No. 87 Leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The beginning balances for leased capital assets and lease liabilities were increased by $578,926 and $131,368 for Governmental Activities and Business-type Activities, respectively, as a result of this implementation. Beginning net asset balances were not required to be restated.

Governmental activities increased the City's net position by $839,113. Net investment in capital assets for governmental activities increased by $80,205, restricted net position increased by $239,661 and unrestricted net position increased by $519,247, or 27%.

Net position from business-type activities increased by $262,886, or 7%. Net investment in capital assets for business-type activities increased by $371,694, restricted net assets increased by $4,632, and unrestricted net position decreased by $113,440.

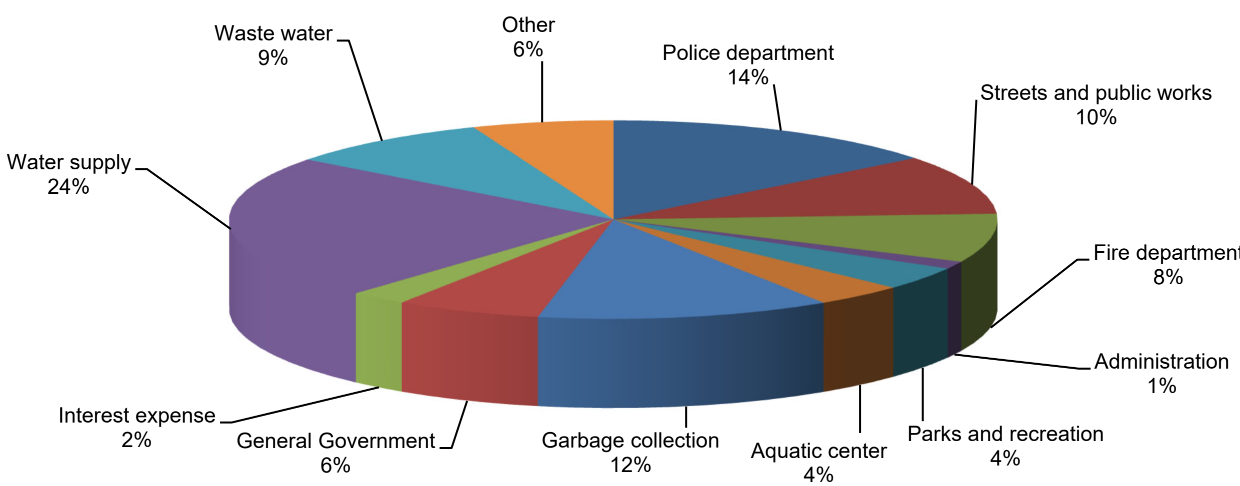
Changes in net position. The City's total revenues, both program and general, were $14,661,343. A significant portion, 48%, of the City's revenue comes from charges for services. (See Figure A-3.) Property taxes provide 27% of the total, sales taxes provide 10%, franchise taxes provide 7%, and operating and capital grants combined provide about 3%. Other minor categories provide the remaining 5%.

Figure A-3
Sources of Revenue for Fiscal Year 2022



The total cost of all programs and services was $13,559,344; 33% of these costs are for water and sewer related expenses. The City's other expenses cover a range of services, with 14% for the police department, 12% for garbage collection, 10% for streets, 8% for fire department, 6% for general government, 4% each for aquatic center and parks and recreation, and 2% interest expense. Other minor categories combined make up the remaining 7%. (See Figure A-4.)

Figure A-4
Functional Expenses for Fiscal 2022



Governmental Activities

Table A-2 presents the various revenue categories and gross costs of each of the City's functional areas for the current year.

Table A-2
Changes in Net Position

	Governmental Activities		Business-type Activities		Totals	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues:						
Charges for services	$ 2,696,255	$ 2,457,116	$ 4,408,213	$ 4,135,013	$ 7,104,468	$ 6,592,129
Operating grants and contributions	380,919	214,558	-	-	380,919	214,558
Capital grants and contributions	16,500	544,142	-	-	16,500	544,142
General revenues:						
Property taxes	3,931,933	3,794,492	-	-	3,931,933	3,794,492
Franchise fees	1,013,806	1,000,943	-	-	1,013,806	1,000,943
Sales taxes	1,479,405	1,408,520	-	-	1,479,405	1,408,520
Other taxes	40,861	40,196	-	-	40,861	40,196
Investment earnings	72,847	49,754	22,602	16,672	95,449	66,426
Miscellaneous	194,055	108,811	63,573	58,387	257,628	167,198
Gain on disposal	240,968	158,285	99,406	148,056	340,374	306,341
Total revenues	10,067,549	9,776,817	4,593,794	4,358,128	14,661,343	14,134,945
Expenses						
General government	829,077	643,040	-	-	829,077	643,040
Administration	165,420	194,707	-	-	165,420	194,707
Tax assessing/collecting	50,079	48,911	-	-	50,079	48,911
City hall	178,741	161,608	-	-	178,741	161,608
Police department	1,949,992	2,026,077	-	-	1,949,992	2,026,077
Municipal court	83,396	85,736	-	-	83,396	85,736
Fire department	1,075,206	709,167	-	-	1,075,206	709,167
Library	196,469	174,566	-	-	196,469	174,566
Streets and public works	1,314,803	1,452,279	-	-	1,314,803	1,452,279
Parks and recreation	516,651	500,536	-	-	516,651	500,536
Aquatic center	511,618	370,220	-	-	511,618	370,220
Community center	23,896	25,532	-	-	23,896	25,532
Garbage collection	1,672,507	1,549,961	-	-	1,672,507	1,549,961
E.M.T.	-	464,403	-	-	-	464,403
Community planning	236,792	192,526	-	-	236,792	192,526
Drainage improvement	24,312	51,743	-	-	24,312	51,743
Grant outlay	13,718	3,000	-	-	13,718	3,000
Interest expense	326,001	354,342	-	-	326,001	354,342
Water supply, distribution and wells	-	-	3,206,701	2,890,458	3,206,701	2,890,458
Waste water treatment	-	-	1,183,965	1,208,270	1,183,965	1,208,270
Total expenses	9,168,678	9,008,354	4,390,666	4,098,728	13,559,344	13,107,082
Transfers	(59,758)	(35,300)	59,758	35,300	-	-
Change in net position	$ 839,113	$ 733,163	$ 262,886	$ 294,700	$ 1,101,999	$ 1,027,863

Explanations for the large and/or unusual variances between 2022 and 2021 are as follows:

- Charges for services increased by $512,339, or 8%, primarily due to increased water sales. Water supply, distribution, and wells expenses also increased $316,243, or 11%, due to increased water purchases.

- Capital grants and contributions decreased as the City received and expended $544,142 of funding through the Texas Department of Emergency Management Coronavirus Aid, Relief, and Economic Securities ("CARES") Act in 2021. These funds were primarily utilities to equip public safety officers with necessary supplies and equipment to effectively serve the citizens of Burkburnett. No similar grants were received and spent in 2022.

- In 2021, the City entered into an agreement with Enterprise to lease City vehicles, which were historically purchased by the City. As part of this conversion, the City began transitioning its fleet from owned vehicles to leased vehicles through Enterprise. As a result, the City recognized a significant gains on disposal 2022 and 2021. The vehicles held under lease agreements are recognized as assets and long-term liabilities on the Statement of Activities.

- Fire Department absorbed the EMT department, resulting in an increase in Fire Department expenses of $366,039 and a decrease of $464,403 in the EMT department.

Table A-3 presents the cost of each of the City's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all *governmental* activities this year was $9,168,678. However, the amount that our taxpayers paid for these activities through property taxes was only $3,931,933.

- Some of the cost was paid by those who directly benefited from the programs through charges for services of $2,696,255.

Table A-3
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2022	2021	2022	2021
Police department	$ 1,949,992	$ 2,026,077	$ 1,854,721	$ 1,959,111
Streets and public works	1,314,803	1,452,279	1,314,803	1,452,279
Garbage collection	1,672,507	1,549,961	(259,910)	(210,270)
Fire department	1,075,206	709,167	831,076	129,498
Parks and recreation	516,651	500,536	410,291	397,241
Aquatic Center	511,618	370,220	244,720	185,209
E.M.T.	-	464,403	-	464,403

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

General Fund Budgetary Highlights

The City's actual expenditures were $682,648 above final budgeted amounts, and actual revenues were $393,599 above final budget amounts.

The most significant positive revenue variances related to non-property taxes and miscellaneous. Non property tax was $162,010 or 6% more than the budgeted amount as local spending continues to thrive after the COVID-19 pandemic response changed consumer spending behavior. Miscellaneous revenues exceeded the budget by $144,103, or 283%, as the City received unanticipated insurance reimbursements to repair storm-damaged buildings.

For expenditures, the City exceeded the budget in nine departments: general government ($740,903), administration ($38,313), tax assessing/collecting ($2,229), city hall ($21,711), fire department ($298,667), library ($11,953), parks and recreation ($12,165), aquatic center ($75,987), and community center ($1,225). The most significant overages were in the general government and fire departments. The general government overage was caused by higher than anticipated charges for the city's fleet and repair costs for storm damaged buildings. The overage in the fire department was caused by higher than anticipated wages in the department, which absorbed the EMT department in 2022.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2022, the City had invested in a broad range of capital assets, net of accumulated depreciation, totaling $27,519,612 including land, equipment, buildings, and vehicles. (See Table A-4.)

Table A-4
Capital Assets, Net of Accumulated Depreciation

	Governmental Activities		Business-type Activities		Totals	
	2022	Restated 2021	2022	Restated 2021	2022	Restated 2021
Buildings and improvements	$ 5,798,025	$ 5,797,795	$ 22,584	$ 26,348	$ 5,820,609	$ 5,824,143
Aquatic Center	3,418,835	3,532,103	-	-	3,418,835	3,532,103
Library books	-	10,203	-	-	-	10,203
Streets and curbs	5,888,089	6,312,208	-	-	5,888,089	6,312,208
Golf course	121,469	119,835	-	-	121,469	119,835
Golf course land	64,000	64,000	-	-	64,000	64,000
Equipment and vehicles	1,125,778	1,346,318	2,349,678	2,190,053	3,475,456	3,536,371
Leased vehicles	746,300	578,926	212,954	131,368	959,254	710,294
Land	209,538	209,538	1,596,655	1,596,655	1,806,193	1,806,193
Construction in process	-	-	210,748	131,290	210,748	131,290
Water system	-	-	5,049,159	5,314,991	5,049,159	5,314,991
Sewer system	-	-	705,800	814,528	705,800	814,528
Totals	$17,372,034	$17,970,926	$10,147,578	$10,205,233	$27,519,612	$28,176,159

Long-term Liabilities

At year-end, the City had $17,098,441 in bonds, compensated absences, and notes outstanding as shown in Table A-5. More detailed information about the City's debt is presented in the notes to the financial statements.

Table A-5
Long-term Liabilities Outstanding

	Governmental Activities		Business-type Activities		Totals	
	2022	Restated 2021	2022	Restated 2021	2022	Restated 2021
General obligation bonds	$ 3,580,000	$ 3,685,000	$ -	$ -	$ 3,580,000	$ 3,685,000
General obligation refunding bonds	2,185,000	2,575,000	1,800,000	2,060,000	3,985,000	4,635,000
Certificates of obligation	3,940,000	4,075,000	-	-	3,940,000	4,075,000
Water and sewer revenue bonds	-	-	4,055,000	4,325,000	4,055,000	4,325,000
Notes payable	37,490	185,886	318,775	541,178	356,265	727,064
Financed purchases payable	130,747	170,519	-	57,233	130,747	227,752
Leasees payable	734,435	578,926	214,360	131,368	948,795	710,294
Compensated absences	81,836	73,996	20,798	19,738	102,634	93,734
Totals	$10,689,508	$11,344,327	$ 6,408,933	$ 7,134,517	$17,098,441	$18,478,844

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Appraised value used for the 2022-2023 budget preparation is $612,513,083 up $71,217,415, or 13.2% above 2021-2022 values. This indicator was taken into account when adopting the General Fund budget for 2022-2023.

Budgeted General Fund revenues for 2022-2023 are $9,197,459 , which represents a 2.0% decrease of $183,731, from 2021-2022 actual budgetary revenues of $9,381,190.

Budgeted General Fund expenditures for 2022-2023 are $9,197,459, which represents a 0.7% increase of $63,248, from 2021-2022 actual expenditures of $9,134,211. If these estimates are realized, the City's budgeted General Fund balance is not expected to change by the close of 2022-2023.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the City's Administration Office at 501 Sheppard Road, Burkburnett, Texas 76354.

Basic Financial Statements

CITY OF BURKBURNETT, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Burkburnett Development Corporation
Assets:				
Cash and cash equivalents	$ 2,096,424	$ 1,276,363	$ 3,372,787	$ 564,967
Receivables, net of allowances for uncollectibles:				
Property taxes	101,491	-	101,491	-
Sales taxes	279,074	-	279,074	93,025
Customer accounts	284,995	704,382	989,377	-
Municipal court	317,588	-	317,588	-
Other	94,786	-	94,786	108,949
Internal balances due to/from other funds	729,578	(729,578)	-	-
Inventory	2,327	82,408	84,735	-
Property held for sale	-	-	-	527,717
Restricted assets:				
Cash and cash equivalents	4,108,875	539,600	4,648,475	85,500
Customer accounts receivable	44,030	-	44,030	-
Due from component unit	50,000	-	50,000	-
Capital assets, net of accumulated depreciation	17,372,034	10,147,578	27,519,612	-
Other assets	6,999	-	6,999	-
Total assets	25,488,201	12,020,753	37,508,954	1,380,158
Deferred outflows of resources:				
Deferred loss on refunding	10,093	17,179	27,272	-
Deferred outflows of resources from pensions	227,788	56,805	284,593	-
Deferred outflows of resources from OPEB	45,767	11,228	56,995	-
Total deferred outflows of resources	283,648	85,212	368,860	-
Liabilities:				
Accounts payable	347,470	184,286	531,756	3,000
Unearned revenue	2,621,892	504,000	3,125,892	-
Accrued interest payable	44,331	30,283	74,614	-
Customer deposits	-	269,562	269,562	-
Long-term liabilities:				
Due within one year:				
Accrued compensated absences	81,836	20,798	102,634	-
Bonds payable	650,000	530,000	1,180,000	-
Notes and financed purchases payable	153,063	222,403	375,466	-
Leases payable	212,524	68,895	281,419	-
Due to primary government	-	-	-	50,000
Due in more than one year:				
Bonds payable	9,055,000	5,325,000	14,380,000	-
Notes and financed purchases payable	15,174	96,372	111,546	-
Leases payable	521,911	145,465	667,376	-
Unamortized premium on general obligation debt	284,499	232,608	517,107	-
Net pension liability	4,650	1,159	5,809	-
Total OPEB liability	277,020	69,082	346,102	-
Total liabilities	14,269,370	7,699,913	21,969,283	53,000
Deferred inflows of resources:				
Deferred inflows of resources from pensions	840,278	229,581	1,069,859	-
Deferred inflows of resources from OPEB	24,034	6,851	30,885	-
Total deferred inflows of resources	864,312	236,432	1,100,744	-
Net position:				
Net investment in capital assets	6,587,678	3,769,454	10,357,132	-
Restricted for:				
Debt service	145,316	314,160	459,476	-
Other purposes	1,476,085	-	1,476,085	85,500
Unrestricted	2,429,088	86,006	2,515,094	1,241,658
Total net position	$ 10,638,167	$ 4,169,620	$ 14,807,787	$ 1,327,158

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2022

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
								Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Burkburnett Development Corporation
Governmental activities:								
General government	$ 829,077	$ 50,381	$ -	$ -	$ (778,696)	$ -	$ (778,696)	$ -
Administration	165,420	-	-	-	(165,420)	-	(165,420)	-
Tax assessing/collecting	50,079	-	-	-	(50,079)	-	(50,079)	-
City hall	178,741	-	-	-	(178,741)	-	(178,741)	-
Police department	1,949,992	57,655	37,616	-	(1,854,721)	-	(1,854,721)	-
Municipal court	83,396	21,020	-	-	(62,376)	-	(62,376)	-
Fire department	1,075,206	-	244,130	-	(831,076)	-	(831,076)	-
Library	196,469	2,446	-	-	(194,023)	-	(194,023)	-
Streets and public works	1,314,803	-	-	-	(1,314,803)	-	(1,314,803)	-
Parks and recreation	516,651	89,942	16,418	-	(410,291)	-	(410,291)	-
Aquatic center	511,618	266,898	-	-	(244,720)	-	(244,720)	-
Community center	23,896	-	-	-	(23,896)	-	(23,896)	-
Garbage collection	1,672,507	1,932,417	-	-	259,910	-	259,910	-
Community planning	236,792	-	-	-	(236,792)	-	(236,792)	-
Drainage improvement	24,312	275,496	-	-	251,184	-	251,184	-
Grant outlay	13,718	-	82,755	16,500	85,537	-	85,537	-
Interest expense	326,001	-	-	-	(326,001)	-	(326,001)	-
Total governmental activities	9,168,678	2,696,255	380,919	16,500	(6,075,004)	-	(6,075,004)	-
Business-type activities:								
Water supply, distribution and wells	3,206,701	3,146,498	-	-	-	(60,203)	(60,203)	-
Waste water treatment	1,183,965	1,261,715	-	-	-	77,750	77,750	-
Total business-type activities	4,390,666	4,408,213	-	-	-	17,547	17,547	-
Total primary government	$ 13,559,344	$ 7,104,468	$ 380,919	$ 16,500	(6,075,004)	17,547	(6,057,457)	-
Component units:								
Burkburnett Development Corporation	$ 376,648	$ -	$ -	$ -	-	-	-	(376,648)
Total component units	$ 376,648	$ -	$ -	$ -	-	-	-	(376,648)
General revenues:								
Property taxes					3,931,933	-	3,931,933	-
Franchise taxes					1,013,806	-	1,013,806	-
Sales taxes					1,479,405	-	1,479,405	493,135
Other taxes					40,861	-	40,861	-
Investment earnings					72,847	22,602	95,449	6,708
Miscellaneous					194,055	63,573	257,628	865
Gain (loss) on disposal of assets					240,968	99,406	340,374	-
Transfers					(59,758)	59,758	-	-
Total general revenues and transfers					6,914,117	245,339	7,159,456	500,708
Change in net position					839,113	262,886	1,101,999	124,060
Net position - beginning					9,799,054	3,906,734	13,705,788	1,203,098
Net position - ending					$ 10,638,167	$ 4,169,620	$ 14,807,787	$ 1,327,158

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS

BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General	Debt Service	Capital Projects	Other Nonmajor Funds	Total Governmental Funds
Assets:					
Petty cash	$ 7,199	$ -	$ -	$ -	$ 7,199
Cash in bank	105,235	-	-	-	105,235
Certificates of deposit	2,408,597	-	-	-	2,408,597
Receivables, net of allowances for uncollectibles:					
Property taxes	101,491	-	-	-	101,491
Sales taxes	279,074	-	-	-	279,074
Customer accounts	284,995	-	-	-	284,995
Municipal court	317,588	-	-	-	317,588
Other	12,066	-	-	82,720	94,786
Due from other funds	795,964	76,866	499,483	-	1,372,313
Inventory	2,327	-	-	-	2,327
Other assets	6,999	-	-	-	6,999
Restricted assets:					
Cash	2,359	-	2,611,864	932,602	3,546,825
Certificates of deposit and money market	7,416	29,646	97,722	2,659	137,443
Customer accounts	-	-	-	44,030	44,030
Due from other funds	-	-	-	424,607	424,607
Total assets	$ 4,331,310	$ 106,512	$ 3,209,069	$ 1,486,618	$ 9,133,509
Liabilities:					
Accounts payable	$ 347,460	$ -	$ -	$ 10	$ 347,470
Unearned revenue	32,428	-	2,589,464	-	2,621,892
Due to other funds	1,000,956	11,196	-	55,190	1,067,342
Total liabilities	1,380,844	11,196	2,589,464	55,200	4,036,704
Deferred inflows of resources:					
Unavailable revenues	407,082	-	-	82,720	489,802
Total deferred inflows of resources	407,082	-	-	82,720	489,802
Fund balances:					
Nonspendable	2,327	-	-	-	2,327
Restricted	9,775	95,316	97,722	1,368,588	1,571,401
Committed	-	-	521,883	-	521,883
Unassigned	2,531,282	-	-	(19,890)	2,511,392
Total fund balances	2,543,384	95,316	619,605	1,348,698	4,607,003
Total liabilities, deferred inflows of resources, and fund balances	$ 4,331,310	$ 106,512	$ 3,209,069	$ 1,486,618	$ 9,133,509

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Total fund balances - governmental funds balance sheet (Exhibit A-3)		$ 4,607,003
Amounts reported for governmental activities in the statement of net position (Exhibit A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Capital assets at year-end consist of:		
Gross capital assets	$ 39,468,481	
Related accumulated depreciation	(22,096,447)	17,372,034
Accounts receivable are not available to pay for current period expenditures and therefore are deferred in the funds.		489,802
The City's proportionate share of net pension asset as well as pension-related deferred outflows and deferred inflows of resources are recognized in the government-wide statements and include:		
Net pension liability	(4,650)	
Deferred outflows of resources from pensions	227,788	
Deferred inflows of resources from pensions	(840,278)	(617,140)
The City's total OPEB liability as well as OPEB-related deferred outflows of resources are recognized in the government-wide statements and include:		
Total OPEB liability	(277,020)	
Deferred outflows of resources from OPEB	45,767	
Deferred inflows of resources from OPEB	(24,034)	(255,287)
Some long-term liabilities and related assets are not due and payable in the current period and therefore are not reported in the funds. Those assets and liabilities at year-end consist of:		
Due from component unit	50,000	
Capital leases payable	(734,435)	
Notes payable	(168,237)	
Bonds payable	(9,705,000)	
Unamortized premium on general obligation debt	(284,499)	
Deferred loss on refunding	10,093	
Compensated absences	(81,836)	
Accrued interest	(44,331)	(10,958,245)
Net position of governmental activities - statement of net position (Exhibit A-1)		$ 10,638,167

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS **EXHIBIT A-5**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General	Debt Service	Capital Projects	Other Nonmajor Funds	Total Governmental Funds
Revenues:					
Property taxes	$ 2,850,243	$ 921,192	$ -	$ 154,802	$ 3,926,237
Non-property taxes	2,496,068	-	-	38,004	2,534,072
Fines and forfeitures	42,477	-	-	-	42,477
Licenses and permits	50,381	-	-	-	50,381
Fees and services	2,306,831	-	-	278,942	2,585,773
Miscellaneous	195,104	50,000	15,370	-	260,474
Intergovernmental revenue	35,527	-	208,604	106,402	350,533
Other grants and contributions	-	-	-	16,500	16,500
Total revenues	7,976,631	971,192	223,974	594,650	9,766,447
Expenditures:					
Current:					
General government	612,855	19,400	-	191,328	823,583
Administration	199,239	-	-	-	199,239
Tax assessing/collecting	50,079	-	-	-	50,079
City hall	171,899	-	-	-	171,899
Police department	1,891,220	-	2,181	-	1,893,401
Municipal court	88,832	-	-	-	88,832
Fire department	1,056,408	-	-	-	1,056,408
Library	186,785	-	-	-	186,785
Streets and public works	639,105	-	-	-	639,105
Parks and recreation	475,418	-	6,514	-	481,932
Aquatic center	361,207	-	500	-	361,707
Community center	19,475	-	-	-	19,475
Garbage collection	1,670,727	-	-	-	1,670,727
Community planning	253,742	-	-	-	253,742
Drainage improvement	-	-	-	24,312	24,312
Grant outlay	-	-	-	13,718	13,718
Debt service:					
Principal payments on debt	-	630,000	188,168	-	818,168
Interest and other charges	-	350,635	8,383	-	359,018
Capital outlay	570,068	-	254,478	42,767	867,313
Total expenditures	8,247,059	1,000,035	460,224	272,125	9,979,443
Excess (deficiency) of revenues over (under) expenditures	(270,428)	(28,843)	(236,250)	322,525	(212,996)
Other financing sources (uses):					
Proceeds from equipment leases	338,388	-	-	-	338,388
Interest income	37,261	295	22,662	12,629	72,847
Sale of capital assets	243,925	-	-	-	243,925
Transfers in	208,603	-	310,770	55,000	574,373
Transfers out	(310,770)	-	(208,603)	(114,758)	(634,131)
Total other financing sources (uses)	517,407	295	124,829	(47,129)	595,402
Change in fund balances	246,979	(28,548)	(111,421)	275,396	382,406
Fund balances - beginning	2,296,405	123,864	731,026	1,073,302	4,224,597
Fund balances - ending	$ 2,543,384	$ 95,316	$ 619,605	$ 1,348,698	$ 4,607,003

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS **EXHIBIT A-6**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net change in fund balances - total governmental funds (Exhibit A-5)		$ 382,406
Amounts reported for governmental activities in the statement of activities (Exhibit A-2) are different because:		
Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the costs of those assets are allocated over their useful lives as depreciation expense. The net difference between the two is as follows:		
Capital outlay during the year	$ 867,313	
Depreciation expense for the year	(1,463,248)	(595,935)
In the statement of activities only the gain/loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.		(2,957)
Because accounts receivable will not be collected for several months after the City's fiscal year ends, they are not considered 'available' revenues and are deferred in the governmental funds. Deferred revenues increased by this amount this year.		37,290
The commitment from the component unit to provide funding in the future does not provide a current financial resource, but payments made under that commitment do provide a current resource. The City received this payment this year.		(50,000)
Increases in accrued compensated absences is not reported as an expenditure in the governmental funds, but increases long-term liabilities in the statement of net position. Accrued compensated absences increased by this amount this year.		(7,840)
The issuance of long-term debt (e.g., bonds, leases) 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. The net effect of these transactions are as follows:		
Issuance of notes payable	(338,388)	
Repayment of long-term debt	1,001,047	
Amortization of premiums	32,894	
Amortization on deferred loss on refunding	(3,054)	692,499
Accrued interest on long-term debt is reported in the statement of activities but does not required the use of current financial resources; therefore, it is not reported as expenditures in the governmental funds.		3,177
Changes in the proportionate share of net pension liability and related deferred inflows and outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. The net effect of these transactions is:		407,190
Changes in the total OPEB liability and related deferred outflows reported in the Statement of Activities do not provide for or require use of current financial resources and therefore are not reported as revenues or expenditures in the governmental funds. The net effect of these transactions is:		(26,717)
Change in net position of governmental activities - statement of activities (Exhibit A-2)		$ 839,113

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND
WATER AND SEWER FUND
SEPTEMBER 30, 2022

EXHIBIT A-7

Assets:	
Current assets:	
Petty cash	$ 1,000
Certificates of deposit	1,275,363
Customer accounts receivable, net of allowance	704,382
Inventory	82,408
Due from other funds	46,496
Total current assets	2,109,649
Restricted assets:	
Cash	225,440
Money market	314,160
Total restricted assets	539,600
Fixed assets:	
Land	1,596,655
Buildings and improvements	150,560
Equipment and vehicles	3,793,937
Leased vehicles	267,809
Water system	11,471,167
Sewer system	5,018,969
Construction in progress	210,748
Accumulated depreciation	(12,362,267)
Net fixed assets	10,147,578
Total assets	12,796,827
Deferred outflows of resources:	
Deferred loss on refunding	17,179
Deferred outflows of resources from pensions	56,805
Deferred outflows of resources from OPEB	11,228
Total deferred outflows of resources	85,212
Liabilities:	
Current liabilities:	
Accounts payable	184,286
Unearned revenue	504,000
Accrued compensated absences	20,798
Accrued interest payable	30,283
Customer deposits	269,562
Due to other funds	776,074
Leases payable within one year	68,895
Debt due or payable within one year	752,403
Total current liabilities	2,606,301
Long-term liabilities:	
Leases payable after one year	145,465
Debt due or payable after one year	5,653,980
Net pension liability	1,159
Total OPEB liability	69,082
Total liabilities	8,475,987
Deferred outflows of resources:	
Deferred outflows of resources from pensions	229,581
Deferred outflows of resources from OPEB	6,851
Total deferred outflows of resources	236,432
Net position:	
Net investment in capital assets	3,769,454
Restricted for:	
Debt service	314,160
Unrestricted	86,006
Total net position	4,169,620
Total liabilities, deferred outflows of resources, and net position	$ 12,882,039

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS

EXHIBIT A-8

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUND
WATER AND SEWER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Operating revenues:	
Water revenues	$ 3,146,498
Sewer services	1,261,456
Industrial charges	259
Total operating revenues	4,408,213
Operating expenses:	
Water supply and distribution	933,862
Billing and collections	953,247
Wastewater treatment	1,183,965
Water wells	1,138,403
Total operating expenses:	4,209,477
Operating income	198,736
Nonoperating revenues (expenses):	
Interest revenue	22,602
Miscellaneous revenue	63,573
Gain on disposal of assets	99,406
Interest expense and fiscal charges	(181,189)
Total nonoperating revenues (expenses)	4,392
Transfers	59,758
Net income	262,886
Net position - beginning	3,906,734
Net position - ending	$ 4,169,620

The accompanying notes are an integral part of this statement.

CITY OF BURKBURNETT, TEXAS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
WATER AND SEWER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Cash flows from operating activities:	
Cash received from customers	$ 4,391,706
Cash payments to employees for services	(1,000,621)
Cash payments to other suppliers for goods and services	(4,248,828)
Net cash provided by operating activities	(857,743)
Cash flows from non-capital financing activities:	
Payments to other funds	304,682
Other receipts	560,639
Net cash used by non-capital financing activities	865,321
Cash flows from capital and related financing activities:	
Proceeds from issuance of capital lease	136,442
Principal paid on long-term debt	(863,086)
Interest and paying agent fees paid on long-term debt	(203,328)
Acquisition of capital assets	(629,014)
Proceeds from sale of capital assets	104,269
Net cash used by capital and related financing activities	(1,454,717)
Cash flows from investing activities:	
Interest earned	22,602
Net cash provided by capital and related financing activities	22,602
Net decrease in cash and cash equivalents	(1,424,537)
Cash and cash equivalents - beginning	3,240,500
Cash and cash equivalents - ending	$ 1,815,963
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 198,736
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	681,806
(Increase) decrease in assets and deferred outflows of resources:	
Receivables	(31,337)
Deferred outflows of resources from pensions	99,415
Deferred outflows of resources from OPEB	2,237
Increase (decrease) in liabilities:	
Accounts payable	(1,638,591)
Customer deposits	14,830
Accrued compensated absences	1,060
Net pension liability	(193,471)
Total OPEB liability	7,572
Net cash provided by operating activities	$ (857,743)
Reconciliation of cash and cash equivalents	
Unrestricted cash	$ 1,000
Unrestricted certificates of deposit	1,275,363
Restricted cash equivalents	539,600
	$ 1,815,963

The accompanying notes are an integral part of this statement.

A. Summary of Significant Accounting Policies

The accompanying financial statements of the City of Burkburnett, Texas (City) have been prepared in conformity with accounting principles applicable to governmental units which are generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Financial Reporting Model

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement, known as the "Reporting Model" statement, affects the way the City prepares and presents financial information. State and local governments traditionally have used a financial reporting model substantially different from the one used to prepare private-sector financial reports.

GASB Statement No. 34 established new requirements and a new reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions and includes:

Management's Discussion and Analysis - GASB Statement No. 34 requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of a "management's discussion and analysis" (MD&A). This analysis is similar to the analysis the private-sector provides in their annual reports.

Government-Wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. Government-wide financial statements do not provide information by fund or account group, but distinguish between the City's governmental activities, business-type activities, and activities of its discretely presented component unit on the statement of net position and statement of activities. Significantly, the statement of net position includes both noncurrent assets and noncurrent liabilities of the City, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. Accrual accounting also reports all of the revenues and cost of providing services each year, not just those received or paid in the current year or soon thereafter. The government-wide statement of activities also reflects depreciation expenses on the City's capital assets, including infrastructure.

In addition to the government-wide financial statements, the City has prepared governmental fund financial statements which continue to use the modified accrual basis of accounting and the current financial resources measurement focus. Accordingly, the accounting and financial reporting for the City's General Fund, the City's major governmental fund, is similar to that presented in the City's financial statements, although the format of financial statements has been modified by GASB Statement No. 34.

Statement of Net position - The statement of net position is designed to display the financial position of the primary government (government and business-type activities) and its discretely presented component unit. Governments report all capital assets, including infrastructure, in the government-wide statement of net position and reports depreciation expense - the cost of "using up" capital assets - in the statement of activities. The net position of a government is broken down into three categories, 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

2. Reporting Entity

The City's basic financial statements include the accounts of all its operations. The City evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the City's reporting entity, as set forth in GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, an Amendment of GASB Statement No. 14, include the following:

- the organization is legally separate
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City
- the exclusion of the organization would result in misleading or incomplete financial statements

Blended component units, although legally separate entities, are in substance, part of the City's operations and data from these units is combined with data presented by the City. Discretely presented component units, on the other hand, are reported in separate columns in the financial statements to emphasize they are legally separate from the City. The discretely presented component unit has a September 30th year end.

The City also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the City to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 39 requires inclusion of such an organization as a component unit when: 1) the economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the City, its component units or its constituents; 2) the City or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) such economic resources are significant to the City.

<u>Discretely Presented Component Unit</u>

The Burkburnett Development Corporation is a non-profit corporation formed in August 1997 for the purpose of benefiting and accomplishing the public purposes of the City of Burkburnett, Texas, by the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare as provided by section 4B of the Development Corporation Act. The Board of Directors consists of seven members appointed by the City's Board of Commissioners. The Corporation issues a separate set of financial statements. A copy of the report can be obtained by sending a request addressed to the Executive Director, Burkburnett Development Corporation, 104 W. Third Street, Burkburnett, Texas 76354.

3. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The City does not allocate indirect expenses in the statement of activities. Program revenues include fees, fines, charges paid by the recipients of goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City has three major governmental funds: General Fund, Debt Service Fund and Capital Projects Fund. The General Fund is the City's primary operating fund. It accounts for all financial resources of the City except those required to be accounted for in another fund. The Debt Service Fund accounts for all debt service activity, and the Capital Projects Fund accounts for the City’s major capital and related activity.

The Water and Sewer Fund is the City’s only major enterprise fund. This fund accounts for water and sewer services to residents of the City. Activities necessary to provide such services are accounted for in the fund, including, but not limited to, administration, operations, maintenance, finance, and related debt service.

b. Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the City incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the City's policy to use restricted resources first, then unrestricted resources.

Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, all proprietary funds will continue to follow Financial Accounting Standards Board (FASB) standards issued on or before November 30, 1989. However, from that date forward, proprietary funds will have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements unless they conflict with GASB guidance. The City has chosen to apply future FASB standards.

4. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have an original maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General Fund are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

At September 30, 2022, net property taxes receivable is calculated as follows:

Gross property taxes receivable	$ 202,983
Allowance for uncollectible taxes	(101,492)
Net property taxes receivable	$ 101,491

c. Receivable and Payable Balances

The City believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid obscuring significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables, other than delinquent property taxes, which are not scheduled for collection within one year. Of the $101,491 in delinquent property taxes outstanding at September 30, 2022, it is expected that the City will collect approximately $35,000 during the year ending September 30, 2023. This is similar to the collections for the year ending September 30, 2022.

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The City generally capitalizes assets with a cost of $2,500 or more as purchase and construction outlays occur. Exceptions are stand-alone office equipment, communications equipment, real property, and firearms. These items are capitalized regardless of cost. The cost of normal maintenance and repairs that add no value to, or materially extend, the lives of the asset are not capitalized.

Capital assets, including those of the component unit, are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Buildings	5-40
Improvements, other than buildings	5-40
Mobile equipment	3-10
Furniture, machinery, and equipment	3-10

e. Inventories

Inventories are valued at cost. Inventory consists of expendable supplies held for consumption. Inventories are capitalized under the consumption method, whereby expenditures are capitalized as inventory until used.

f. Inter-fund Activity

Inter-fund activity results from loans, services provided, reimbursements, or transfers between funds. Loans are reported as inter-fund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other inter-fund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, inter-fund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

g. Net Position

Net position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The City reports three categories of net position, as follows:

- Net investment in capital assets: consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

- Restricted net position: net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the City's bonds. Restricted net position is restricted assets reduced by liabilities and deferred inflows of resources related to the restricted assets.

- Unrestricted net position: consists of all other net position that does not meet the definition of the above two components and is available for general use by the City.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, management applies restricted net position first, unless a determination is made to use unrestricted net position. The City's policy concerning which to apply first varies with the intended use and legal requirements. Management typically makes this decision on a transactional basis at the incurrence of the expenditure.

h. Governmental Fund Balances

Governmental Funds fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws and regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by City management based on Council direction.

For the classification of Governmental Fund balances, the City considers an expenditure to be made from the most restrictive fund balance classification first when more than one classification is available.

i. Compensated Absences

Full time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Time off, other than sick leave, is to be taken as vacation or is paid annually upon reaching maximums. Compensated absences are reported in the government wide financial statements.

Sick leave accrues to employees in varying amounts to specified maximums, but does not vest. Accordingly, employees can only utilize sick leave when sick. Since the employees accumulating rights to receive compensation for future absences are contingent upon the absences being cause by future illnesses and such amounts cannot be reasonably estimated, a liability for unused sick leave is not recorded in the financial statements.

j. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

k. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms.

l. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, *Certain Financial Statement Note Disclosures*, violations of finance-related legal and contractual provisions, if any, must be reported along with actions taken to address such violations. The City does not have any finance-related findings in the current year.

2. Deficit Fund Balance or Fund Net Position of Individual Funds

The City's Grant Fund, accounts for expenditure driven grants, has a deficit fund balance of $19,890 as of September 30, 2022. The fund makes expenditures and then files for reimbursement from the granting agency. The fund covered overruns of previous grant contracts, causing a deficit balance. The City plans to reimburse the special revenue fund to remedy the deficit.

C. Deposits and Investments

The City's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the City's agent bank approved pledged securities in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Cash Deposits:

At September 30, 2022, the balance of the City's cash deposits was $8,296,129. The City's cash deposits at September 30, 2022, and during 2022, were entirely covered by FDIC insurance or by pledged collateral held by the City's agent bank in the City's name.

At September 30, 2022, the Burkburnett Development Corporation's cash deposit balance was $655,117. The cash at September 30, 2022 and during 2022, were entirely covered by FDIC insurance or under the umbrella of the City's pledged collateral.

Investments:

The City is required by Government Code Chapter 2256, the Public Funds Investment Act (Act), to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, maturity, and the quality and capability of investment management; include a list of the types of authorized investments in which the investing entity's funds may be invested; and set the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that, in the areas of investment practices, management reports and establishment of appropriate policies, the City adhered to the requirements of the Act. Investment practices of the City were in accordance with local policies.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions, (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds.

Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and, if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the City was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name. At year end, the City was not exposed to custodial credit risk.

c. Concentrations of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

The City's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report non-participating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of non-participating interest-earning investment contracts.

<u>Restricted Assets:</u>

Restricted assets in the Governmental and Proprietary Funds consist of cash and cash equivalents held for specific purposes in accordance with bond ordinances or other legal restrictions and are comprised of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental	Proprietary Fund
Debt service	$ -	$ 29,646	$ -	$ -	$ 314,160
Capital projects	-	-	97,722	-	225,440
Hotel/motel funds	-	-	-	25,027	-
TIF funds	-	-	-	990,313	-
Court technology	-	-	-	21,028	-
Court security	-	-	-	9,270	-
Storm drainage	-	-	-	358,260	-
American Rescue Plan	-	-	2,611,864	-	-
Other	9,775	-	-	-	-
Total	$ 9,775	$ 29,646	$ 2,709,586	$ 1,403,898	$ 539,600

D. Capital Assets

Capital asset activity for the period ended September 30, 2022, was as follows:

Primary government

Governmental activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	$ 110,078	$ -	$ -	$ 110,078
Police department land	99,460	-	-	99,460
Golf course land	64,000	-	-	64,000
Total capital assets not being depreciated	273,538	-	-	273,538
Capital assets being depreciated:				
Buildings and improvements	7,519,627	186,333	-	7,705,960
Aquatic Center	4,461,602	39,879	-	4,501,481
Library books	257,296	-	(14,693)	242,603
Streets and curbs	20,332,352	214,321	-	20,546,673
Golf course	794,570	17,500	-	812,070
Equipment and vehicles	4,447,625	53,534	(49,673)	4,451,486
Leased vehicles	578,926	355,746	-	934,672
Total capital assets being depreciated	38,391,998	867,313	(64,366)	39,194,945
Less accumulated depreciation for:				
Buildings and improvements	1,721,832	186,103	-	1,907,935
Aquatic Center	929,499	153,147	-	1,082,646
Library books	247,093	10,202	(14,692)	242,603
Streets and curbs	14,020,144	638,440	-	14,658,584
Golf course	674,735	15,866	-	690,601
Equipment and vehicles	3,101,307	271,118	(46,717)	3,325,708
Leased vehicles	-	188,372	-	188,372
Total accumulated depreciation	20,694,610	1,463,248	(61,409)	22,096,449
Total capital assets being depreciated, net	17,697,388	(595,935)	(2,957)	17,098,496
Governmental activities capital assets, net	$ 17,970,926	$ (595,935)	$ (2,957)	$ 17,372,034

Business-type activities:	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated:				
Land	$ 1,596,655	$ -	$ -	$ 1,596,655
Construction in progress	131,290	79,458	-	210,748
Total capital assets not being depreciated	1,727,945	79,458	-	1,807,403
Capital assets being depreciated:				
Buildings and improvements	150,560	-	-	150,560
Equipment and vehicles	3,425,084	378,114	(9,260)	3,793,938
Leased vehicles	131,368	136,442	-	267,810
Water system	11,436,167	35,000	-	11,471,167
Sewer system	5,018,969	-	-	5,018,969
Total capital assets being depreciated	20,162,148	549,556	(9,260)	20,702,444
Less accumulated depreciation for:				
Buildings and improvements	124,212	3,764	-	127,976
Equipment and vehicles	1,235,031	213,626	(4,397)	1,444,260
Leased vehicles	-	54,856	-	54,856
Water system	6,121,176	300,832	-	6,422,008
Sewer system	4,204,441	108,728	-	4,313,169
Total accumulated depreciation	11,684,860	681,806	(4,397)	12,362,269
Total capital assets being depreciated, net	8,477,288	(132,250)	(4,863)	8,340,175
Business-type activities capital assets, net	$ 10,205,233	$ (52,792)	$ (4,863)	$ 10,147,578

Depreciation was charged to functions as follows:

Governmental activities:	
General government	$ 188,372
Administration	1,932
City hall	14,704
Police department	206,174
Municipal court	497
Fire department	103,167
Library	17,935
Streets and public works	712,959
Parks and recreation	58,249
Aquatic center	150,572
Community planning	2,486
Community Center	4,421
Garbage Collection	1,780
Total	$ 1,463,248

Business-type activities:	
Water supply, distribution, and wells	$ 518,295
Waste water treatment	163,511
Total	$ 681,806

Discretely presented component unit

Activity for the Burkburnett Development Corporation for the year ended September 30, 2022 was as follows:

	Ending Balances	Increases	Decreases	Ending Balances
Furniture and office equipment	$ 20,346	$ -	$ -	$ 20,346
Less: accumulated depreciation	20,346	-	-	20,346
Capital assets, net	$ -	$ -	$ -	$ -

The Burkburnett Development Corporation did not recognize any depreciation expense for the year ended September 30, 2022, as all the Corporation's assets were fully depreciated in the prior year.

E. Due from Component Unit

In fiscal year 2013, the Burkburnett Development Corporation agreed to pay $50,000 annually for ten years towards principal and interest for the City of Burkburnett, Texas General Obligation Bonds, Series 2013. The bonds were issued to fund the development of the Burkburnett Family Aquatic Center. The balance of this note as of September 30, 2022 is $50,000 in governmental activities.

F. Inter-fund Balances and Activity

1. Due To and From Other Funds

Inter-fund receivables and payables at September 30, 2022, consisted of the following:

Fund	Inter-fund Receivables	Inter-fund Payables
General Fund	$ 795,964	$ 1,000,956
Debt Service Fund	76,866	11,196
Capital Projects Fund	499,483	-
Special Revenue Fund	424,607	55,190
Water and Sewer Fund	46,496	776,074
Total	$ 1,843,416	$ 1,843,416

The General Fund and Capital Project Fund receivables represent cash used by the Special Revenue Fund and Water and Sewer Fund to finance certain activities pending receipt of funds from other investments and receivables. The General Fund payable represents cash owed to the Debt Service Fund and other nonmajor funds.

2. Transfers To and From Other Funds

Transfers to and from other funds during fiscal year 2022, consisted of the following:

Fund	Transfers Out	Transfers In	Total
General Fund	$ (310,770)	$ 208,603	$ (102,167)
Capital Projects Fund	(208,603)	310,770	102,167
Nonmajor funds:			
TIF Fund	(35,300)	-	(35,300)
Grants	(79,458)	55,000	(24,458)
Water and Sewer Fund	(55,000)	114,758	59,758
Total	$ (689,131)	$ 689,131	$ -

The General Fund and Water and Sewer Fund transferred funds to the Capital Projects Fund for capital purchases. The Grants Fund transferred funds to the Water and Sewer Fund for a wastewater system project. The TIF Fund transferred funds to the Water and Sewer Fund to cover debt service payments.

G. Long-Term Liabilities

1. Long-Term Liability Activity

Long-term liabilities include debt and other long-term payables. Changes in long-term liabilities for the year ended September 30, 2022, are as follows:

Governmental activities:	Beginning Balances	Increases	Decreases	Ending Balance	Amounts Due Within One Year
General obligation bonds, series 2013	$ 3,685,000	$ -	$ 105,000	$ 3,580,000	$ 105,000
General obligation refunding bonds, series 2015 and 2018	2,575,000	-	390,000	2,185,000	405,000
Certificate of obligation, series 2016	4,075,000	-	135,000	3,940,000	140,000
Notes payable	185,886	-	148,396	37,490	37,490
Financed purchases payable	170,519	-	39,772	130,747	115,573
Leases payable	578,926	338,388	182,879	734,435	212,524
Compensated absences payable	73,996	7,840	-	81,836	81,836
Total governmental activities	$ 11,344,327	$ 346,228	$ 1,001,047	$ 10,689,508	$ 1,097,423

	Beginning Balances	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type activities:					
Revenue bonds,					
series 2010 and 2021	$ 4,325,000	$ -	$ 270,000	$ 4,055,000	$ 275,000
General obligation refunding bonds,					
series 2015 and 2020	2,060,000	-	260,000	1,800,000	260,000
Financed purchases payable	57,233	-	57,233	-	-
Notes payable	541,178	-	222,403	318,775	134,864
Leases payable	131,368	136,442	53,450	214,360	68,895
Compensated absences	19,738	1,060	-	20,798	20,798
Total business-type activities	$ 7,134,517	$ 137,502	$ 863,086	$ 6,408,933	$ 759,557
Component Units:					
Burkburnett Economic Development Corporation:					
Note payable to primary government	$ 100,000	$ -	$ 50,000	$ 50,000	$ 50,000
Total component units	$ 100,000	$ -	$ 50,000	$ 50,000	$ 50,000

2. General Obligation Bonds

In April 2020, the City issued $1,195,000 in General Obligation Refunding Bonds, Series 2020 to advance refund General Obligation Bonds, Series 2010 to achieve a present value debt service savings. Net proceeds from the sale of the bonds totaled $1,195,000. The proceeds were placed with an escrow agent to provide for all future debt payments of the refunded bond. This refunding resulted in a decrease in the City's debt service payments of $84,119, and it created an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of $78,313. The bonds are payable from ad valorem taxes of the City. The interest rate is 1.18%, final maturity date is in 2026 and the annual series payments range from $190,000 to $205,000.

In April 2018, the City issued $2,085,000 in General Obligation Refunding Bonds, Series 2018 to advance refund General Obligation Bonds, Series 2008 to achieve a present value debt service savings. Net proceeds from the sale of the bonds totaled $2,054,091. The proceeds were placed with an escrow agent to provide for all future debt payments of the refunded bond. This refunding resulted in a decrease in the City's debt service payments of $74,382, and it created an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of $62,229. The bonds are payable from ad valorem taxes of the City. The interest rate is 2.87%, final maturity date is in 2028 and the annual series payments range from $180,000 to $240,000.

In October, 2015, the City issued $3,760,000 in General Obligation Refunding Bonds, Series 2015, allocated 53% to the general fund and 47% to the utility fund. The debt was issued to refund a portion of the City's outstanding debt to achieve a present value debt service savings. Net proceeds from the sale of the bonds totaled $3,980,069. The proceeds were placed with an escrow agent to provide for all future debt payments of the refunded bonds. This refunding resulted in an increase in the City's debt service payments of $29,648, but it created an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of $191,369 due to the timing of the payments under the new bond. The bonds are payable from ad valorem taxes of the City. Interest rates range from 2.00% to 4.00%. The final maturity date is in 2026 and the annual series payments range from $180,000 to $335,000.

In July 2013, the City issued $4,400,000 in General Obligation Bonds, Series 2013 to finance the constructing and equipping of a Family Aquatic Center. The bonds are payable from ad valorem taxes of the City. Interest rates range from 4.25% to 5.00% with a maturity date of February 15, 2033 and annual series payments range from $65,000 to $565,000.

In April 2010, the City issued $2,475,000 in General Obligation Refunding Bonds, Series 2010 to advance refund Tax and Waterworks and Sewer System Surplus Revenue Certificates of Obligation, Series 2001. The bonds are payable from ad valorem taxes of the City. Interest rates range from 2.00% to 3.50% with a maturity date of February 15, 2026 and annual series payments range from $130,000 to $215,000.

3. Revenue Bonds and Certificates of Obligation

In July 2021, the City issued $2,795,000 in Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2021 to advance refund Waterworks and Sewer System Revenue Bonds, Series 2010 to achieve a present value debt service savings, and to provide funds to acquire, improve, renovate, or equip the City's combined Waterworks and Sewer System. Net proceeds from the sale of the bonds totaled $2,979,128. A portion of the proceeds totaling $759,972 were placed with an escrow agent to provide for all future debt payments of the refunded bond. The remaining proceeds totaling $2,219,156 will be used for capital improvements. The refunding resulted in a decrease in the City's debt service payments of $86,546, and it created an economic gain (difference between the present value of the debt service payments of the old debt and new debt) of $80,385. The Certificates bear interest ranging from 2.00% to 4.00%. The final maturity date is in 2041 and the annual series payments range from $150,000 to $255,000.

In April 2016, the City issued Tax and Waterworks and Sewer System Revenue Certificates of Obligation, series 2016 in the amount of $4,650,000 to finance construction and equipping a new municipal court and police station. The Certificates are payable from a combination of ad valorem taxes and pledged net revenues of the waterworks and sewer system. The Certificates bear interest ranging from 2.00% to 3.00%. The final maturity date is in 2036 and the annual series payments range from $80,000 to $755,000.

In July 2013, the City issued Waterworks and Sewer System Revenue Bonds, Series 2013 in the amount of $2,210,000 to pay for land that will be used for water and sewer purposes. The bonds are payable from pledged net revenues of the waterworks and sewer system. The bonds bear interest at 2.00% to 4.25%. The final maturity date is in 2033 and the annual series payments range from $70,000 to $155,000.

In October 2010, the City issued Waterworks and Sewer System Revenue Bonds, Series 2010 in the amount of $1,555,000 to finance certain water and sewer improvements. The bonds are payable from pledged net revenues of the waterworks and sewer system. The bonds bear interest at 3.00% to 4.00%. The final maturity date is in 2030 and the annual series payments range from $60,000 to $195,000. This series was refunded by in Waterworks and Sewer System Revenue Refunding and Improvement Bonds, Series 2021, as described above.

4. Notes Payable

In January 2021, the City entered into a note payable agreement with a local bank to purchase a Street Sweeper in the amount of $221,515. The note bears interest at the rate of 2.00% with fixed monthly payments of $9,426. The final maturity date is in January 2023.

In January 2021, the City entered into a note payable agreement with a local bank to purchase a Belt Press in the amount of $268,450. The note bears interest at the rate of 2.00% with fixed monthly payments of $11,420. The final maturity date is in January 2023.

In September 2020, the City entered into a note payable agreement with a local bank to fund the Water Outfall Project in the amount of $447,057. The note bears interest at the rate of 2.00% with fixed annual payments of $94,925. The final maturity date is in September 2025.

The commitments under notes payable agreements provide for minimum future payments as of September 30, 2022 as follows:

	Governmental Activities Notes Payable		Business Type Activities Notes Payable	
	Principal	Interest	Principal	Interest
2023	$ 37,490	$ 141	$ 134,864	$ 5,657
2024	-	-	91,247	3,678
2025	-	-	92,664	2,261
Totals	$ 37,490	$ 141	$ 318,775	$ 11,596

5. Financed Purchases

The City entered into the following agreements that are considered financed purchases for accounting purposes:

Description	Interest Rate	Issue Date	Maturity Date	Original Issue	Balance at 9/30/2022	Carrying Value of Equipment
<u>Governmental Activities</u>						
2018 CAT Wheel Loader	2.85%	1/30/2018	1/30/2023	$ 160,569	$ 100,975	$ 93,240
2018 CASE Backhoe	3.95%	1/29/2019	1/29/2024	$ 70,318	29,772	44,535
					$ 130,747	$ 137,775

The liabilities for Governmental Activities are reported with notes and financed purchases payable due within one year of $115,572 and notes and financed purchases payable due in more than one year of $15,175.

The commitments under financed purchase agreements for equipment provide for minimum future payments as of September 30, 2022 as follows:

Year Ending September 30,	Governmental Activities Principal	Governmental Activities Interest
2023	$ 115,572	$ 4,054
2024	15,175	599
	$ 130,747	$ 4,653

6. Leases

The City, as a lessee, has entered into lease agreements for vehicles.

The total costs of the City's lease assets are recorded in Governmental Activities as $934,672, less accumulated amortization of $188,372, and Business-type Activities as $267,810, less accumulated amortization of $54,856.

The future lease payments under lease agreements are as follows:

	Governmental Activities		Business-type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
2023	$ 212,524	$ 12,716	$ 68,895	$ 3,650
2024	213,017	8,493	69,272	2,277
2025	197,980	4,257	55,609	928
2026	101,259	965	20,584	137
2027	9,655	53	-	-
	$ 734,435	$ 26,484	$ 214,360	$ 6,992

7. Debt Service Requirements

Debt service requirements on long-term debt at September 30, 2022, are as follows:

	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2023	$ 510,000	$ 213,798	$ 140,000	$ 116,100
2024	480,000	197,162	140,000	111,900
2025	500,000	180,367	145,000	107,625
2026	515,000	162,424	150,000	103,200
2027	560,000	143,002	155,000	98,625
2028-2032	2,635,000	397,101	850,000	419,250
2033-2036	565,000	12,006	2,360,000	167,550
Totals	$ 5,765,000	$ 1,305,860	$ 3,940,000	$ 1,124,250

	Business Type Activities			
	Revenue Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	$ 275,000	$ 132,225	$ 260,000	$ 46,196
2024	290,000	121,750	275,000	41,473
2025	300,000	110,150	275,000	36,429
2026	270,000	101,850	280,000	31,110
2027	275,000	91,050	75,000	26,900
2028-2032	1,410,000	287,514	435,000	84,900
2033-2037	735,000	91,888	200,000	8,000
2038-2041	500,000	25,300	-	-
Totals	$ 4,055,000	$ 961,727	$ 1,800,000	$ 275,008

8. Component Unit Note Payable

In fiscal year 2013, the Burkburnett Development Corporation agreed to pay $50,000 annually for ten years towards principal and interest for the City of Burkburnett, Texas General Obligation Bonds, Series 2013. The bonds were issued to fund the development of the Burkburnett Family Aquatic Center.

Future payments under this commitment for the years ended September 30, are as follows:

2023	$ 50,000
Total	$ 50,000

H. Risk Management

The City is exposed to various risks of loss related to torts, theft, damage, or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City obtains general liability coverage at a cost that is considered to be economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its above insurance coverage.

The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years.

I. Defined Benefit Pension Plan

A. Plan Description

The City of Burkburnett participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act (Title 8, Subtitle G, Texas Government Code) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at *www.tmrs.com*. All eligible employees of the city are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the city, within the options available in the state statutes governing TMRS. At retirement, the Member's benefit is calculated based on the sum of the Member's contributions, with interest, and the city-financed monetary credits with interest. The retiring Member may select one of seven monthly benefit payments options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total Member contributions and interest.

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

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

	Plan Year 2021	Plan Year 2020
Employee deposit rate	7%	7%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	10
Service retirement eligibility		
(expressed as age/years of service)	60/5, 0/20	60/10, 0/20
Updated service credit	100% Repeating Transfers	100% Repeating Transfers
Annuity increase (to retirees)	0% of CPI	0% of CPI

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	58
Inactive employees entitled to but not yet receiving benefits	39
Active employees	69
Total	166

C. Contributions

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

Employees for the City of Burkburnett were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Burkburnett were 10.89% and 10.63**%** in calendar years 2021 and 2022, respectively. The City's contributions to TMRS for the year ended September 30, 2022, were $391,257, and were equal to the required contribution.

D. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.55%
Core Fixed Income	6.0%	2.00%
Non-Core Fixed Income	20.0%	5.68%
Real Return	12.0%	7.22%
Real Estate	12.0%	6.85%
Hedge Funds	5.0%	5.35%
Private Equity	10.0%	10.00%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balance at 12/31/2020	$ 15,848,171	$ 14,831,827	$ 1,016,344
Changes for the year:			
Service cost	506,172	-	506,172
Interest	1,056,610	-	1,056,610
Change of benefit terms	-	-	-
Difference between expected and actual experience	(23,685)	-	(23,685)
Changes of assumptions	-	-	-
Contributions – employer	-	383,058	(383,058)
Contributions – employee	-	246,227	(246,227)
Net investment income	-	1,929,233	(1,929,233)
Benefit payments, including refunds of employee contributions	(895,560)	(895,560)	-
Administrative expense	-	(8,946)	8,946
Other changes	-	60	(60)
Net changes	643,537	1,654,072	(1,010,535)
Balance at 12/31/2021	$ 16,491,708	$ 16,485,899	$ 5,809

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

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

	1% Decrease In Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase In Discount Rate (7.75%)
City's net pension liability	$ 2,064,864	$ 5,809	$ (1,702,090)

Pension Plan Fiduciary Net Position

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

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

For the year ended September 30, 2022, the City recognized pension income of $109,990.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ 76,142
Changes in actuarial assumptions	-	2,499
Difference between projected and actual investment earnings	-	991,218
Contributions subsequent to the measurement date	284,593	-
Total	$ 284,593	$ 1,069,859

$284,593 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	
2022	$ (231,802)
2023	(439,714)
2024	(212,726)
2025	(185,617)
Total	$ (1,069,859)

J. Postemployment Benefits Other Than Pensions (OPEB)

1. Plan Description

The City of Burkburnett participates in a cost sharing multiple-employer defined benefit group 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 participate in SBDF, and the City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

2. Benefits Provided

The SBDF provides group-term life insurance coverage to both current and retired employees. 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.

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	43
Inactive employees entitled to but not yet receiving benefits	12
Active employees	69
Total	124

3. Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.50%, including inflation
Discount rate	1.84%
Retirees' share of benefit-related costs	$0

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021.

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

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

Mortality rates for disabled retirees are based on the 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a full generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions used in the December 31, 2021 valuation were based on the results of an actuarial experience study for the period December 31, 2014 to December 31, 2018.

Changes in the Total OPEB Liability

Total OPEB Liability - beginning of year	$ 321,203
Changes for the year:	
Service Cost	27,085
Interest on Total OPEB Liability	6,607
Changes of benefit terms	-
Differences between expected and actual experience	(11,028)
Changes in assumptions or other inputs	11,029
Benefit payments	(8,794)
Net changes	24,899
Total OPEB Liability – end of year	$ 346,102

Sensitivity of the Total OPEB Liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (0.84 percent) or 1-percentage-point higher (2.84% percent) than the current discount rate:

	1% Decrease In Discount Rate (0.84%)	Discount Rate (1.84%)	1% Increase In Discount Rate (2.84%)
City's total OPEB liability	$ 427,754	$ 346,102	$ 284,470

4. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2022, the City recognized OPEB expense of $45,355.

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 30,885
Changes in actuarial assumptions	46,554	-
Contributions subsequent to the measurement date	10,441	-
Total	$ 56,995	$ 30,885

$10,441 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending December 31,	
2022	$ 9,166
2023	4,108
2024	2,394
2025	1
Thereafter	-
Total	$ 15,669

K. <u>Commitments and Contingencies</u>

1. Contingencies

The City participates in grant programs which are governed by various rules and regulations of the grantor agencies.

Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable may be impaired.

In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying basic financial statements for such contingencies.

2. Litigation

The City is subject to claims and lawsuits which arise primarily in the ordinary course of business. It is the opinion of management and the Council that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the City.

L. Tax Abatements

The City of Burkburnett's Tax Increment Financing District, Reinvestment Zone enters into ad valorem tax abatement agreements with businesses to promote economic development as permitted by chapter 311 of the Texas Tax Code. Under the tax abatement program, the City may negotiate to abate 100% of their portion of increased Ad Valorem tax during the first year that improvements are in place. The abatements are then reduced by 10% each year until the abatements cease during the 10th year. The abatements are based upon a project's capital investment and the number of jobs created as a result of expansion or new project location. Terms of these abatements are negotiated on a case-by-case basis and apply only to primary employers.

For the fiscal year ended September 30, 2022, the City abated taxes totaling $25,464 to a skilled nursing facility under this program.

L. New Accounting Pronouncement

The City adopted the provisions of GASB Statement No. 87 Leases. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The beginning balances for leased capital assets and lease liabilities were increased by $578,926 and $131,368 for Governmental Activities and Business-type Activities, respectively, as a result of this implementation. Beginning net asset balances were not required to be restated.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

CITY OF BURKBURNETT, TEXAS

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Property taxes	$ 2,912,667	$ 2,912,667	$ 2,939,683	$ 27,016
Non-property taxes	2,821,000	2,821,000	2,983,010	162,010
Fines and forfeitures	51,800	51,800	42,477	(9,323)
Licenses and permits	31,225	31,225	50,381	19,156
Fees and services	2,256,194	2,256,194	2,306,831	50,637
Miscellaneous	51,001	51,001	195,104	144,103
Intergovernmental revenue	35,527	35,527	35,527	-
Total operating revenues	8,159,414	8,159,414	8,553,013	393,599
Expenditures:				
Current:				
General government	1,114,851	1,114,851	1,855,754	(740,903)
Administration	160,926	160,926	199,239	(38,313)
Tax assessing/collecting	47,850	47,850	50,079	(2,229)
City hall	150,188	150,188	171,899	(21,711)
Police department	2,100,462	2,100,462	1,891,220	209,242
Municipal court	103,625	103,625	88,832	14,793
Fire department	757,741	757,741	1,056,408	(298,667)
Library	174,832	174,832	186,785	(11,953)
Streets and public works	1,084,506	1,084,506	853,426	231,080
Parks and recreation	463,253	463,253	475,418	(12,165)
Aquatic center	285,220	285,220	361,207	(75,987)
Community center	18,250	18,250	19,475	(1,225)
Garbage collection	1,716,635	1,716,635	1,670,727	45,908
E.M.T.	-	-	-	-
Community planning	273,224	273,224	253,742	19,482
Total expenditures	8,451,563	8,451,563	9,134,211	(682,648)
Excess of revenues over expenditures	(292,149)	(292,149)	(581,198)	(289,049)
Other financing sources (uses):				
Proceeds from equipment leases	-	-	338,388	338,388
Interest income	24,000	24,000	37,261	13,261
Sale of assets	-	-	243,925	243,925
Transfers	268,150	268,150	208,603	(59,547)
Total other financing sources (uses)	292,150	292,150	828,177	536,027
Excess of revenues and other financing sources over expenditures and other financing uses	$ 1	$ 1	$ 246,979	$ 246,978

Budget and Budgetary Accounting

The City Council adopts an annual budget for the general, solid waste, storm drainage, water, sewer, and waste water funds. The general fund budget is legally adopted. The annual budgets for the general, solid waste, and storm drainage funds are adopted on a modified accrual basis. The budget for the water and waste water fund is adopted under a basis consistent with GAAP, except that amortization and depreciation are not considered (working capital basis).

The following procedures are followed in establishing the budgetary data reflected in the Basic Financial Statements:

Prior to the beginning of the fiscal year, the City prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them. A meeting of the City Council is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must have been given. Prior to the start of the fiscal year, the budget is legally enacted through passage of a resolution by the City Council.

Once a budget is approved, it can only be amended by approval of a majority of the members of City Council. As required by law, such amendments are made before the fact, are reflected in the official minutes of City Council and are not made after fiscal year end. All budget appropriations lapse at year end.

Budget Amendments

The budget was not amended during the year ended September 30, 2022.

Budget to Actual Reconciliation

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures for the year ended September 30, 2022, determined in accordance with generally accepted accounting principles follows:

Sources/inflows of resources:	
Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	$ 8,553,013
Differences—budget to GAAP:	
Collections of property taxes that are remitted to another fund are inflows of budgetary resources but are not *revenues* for financial reporting purposes	(89,440)
Collections of sales taxes that are remitted to the City's component unit are inflows of budgetary resources but are not *revenues* for financial reporting purposes	(486,942)
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances—governmental funds	$ 7,976,631
Uses/outflows of resources:	
Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule	$ 9,134,211
Differences—budget to GAAP:	
Transfers of property taxes to another fund are outflows of budgetary resources but are not *expenditures* for financial reporting purposes	(89,440)
Remittances of sales taxes to the City's component unit are outflows of budgetary resources but are not *expenditures* for financial reporting purposes	(486,942)
Transfers to other funds are outflows of budgetary resources but are not *expenditures* for financial reporting purposes	(310,770)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances—governmental funds	$ 8,247,059

CITY OF BURKBURNETT, TEXAS **EXHIBIT B-2**

REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2021

	2014	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability								
Service cost	$ 326,157	$ 384,710	$ 397,893	$ 394,188	$ 406,872	$ 417,137	$ 475,699	$ 506,172
Interest (on the Total Pension Liability)	853,168	891,119	882,631	924,437	973,551	1,000,669	1,019,571	1,056,610
Changes of benefit terms	-	-	-	88,217	-	-	14,876	-
Difference between expected and actual experience	42,745	(461,671)	54,167	222,912	(89,720)	(210,816)	(33,958)	(23,685)
Change of assumptions	-	280,309	-	-	-	(11,754)	-	-
Benefit payments, including refunds of employee contributions	(700,110)	(718,251)	(792,401)	(811,015)	(829,513)	(958,657)	(960,080)	(895,560)
Net Change in Total Pension Liability	521,960	376,216	542,290	818,739	461,190	236,579	516,108	643,537
Total Pension Liability - Beginning	12,375,089	12,897,049	13,273,265	13,815,555	14,634,294	15,095,484	15,332,063	15,848,171
Total Pension Liability - Ending (a)	$ 12,897,049	$ 13,273,265	$ 13,815,555	$ 14,634,294	$ 15,095,484	$ 15,332,063	$ 15,848,171	$ 16,491,708
Plan Fiduciary Net Position								
Contributions - Employer	$ 296,944	$ 288,382	$ 296,456	$ 279,537	$ 294,695	$ 314,015	$ 338,655	$ 383,058
Contributions - Employee	188,278	199,332	206,468	206,845	212,228	216,775	230,602	246,227
Net investment income	649,544	17,385	780,812	1,667,984	(400,348)	1,952,039	1,072,283	1,929,233
Benefit payments, including refunds of employee contributions	(700,110)	(718,251)	(792,401)	(811,015)	(829,513)	(958,657)	(960,080)	(895,560)
Administrative expenses	(6,783)	(10,591)	(8,823)	(8,649)	(7,744)	(11,046)	(6,954)	(8,946)
Other	(558)	(523)	(475)	(439)	(403)	(332)	(271)	60
Net Change in Plan Fiduciary Net Position	427,315	(224,266)	482,037	1,334,263	(731,085)	1,512,794	674,235	1,654,072
Plan Fiduciary Net Position - Beginning	11,356,534	11,783,849	11,559,583	12,041,620	13,375,883	12,644,798	14,157,592	14,831,827
Plan Fiduciary Net Position - Ending (b)	$ 11,783,849	$ 11,559,583	$ 12,041,620	$ 13,375,883	$ 12,644,798	$ 14,157,592	$ 14,831,827	$ 16,485,899
Net Pension (Asset) Liability - Ending (a) - (b)	$ 1,113,200	$ 1,713,682	$ 1,773,935	$ 1,258,411	$ 2,450,686	$ 1,174,471	$ 1,016,344	$ 5,809
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.37%	87.09%	87.16%	91.40%	83.77%	92.34%	93.59%	99.96%
Covered Employee Payroll	2,689,692	2,847,593	2,949,539	2,954,931	3,031,835	3,096,786	3,294,312	3,517,526
Net Pension Liability as a Percentage of Covered Employee Payroll	41.39%	60.18%	60.14%	42.59%	80.83%	37.93%	30.85%	0.17%

CITY OF BURKBURNETT, TEXAS **EXHIBIT B-3**

REQUIRED SUPPLEMENTARY INFORMATION
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
SEPTEMBER 30, 2022

	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially Determined Contribution	$ 289,797	$ 297,396	$ 280,231	$ 290,553	$ 307,171	$ 328,447	$ 373,771	$ 391,257
Contribution in relation to the actuarially determined contribution	289,797	297,396	280,231	290,553	307,171	328,447	373,771	391,257
Contribution excess (deficiency)	-	-	-	-	-	-	-	-
Covered employee payroll	$ 2,784,180	$ 2,893,113	$ 2,949,539	$ 3,010,643	$ 3,063,525	$ 3,206,717	$ 3,485,303	$ 3,656,729
Contributions as a percentage of covered employee payroll	10.41%	10.28%	9.50%	9.65%	10.03%	10.24%	10.72%	10.70%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:

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

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years (longest amortization ladder)
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	There were no benefit changes during the year.

CITY OF BURKBURNETT, TEXAS **EXHIBIT B-4**

TEXAS MUNICIPAL RETIREMENT SYSTEM

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

DECEMBER 31, 2021

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service cost	$ 5,910	$ 6,973	$ 6,503	$ 18,448	$ 27,085
Interest	7,672	7,717	10,207	7,839	6,607
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	-	46,206	(48,285)	(22,684)	(11,028)
Changes of assumptions	18,299	(16,221)	38,250	43,259	11,029
Benefit payments	(2,068)	(2,425)	(2,477)	(2,965)	(8,794)
Net Change in Total OPEB Liability	29,813	42,250	4,198	43,897	24,899
Total OPEB Liability - Beginning	201,045	230,858	273,108	277,306	321,203
Total OPEB Liability - Ending (a)	$ 230,858	$ 273,108	$ 277,306	$ 321,203	$ 346,102
Covered Employee Payroll	2,954,931	3,031,835	3,096,786	3,294,312	3,517,526
Total OPEB Liability as a Percentage of Covered Employee Payroll	7.81%	9.01%	8.95%	9.75%	9.84%

NOTES TO SCHEDULE:

Changes of assumptions.

Changes of assumptions and other inputs reflect the change in the municipal bond rate index, which is used as a basis for the discount rate.

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

Other Supplementary Information

CITY OF BURKBURNETT, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	Special Revenue Funds						
	Hotel/Motel Tax Fund	Court Technology Fund	Court Security Fund	TIF Fund	Grant Fund	Storm Drainage	Total Nonmajor Governmental Funds
ASSETS							
Cash and cash equivalents	$ 25,027	$ -	$ -	$ 910,234	$ -	$ -	$ 935,261
Receivables, net of allowances for							
uncollectibles:							
Customer accounts	-	-	-	-	-	44,030	44,030
Other	-	-	-	-	82,720	-	82,720
Due from other funds	-	21,028	9,270	80,079	-	314,230	424,607
Total assets	25,027	21,028	9,270	990,313	82,720	358,260	1,486,618
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE							
Liabilities:							
Accounts payable	-	-	-	-	-	10	10
Due to other funds	-	-	-	35,300	19,890	-	55,190
Unearned revenues	-	-	-	-	82,720	-	82,720
Total liabilities	-	-	-	35,300	102,610	10	137,920
Fund balances:							
Restricted	25,027	21,028	9,270	955,013	-	358,250	1,368,588
Unassigned	-	-	-	-	(19,890)	-	(19,890)
Total fund balances	25,027	21,028	9,270	955,013	(19,890)	358,250	1,348,698
Total liabilities, deferred inflows of resources, and fund balances	$ 25,027	$ 21,028	$ 9,270	$ 990,313	$ 82,720	$ 358,260	$ 1,486,618

CITY OF BURKBURNETT, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds						Total Nonmajor Governmental Funds
	Hotel/Motel Tax Fund	Court Technology Fund	Court Security Fund	TIF Fund	Grant Fund	Storm Drainage	
REVENUES							
Taxes:							
Property	$ -	$ -	$ -	$ 154,802	$ -	$ -	$ 154,802
Other	38,004	-	-	-	-	-	38,004
Fees and services	-	1,588	1,858	-	-	275,496	278,942
Intergovernmental	-	-	-	-	106,402	-	106,402
Other grants and contributions	-	-	-	-	16,500	-	16,500
Total revenues	38,004	1,588	1,858	154,802	122,902	275,496	594,650
EXPENDITURES							
Current:							
General government	186,205	2,445	2,678	-	-	-	191,328
Drainage	-	-	-	-	-	24,312	24,312
Grant outlay	-	-	-	-	13,718	-	13,718
Capital outlay	-	-	-	-	29,817	12,950	42,767
Total expenditures	186,205	2,445	2,678	-	43,535	37,262	272,125
Excess (deficiency) of revenues over (under) expenditures	(148,201)	(857)	(820)	154,802	79,367	238,234	322,525
OTHER FINANCING SOURCES (USES)							
Interest income	1,346	-	-	11,283	-	-	12,629
Transfers in	-	-	-	-	55,000	-	55,000
Transfers out	-	-	-	(35,300)	(79,458)	-	(114,758)
Total other financing uses	1,346	-	-	(24,017)	(24,458)	-	(47,129)
Net change in fund balances	(146,855)	(857)	(820)	130,785	54,909	238,234	275,396
Fund balances - beginning	171,882	21,885	10,090	824,228	(74,799)	120,016	1,073,302
Fund balances - ending	$ 25,027	$ 21,028	$ 9,270	$ 955,013	$ (19,890)	$ 358,250	$ 1,348,698

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APPENDIX C

FORMS OF BOND COUNSEL'S OPINIONS

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Norton Rose Fulbright US LLP
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United States

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May 17, 2023

IN REGARD to the authorization and issuance of the "City of Burkburnett, Texas, General Obligation Refunding Bonds, Series 2023," dated March 1, 2023, in the principal amount of $3,105,000 (the "Bonds"), we have examined into their issuance by the City of Burkburnett, Texas (the "City"), solely to express legal opinions as to the validity of the Bonds, the defeasance and discharge of the City's outstanding obligations being refunded by the Bonds and the exclusion of the interest on the Bonds from gross income for federal income tax purposes, and for no other purpose. We have not been requested to investigate or verify, and we neither expressly nor by implication render herein any opinion concerning, the financial condition or capabilities of the City, the disclosure of any financial or statistical information or data pertaining to the City and used in the sale of the Bonds, or the sufficiency of the security for or the value or marketability of the Bonds.

THE BONDS are issued in fully registered form only and in denominations of $5,000 or any integral multiple thereof (within a maturity). The Bonds mature on February 15 in each of the years specified in the ordinance adopted by the City Council of the City authorizing the issuance of the Bonds (the "Ordinance"), unless redeemed prior to maturity in accordance with the terms stated on the Bonds. The Bonds accrue interest from the dates, at the rates, and in the manner and interest is payable on the dates, all as provided in the Ordinance.

IN RENDERING THE OPINIONS herein we have examined and rely upon (i) original or certified copies of the proceedings relating to the issuance of the Bonds, including the Ordinance, an Escrow Agreement (the "Escrow Agreement") between the City and The Bank of New York Mellon Trust Company (the "Escrow Agent") and an examination of the initial Bond executed and delivered by the City (which we found to be in due form and properly executed); (ii) certifications of officers of the City relating to the expected use and investment of proceeds of the sale of the Bonds and certain other funds of the City and (iii) other documentation and such matters of law as we deem relevant. In the examination of the proceedings relating to the issuance of the Bonds, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such documents and certifications.

BASED ON OUR EXAMINATIONS, IT IS OUR OPINION that, under the applicable laws of the United States of America and the State of Texas in force and effect on the date hereof:

1. The Bonds have been duly authorized by the City and, when issued in compliance with the provisions of the Ordinance, are valid, legally binding and enforceable obligations of the City payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights or the exercise of judicial discretion in accordance with the general principles of equity.

2. The Escrow Agreement has been duly authorized, executed and delivered and, assuming the due authorization, execution or acceptance, and delivery thereof by the Escrow Agent, is a binding and enforceable agreement in accordance with its terms and the outstanding obligations refunded, discharged, paid and retired with the proceeds of the Bonds have been defeased and are regarded as being outstanding only for the purpose of receiving payment from the funds held in a fund with the Escrow Agent, pursuant to the Escrow Agreement and in accordance with the provisions of Texas Government Code, Chapter 1207, as amended. In rendering this opinion, we have relied upon the certificate of the paying agent for the obligations being refunded as to the sufficiency of cash deposited with the Escrow Agent pursuant to the Escrow Agreement for the purposes of paying the outstanding obligations refunded and to be retired with the proceeds of the Bonds and the interest thereon.

3. Pursuant to section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), and existing regulations, published rulings, and court decisions thereunder, and assuming continuing compliance after the date hereof by the City with the provisions of the Ordinance relating to sections 141 through 150 of the Code, interest on the Certificates for federal income tax purposes (a) will be excludable from the gross income, as defined in section 61 of the Code, of the owners thereof, and (b) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals.

WE EXPRESS NO OPINION with respect to any other federal, state, or local tax consequences under present law or any proposed legislation resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, corporations subject to the alternative minimum tax on adjusted financial statement income, owners of an interest in a financial asset securitization investment trust, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

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United States

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May 17, 2023

IN REGARD to the authorization and issuance of the "City of Burkburnett, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Taxable Series 2023," dated March 1, 2023, in the principal amount of $1,060,000 (the "Certificates"), we have examined into their issuance by the City of Burkburnett, Texas (the "City"), solely to express legal opinions as to the validity of the Certificates, and for no other purpose. We have not been requested to investigate or verify, and we neither expressly nor by implication render herein any opinion concerning, the financial condition or capabilities of the City, the disclosure of any financial or statistical information or data pertaining to the City and used in the sale of the Certificates, or the sufficiency of the security for or the value or marketability of the Certificates.

THE CERTIFICATES are issued in fully registered form only and in denominations of $5,000 or any integral multiple thereof (within a maturity). The Certificates mature on February 15 in each of the years specified in the ordinance adopted by the City Council of the City authorizing the issuance of the Certificates (the “Ordinance”), unless redeemed prior to maturity in accordance with the terms stated on the Certificates. The Certificates accrue interest from the date, at the rates, and in the manner and interest is payable on the dates, all as provided in the Ordinance.

IN RENDERING THE OPINIONS herein we have examined and rely upon (i) original or certified copies of the proceedings relating to the issuance of the Certificates, including the Ordinance, and an examination of the initial Certificate executed and delivered by the City (which we found to be in due form and properly executed); (ii) certifications of officers of the City relating to the expected use and investment of proceeds of the sale of the Certificates and certain other funds of the City and (iii) other documentation and such matters of law as we deem relevant. In the examination of the proceedings relating to the issuance of the Certificates, we have assumed the authenticity of all documents submitted to us as originals, the conformity to original copies of all documents submitted to us as certified copies, and the accuracy of the statements contained in such documents and certifications.

BASED ON OUR EXAMINATIONS, IT IS OUR OPINION that, under the applicable laws of the United States of America and the State of Texas in force and effect on the date hereof:

The Certificates have been duly authorized by the City and, when issued in compliance with the provisions of the Ordinance, are valid, legally binding and enforceable obligations of the City, payable from an ad valorem tax levied, within the limits prescribed by law, upon all taxable property in the City, and, are additionally payable from and secured by a limited pledge of the Net Revenues (as defined in the Ordinance) of the City’s Waterworks and Sewer System in the manner and to the extent provided in the Ordinance, except to the extent that the enforceability thereof may be affected by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors’ rights or the exercise of judicial discretion in accordance with the general principles of equity.

OUR OPINIONS ARE BASED on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of result; rather, such opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations and covenants referenced above.

APPENDIX D

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: $ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ________________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)

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