

**Brushy Creek  
Municipal Utility District**

**Financial Statements and  
Supplemental Information  
as of and for the Year Ended  
September 30, 2023 and  
Independent Auditors' Report**



# Brushy Creek Municipal Utility District

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# Annual Filing Affidavit

The State of Texas

County of Williamson

I, Kim Filiatrault  
(Name of Duly Authorized District Representative)

of the Brushy Creek Municipal Utility District

hereby swear, or affirm, that the District named above has reviewed and approved at a meeting of the Board of Directors of the District on the 25 day of January, 2024, its annual audit report for the fiscal year ended September 30, 2023 and that copies of the annual audit report have been filed in the District office, located at 16318 Great Oaks Drive, Round Rock, Texas 78681.

The annual filing affidavit and the attached copy of the annual audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of all annual filing requirements within Section 49.194 of the Texas Water Code.

Date: 25 January, 2024 By: [Signature]  
(Signature of District Representative)

Kim Filiatrault

(Typed Name and Title of above District Representative)

Sworn to and subscribed to before me this 25 day of January, 2024.

[Signature]  
(Signature of Notary)



Chelsea Lockhart  
(Printed Name of Notary)

My Commission Expires On: May 01, 2024  
Notary Public in and for the State of Texas.



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Round Rock, TX 78664

## **Independent Auditors' Report**

To the Board of Directors of  
Brushy Creek Municipal Utility District:

### **Opinions**

We have audited the financial statements of the governmental activities and each major fund of Brushy Creek Municipal Utility District (the "District"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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.

Affiliated Company

ML&R WEALTH MANAGEMENT LLC

*"A Registered Investment Advisor"*

*This firm is not a CPA firm*

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

### **Auditors' 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 auditors' 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 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, 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 District's 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 District's ability to continue as a going concern for a reasonable period of time.

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability (asset) and related ratios, the schedule of district contributions, and the notes to the required supplementary information 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 District's basic financial statements. The supplemental information required by the Texas Commission on Environmental Quality (the "TCEQ") listed in the table of contents is 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 supplemental information required by the TCEQ listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

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

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

*Maxwell Locke + Ritter LLP*

Austin, Texas  
January 25, 2024

# Brushy Creek Municipal Utility District

## Management's Discussion and Analysis for the Year Ended September 30, 2023

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In accordance with Governmental Accounting Standards Board Statement No. 34 ("GASB 34"), the management of Brushy Creek Municipal Utility District (the "District") offers the following narrative on the financial performance of the District as of and for the year ended September 30, 2023. Please read it in connection with the District's financial statements that follow.

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Total Governmental Funds" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

### Overview of the Basic Financial Statements

The District's reporting is comprised of two parts:

- *Management's Discussion and Analysis* (this section)
- *Basic Financial Statements*
  - *Statement of Net Position and Governmental Funds Balance Sheet*
  - *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*
  - *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund*
  - *Notes to Basic Financial Statements*

The report also includes required supplementary information and other supplemental information.

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Total Governmental Funds") that represents a balance sheet prepared using the modified accrual basis of accounting. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances* includes a column (titled "Total Governmental Funds") that derives the change in fund balances resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* presents a comparison statement between the District's final adopted budget to its actual results.

The *Notes to Basic Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances*.

Required supplementary information related to the District’s participation in the Texas County and District Retirement System pension plan, schedules required by the Texas Commission on Environmental Quality, and other supplemental information are presented immediately following the *Notes to Basic Financial Statements*.

## Comparative Financial Statements

### Statement of Net Position

	Governmental Activities		
	2023	2022	% Change
Current and other assets	\$ 38,491,240	\$ 36,084,861	7%
Capital assets, net	49,461,906	49,162,275	1%
Total assets	<u>87,953,146</u>	<u>85,247,136</u>	<u>3%</u>
Deferred outflows of resources	998,149	799,779	25%
Current liabilities	7,051,762	6,353,333	11%
Long-term liabilities	24,567,931	28,581,556	(14%)
Total liabilities	<u>31,619,693</u>	<u>34,934,889</u>	<u>(9%)</u>
Deferred inflows of resources	1,179,708	2,438,057	(52%)
Net investment in capital assets	24,287,825	19,769,469	23%
Restricted	3,799,981	3,829,885	(1%)
Unrestricted	<u>28,064,088</u>	<u>25,074,615</u>	<u>12%</u>
Total net position	<u>\$ 56,151,894</u>	<u>\$ 48,673,969</u>	<u>15%</u>

The District’s total assets were approximately \$88.0 million as of September 30, 2023. Of this amount, approximately \$49.5 million is accounted for by capital assets. The District had outstanding liabilities of approximately \$31.6 million of which \$27.3 million represent bonds payable.

Statement of Activities

	Governmental Activities		
	2023	2022	% Change
Water, wastewater and garbage	\$ 8,783,344	\$ 7,128,567	23%
Property taxes	13,094,564	11,600,898	13%
Park and recreational center fees	2,414,578	2,133,310	13%
Investment earnings	1,461,659	(511,187)	386%
Contributions	-	562	(100%)
Other	636,967	402,321	58%
<b>Total Revenues</b>	<b>26,391,112</b>	<b>20,754,471</b>	<b>27%</b>
Water, wastewater and garbage	3,223,211	2,898,572	11%
Salary and related expenditures	6,434,561	5,569,350	16%
Administrative	460,981	355,553	30%
Repairs and maintenance	1,004,808	1,045,010	(4%)
Utilities	615,908	644,156	(4%)
Professional fees	693,985	559,695	24%
Contracted services	868,070	788,505	10%
Other	1,184,494	955,542	24%
Debt service	717,983	808,093	(11%)
Depreciation	3,709,186	3,514,910	6%
<b>Total Expenses</b>	<b>18,913,187</b>	<b>17,139,386</b>	<b>10%</b>
Loss on disposal of capital asset	-	(46,786)	(100%)
Change in net position	7,477,925	3,568,299	110%
Beginning net position	48,673,969	45,105,670	8%
<b>Ending net position</b>	<b>\$ 56,151,894</b>	<b>\$ 48,673,969</b>	<b>15%</b>

<u>Sources of Revenue</u>	<u>Percentage</u>
Property taxes	50%
Water, wastewater, and garbage	33%
Park and recreational center fees	9%
Investment earnings	6%
Other	2%

The District's net property tax values increased by approximately \$439.9 million or 18% from approximately \$2.5 billion to approximately \$2.9 billion for District-wide and approximately \$88.2 million or 15% from approximately \$589.4 million to approximately \$677.6 million for the Defined Area. The tax rate is set after reviewing operations and maintenance requirements, interest and sinking fund requirements, and proposed water and wastewater rates. The District-wide rate decreased from \$0.432059 to \$0.419543 per \$100 of assessed value while the Defined Area decreased from \$0.1400 to \$0.1275 per \$100 of assessed value.

Operating revenues increased by approximately \$5.6 million to approximately \$26.4 million for the fiscal year ended September 30, 2023. Water, wastewater and garbage provided approximately \$8.8 million, and property taxes generated approximately \$13.1 million in revenues. Total expenses increased approximately \$1.8 million to approximately \$18.9 million for the fiscal year ended September 30, 2023. Net position increased approximately \$7.5 million and \$3.6 million for the fiscal years ended September 30, 2023 and 2022, respectively.

## Analysis of Governmental Funds

### Government Funds by Year

	<u>2023</u>	<u>2022</u>
Cash	\$ 1,495,040	\$ 1,001,411
Investments	34,468,258	31,373,073
Receivables	1,258,423	1,033,915
Due from other funds	35,206	169,589
Prepays and other assets	<u>113,684</u>	<u>68,604</u>
Total assets	<u>\$ 37,370,611</u>	<u>\$ 33,646,592</u>
Accounts payable	\$ 1,690,066	\$ 1,014,650
Customer deposits	686,784	678,423
Other liabilities	392,712	349,628
Due to other funds	35,206	169,589
Unearned revenue	111,983	102,586
Retainage payable	<u>89,960</u>	<u>156,741</u>
Total liabilities	<u>3,006,711</u>	<u>2,471,617</u>
Deferred inflows of resources	<u>69,343</u>	<u>59,362</u>
Nonspendable	113,684	68,604
Restricted	6,819,810	6,572,039
Committed	4,770,000	6,013,855
Assigned	7,100,964	4,582,411
Unassigned	<u>15,490,099</u>	<u>13,878,704</u>
Total fund balances	<u>34,294,557</u>	<u>31,115,613</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 37,370,611</u>	<u>\$ 33,646,592</u>

The *General Fund* pays for daily operating expenditures. When comparing actual to final budget, actual revenues were more than the final budgeted revenues primarily due to water and wastewater sales and investment earnings being higher than budgeted. Expenditures were less than budgeted primarily due to less capital outlay and salary and benefits expenditures than budgeted. More detailed information about the District's budgetary comparison is presented in the *Basic Financial Statements*.

The Board of Directors (the “Board”) committed \$4,777,000 and assigned \$7,100,964 of General Fund fund balance for specific future projects, of which most are expected to occur after fiscal year 2024. This is a \$1.28 million increase from the amount of projects committed and assigned for specific future projects at the end of fiscal year 2022. Included in the assigned fund balance is \$3,918,527 that is reported as *Subsequent fiscal year budget deficit* which represents management’s commitment to utilize funds set aside in prior years for the next fiscal cycle.

The Board has approved a resolution for a six-month operating reserve and a revenue protection reserve, which are reported within unassigned fund balance at year-end. Unassigned fund balance is comprised of the following as of September 30, 2023:

Unassigned Fund Balance	
Operating reserve	\$ 10,510,276
Revenue protection reserve	4,264,910
Remaining unassigned fund balance	714,913
Total unassigned fund balance	\$ 15,490,099

The *Debt Service Fund* remitted bond principal of approximately \$3.3 million and interest of approximately \$0.8 million during the year ended September 30, 2023. More detailed information about the District’s debt is presented in the *Notes to Basic Financial Statements*.

The *Capital Projects Fund* primarily purchases the District’s infrastructure. There were no capital outlay expenditures for the year ended September 30, 2023.

### Capital Assets and Long-Term Debt Activity

	Capital Assets	
	2023	2022
Land	\$ 2,676,333	\$ 2,676,333
Construction in progress	2,348,614	1,230,540
Water, wastewater, and drainage systems	87,332,860	86,656,925
Easements and rights-of-way	883,890	883,890
Buildings and improvements	14,375,787	14,383,787
Furniture and office equipment	2,963,012	2,440,508
Parks and recreational amenities	11,051,095	9,766,637
Vehicles and equipment	876,662	751,120
Subtotal	122,508,253	118,789,740
Accumulated depreciation	(73,046,347)	(69,627,465)
Total	\$ 49,461,906	\$ 49,162,275

More detailed information about the District’s capital assets is presented in the *Notes to Basic Financial Statements*.

	Long-Term Debt Activity	
	2023	2022
Current portion	\$ 3,800,000	\$ 3,740,000
Long term portion	23,500,000	27,300,000
Total	\$ 27,300,000	\$ 31,040,000

More detailed information about the District’s long-term debt is presented in the *Notes to Basic Financial Statements*.

## **Currently Known Facts, Decisions, or Conditions**

The adopted budget for fiscal year 2024 projects an increase in revenue of approximately \$3.2 million compared to the fiscal year 2023 final operating budget and an increase in expenditures of approximately \$3.1 million from the fiscal year 2023 final operating budget.

The amount of assessed value of property within the District-wide area for the 2023 tax year (September 30, 2024 fiscal year) is approximately \$2.9 billion and the tax rate levied was \$0.419543 per \$100 of assessed valuation consisting of \$0.314543 per \$100 of assessed valuation for maintenance and operations and \$0.10500 per \$100 of assessed valuation for debt service. The amount of assessed value of property within the Defined Area for the 2023 tax year is approximately \$723.9 million and the tax rate levied was \$0.115000 per \$100 of assessed valuation.

### Brazos River Authority

The Williamson County Regional Raw Water Line (WCRRWL) is undergoing a comprehensive inspection and preliminary Phase III pump engineering design to prepare for the installation of the final phase of pumps (Phase 3) that will bring the system up to its ultimate capacity. Construction is anticipated to be completed by the end of 2026. The total project cost is estimated at approximately \$12.2 million with the District responsible for 6.54% of the ultimate costs. This project will be funded by debt to be issued at a later date.

### Texas Property Tax Reform and Transparency Act of 2019

The Texas Property Tax Reform and Transparency Act of 2019 and its effect on property taxes impacted the District as it became subject to a Voter Approval Tax rate limitation of 3.5% (for maintenance and operations tax), similar to cities and other taxing units. The prior voter approval rate, previously known as the rollback rate, was set at 8%. If the 3.5% is exceeded, the District must hold a mandatory election whereas under the old law, a petition was required.

## **Requests for Information**

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Brushy Creek Municipal Utility District, 16318 Great Oaks Drive, Round Rock, Texas 78681 or [PublicInformation@bcmud.org](mailto:PublicInformation@bcmud.org).

# Brushy Creek Municipal Utility District

## Statement of Net Position and Governmental Funds Balance Sheet September 30, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds	Adjustments (Note 3)	Statement of Net Position
<b>Assets:</b>						
Cash and investments:						
Cash	\$ 1,495,040	-	-	1,495,040	-	1,495,040
Investments	28,392,213	2,610,065	2,788,257	33,790,535	-	33,790,535
Receivables:						
Service accounts, net of allowance for uncollectible accounts of \$13,036	948,189	-	-	948,189	-	948,189
Taxes	44,052	25,291	-	69,343	-	69,343
Leases:						
Due within one year	-	-	-	-	53,192	53,192
Due after one year	-	-	-	-	1,082,651	1,082,651
Accrued interest	73,673	-	-	73,673	-	73,673
Other	167,218	-	-	167,218	-	167,218
Due from other funds	35,206	-	-	35,206	(35,206)	-
Prepaid items	113,684	-	-	113,684	15,042	128,726
Investments held for customer deposits	677,723	-	-	677,723	-	677,723
Capital assets (net of accumulated depreciation):						-
Land	-	-	-	-	2,676,333	2,676,333
Construction in progress	-	-	-	-	2,348,614	2,348,614
Water, wastewater and drainage systems	-	-	-	-	27,284,881	27,284,881
Buildings and improvements	-	-	-	-	10,544,287	10,544,287
Furniture and office equipment	-	-	-	-	1,174,085	1,174,085
Park and recreational amenities	-	-	-	-	5,218,702	5,218,702
Vehicles and equipment	-	-	-	-	215,004	215,004
Net pension asset	-	-	-	-	4,950	4,950
Total assets	\$ 31,946,998	2,635,356	2,788,257	37,370,611	50,582,535	87,953,146
<b>Deferred outflows of resources:</b>						
Deferred charges on bond refundings	-	-	-	-	323,323	323,323
Pension contributions after measurement date	-	-	-	-	264,139	264,139
Deferred outflows related to pension asset	-	-	-	-	410,687	410,687
Total deferred outflows of resources	-	-	-	-	998,149	998,149
Total assets and deferred outflows of resources	\$ 31,946,998	2,635,356	2,788,257	37,370,611	51,580,684	88,951,295

(Continued)

# Brushy Creek Municipal Utility District

## Statement of Net Position and Governmental Funds Balance Sheet (Continued) September 30, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds	Adjustments (Note 3)	Statement of Net Position
<b>Liabilities:</b>						
Accounts payable	\$ 1,674,956	-	15,110	1,690,066	-	1,690,066
Retainage payable	89,960	-	-	89,960	-	89,960
Customer deposits	686,784	-	-	686,784	-	686,784
Payroll accruals	314,673	-	-	314,673	-	314,673
Other liabilities	78,039	-	-	78,039	-	78,039
Due to other funds	-	35,206	-	35,206	(35,206)	-
Unearned revenue	111,983	-	-	111,983	-	111,983
Bond interest payable	-	-	-	-	271,973	271,973
Long-term liabilities:						
Due within one year	-	-	-	-	3,808,284	3,808,284
Due after one year	-	-	-	-	24,567,931	24,567,931
Total liabilities	2,956,395	35,206	15,110	3,006,711	28,612,982	31,619,693
<b>Deferred inflows of resources:</b>						
Property taxes	44,052	25,291	-	69,343	(69,343)	-
Lease revenues	-	-	-	-	1,059,711	1,059,711
Deferred inflows related to pension asset	-	-	-	-	119,997	119,997
Total deferred inflows of resources	44,052	25,291	-	69,343	1,110,365	1,179,708
<b>Fund balances/net position:</b>						
Fund balances:						
Nonspendable-						
Prepaid items	113,684	-	-	113,684	(113,684)	-
Restricted for:						
Debt service	575,000	2,574,859	-	3,149,859	(3,149,859)	-
Capital projects	-	-	2,773,147	2,773,147	(2,773,147)	-
Park capital fees	896,804	-	-	896,804	(896,804)	-
Committed for-						
Repair and replacement of capital assets	4,770,000	-	-	4,770,000	(4,770,000)	-
Assigned for:						
Repair and replacement of capital assets	3,182,437	-	-	3,182,437	(3,182,437)	-
Subsequent fiscal year budget deficit	3,918,527	-	-	3,918,527	(3,918,527)	-
Unassigned	15,490,099	-	-	15,490,099	(15,490,099)	-
Total fund balances	28,946,551	2,574,859	2,773,147	34,294,557	(34,294,557)	-
Total liabilities, deferred inflows of resources and fund balances	\$ 31,946,998	2,635,356	2,788,257	37,370,611		
Net position:						
Net investment in capital assets					24,287,825	24,287,825
Restricted for debt service					2,903,177	2,903,177
Restricted for park capital fees					896,804	896,804
Unrestricted					28,064,088	28,064,088
Total net position					\$ 56,151,894	56,151,894

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

# Brushy Creek Municipal Utility District

## Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances Year Ended September 30, 2023

	General Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds	Adjustments (Note 3)	Statement of Activities
<b>Revenues:</b>						
Program revenues:						
Water and wastewater services	\$ 7,385,191	-	-	7,385,191	-	7,385,191
Park and recreation center fees*	2,414,578	-	-	2,414,578	-	2,414,578
Garbage collection	1,398,153	-	-	1,398,153	-	1,398,153
Capital recovery fees	-	-	117,698	117,698	-	117,698
Inspection fees	47,060	-	-	47,060	-	47,060
Tap and other connection fees	50,791	-	-	50,791	-	50,791
General revenues:						
Property taxes, including penalties and interest	9,222,308	3,862,275	-	13,084,583	9,981	13,094,564
Investment earnings	1,098,828	236,899	125,932	1,461,659	-	1,461,659
Rental income	103,478	-	-	103,478	36,632	140,110
Other	214,017	-	67,291	281,308	-	281,308
Total revenues	21,934,404	4,099,174	310,921	26,344,499	46,613	26,391,112
<b>Expenditures/Expenses:</b>						
Service operations:						
Salary and benefits	6,418,648	-	-	6,418,648	(13,123)	6,405,525
Water and wastewater purchases	1,904,999	-	-	1,904,999	-	1,904,999
Garbage fees	1,318,212	-	-	1,318,212	-	1,318,212
Repairs and maintenance	1,004,808	-	-	1,004,808	-	1,004,808
Administrative	460,981	-	-	460,981	-	460,981
Utilities	615,908	-	-	615,908	-	615,908
Contracted services	859,546	8,524	-	868,070	-	868,070
Legal fees	170,046	-	-	170,046	-	170,046
Insurance	164,147	-	-	164,147	-	164,147
Engineering fees	326,643	-	-	326,643	-	326,643
Tax appraisal/collection fees	-	70,157	-	70,157	-	70,157
Audit fees	55,950	-	-	55,950	-	55,950
Financial advisor	20,000	-	-	20,000	-	20,000
Director's fees	29,036	-	-	29,036	-	29,036
Security fees	121,346	-	-	121,346	-	121,346
Other	950,190	-	-	950,190	-	950,190
Capital outlay	4,008,817	-	-	4,008,817	(4,008,817)	-
Debt service:						
Principal payments	465,000	3,275,000	-	3,740,000	(3,740,000)	-
Interest and fiscal charges	106,909	810,688	-	917,597	(199,614)	717,983
Depreciation	-	-	-	-	3,709,186	3,709,186
Total expenditures/expenses	19,001,186	4,164,369	-	23,165,555	(4,252,368)	18,913,187
Excess (deficiency) of revenues over (under) expenditures	2,933,218	(65,195)	310,921	3,178,944	(3,178,944)	-
Change in net position	-	-	-	-	7,477,925	7,477,925
Fund balances/net position:						
Beginning of year	26,013,333	2,640,054	2,462,226	31,115,613	17,558,356	48,673,969
End of year	\$ 28,946,551	2,574,859	2,773,147	34,294,557	21,857,337	56,151,894

\* Park and recreation center fees includes income from rental of pool, recreation and park facilities.

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

# Brushy Creek Municipal Utility District

## Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund Year Ended September 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>				
Program revenues:				
Water and wastewater services	\$ 5,065,000	5,153,000	7,385,191	2,232,191
Park and recreation center fees	1,725,524	1,635,701	2,414,578	778,877
Garbage collection	1,386,000	1,386,000	1,398,153	12,153
Inspection fees	15,000	15,000	47,060	32,060
Tap and other connection fees	500	500	50,791	50,291
General revenues:				
Property taxes, including penalties and interest	9,134,602	9,134,602	9,222,308	87,706
Investment earnings	85,000	265,000	1,098,828	833,828
Rental income	-	89,823	103,478	13,655
Other	354,000	174,000	214,017	40,017
Total revenues	<u>17,765,626</u>	<u>17,853,626</u>	<u>21,934,404</u>	<u>4,080,778</u>
<b>Expenditures:</b>				
Service operations:				
Salary and benefits	6,935,538	6,989,538	6,418,648	570,890
Water and wastewater purchases	1,884,552	1,884,552	1,904,999	(20,447)
Garbage fees	1,253,477	1,253,477	1,318,212	(64,735)
Repairs and maintenance	1,210,970	1,242,684	1,004,808	237,876
Administrative	356,915	345,915	460,981	(115,066)
Utilities	624,090	624,090	615,908	8,182
Contracted services	845,407	857,407	859,546	(2,139)
Legal fees	245,000	245,000	170,046	74,954
Insurance	150,000	164,000	164,147	(147)
Engineering fees	190,000	240,153	326,643	(86,490)
Audit fees	139,000	89,000	55,950	33,050
Financial advisor	-	20,000	20,000	-
Director's fees	-	36,000	29,036	6,964
Security fees	132,100	132,100	121,346	10,754
Other*	1,544,080	1,144,160	950,190	193,970
Capital outlay	4,614,323	6,023,290	4,008,817	2,014,473
Debt service:				
Principal payments	465,000	465,000	465,000	-
Interest and fiscal charges	106,910	106,910	106,909	1
Total expenditures	<u>20,697,362</u>	<u>21,863,276</u>	<u>19,001,186</u>	<u>2,862,090</u>
Excess (deficiency) of revenues over (under) expenditures	(2,931,736)	(4,009,650)	2,933,218	6,942,868
Fund balances:				
Beginning of year	<u>26,013,333</u>	<u>26,013,333</u>	<u>26,013,333</u>	<u>-</u>
End of year	<u>\$ 23,081,597</u>	<u>22,003,683</u>	<u>28,946,551</u>	<u>6,942,868</u>

\* Includes expenditures related to community activities, recruiting, cell/phone/cable, postage, and printing as well as other miscellaneous expenditures.

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

# Brushy Creek Municipal Utility District

## Notes to Basic Financial Statements Year Ended September 30, 2023

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### 1. Creation of District

Brushy Creek Municipal Utility District (the “District”), formerly known as Williamson County Municipal Utility District No. 2, was created, organized and established on October 27, 1977, pursuant to the provisions of Chapter 54 of the Texas Water Code.

The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is a political subdivision of the State of Texas and is governed by a five-member Board of Directors (the “Board”) which has been elected by District residents or appointed by the Board. The District is not included in any other governmental “reporting entity” as defined by the Governmental Accounting Standards Board (“GASB”) since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters. In addition, there are no component units which are included in the District’s reporting entity.

### 2. Summary of Significant Accounting Policies

#### Government-Wide and Fund Financial Statements

For purposes of GASB Statement No. 34, the District is considered a special purpose government. This allows the District to present the required fund and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the “Total Governmental Funds” column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the statement of net position and the statement of activities.

The government-wide financial statements report information on all of the activities of the District. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the District. Taxes and other items not included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

## **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide 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 when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Major revenue sources considered susceptible to accrual include interest income. No accrual for property taxes collected within sixty days of year end has been made as such amounts are deemed immaterial; delinquent property taxes at year end are reported as deferred inflows of resources.

The District reports the following major governmental funds:

The General Fund includes financial resources used for general operations. It is a budgeted fund, and any unassigned fund balance is considered resources available for current operations.

The Debt Service Fund includes debt service taxes and other revenues collected to retire bond principal and to pay interest due.

The Capital Projects Fund is used to account for financial resources restricted for or committed to authorized construction and other capital asset acquisitions.

## **Budgets and Budgetary Accounting**

An annual unappropriated budget is adopted for the General Fund by the Board. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended.

**Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity**

Investments - Investments throughout the year consisted of investments in external local government investment pools, commercial paper, and U.S. government agency securities. The external local government investment pools are recognized at amortized cost as permitted by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. The District’s deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The District’s investment policies and types of investments are governed by Section 2256 of the Texas Government Code (“Public Funds Investment Act”). The District’s management believes that it complied with the requirements of the Public Funds Investment Act and the District’s investment policy. The District accrues interest on temporary investments based on the terms and effective interest rates of the specific investments.

Accounts Receivable - The District provides for uncollectible accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management’s evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. As of September 30, 2023, the allowance for uncollectible accounts totaled \$13,036.

Prepaid Items - Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid assets in both the government-wide and fund financial statements. Prepaid assets are charged to expenditures when consumed.

Capital Assets - Capital assets, which include land, construction in progress, water, wastewater, and drainage systems, easements and rights-of-way, buildings and improvements, furniture and office equipment, park and recreational amenities, and vehicles and equipment, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of at least \$5,000 and a useful life of at least two years. Such assets are recorded at historical cost if purchased or estimated acquisition value at the date of donation if donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized. Capital asset additions, improvements and preservation costs that extend the useful life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs, if any, are capitalized as part of the asset.

Capital assets (other than land and construction in progress) are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Water, wastewater, and drainage systems	7-50
Easements and rights-of-way	40
Buildings and improvements	10-40
Furniture and office equipment	5-10
Park and recreational amenities	5-22
Vehicles and equipment	5-7

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, including bond insurance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond insurance costs are reported as assets and amortized over the term of the related debt.

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

Compensated Absences - Accrued paid time off is earned by each full-time employee at a rate of between 13.30 and 17.97 hours per month depending on length of employment. The District's policy allows for a maximum carry-over from the previous fiscal year. The full amount of accrued paid time off, subject to the maximum accrual limits, is paid upon discontinuance of employment with the District. This liability is generally liquidated through the General Fund.

Pensions - The fiduciary net position of the Texas County and District Retirement System ("TCDRS") has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TCDRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Leases - The District is a lessor for noncancellable leases of land. The District recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term and the lease receivable is reduced by the principal portion of lease payments when received. The deferred inflow of resources is initially measured at the initial amount of the lease receivable and is recognized as revenue over the life of the lease term.

The key estimates and judgments related to leases include how the District determines the discount rate used to discount the expected lease receipts to present value, lease term, and lease receipts. The District uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease and lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Ad Valorem Property Taxes - Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectibles within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Deferred Outflows and Deferred Inflows of Resources - The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period.

The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. See Note 7 and Note 12 for additional information on deferred outflows of resources.

Fund Equity - The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. See Note 11 for additional information on those fund balance classifications.

Fair Value Measurements - The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 inputs are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Use of Estimates - The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### **Change in Accounting Principles for Recently Adopted Accounting Pronouncement**

For the year ended September 30, 2023, the District implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objective of GASB Statement No. 96 is to better meet the information needs of financial statement users by establishing uniform accounting and financial reporting requirements for subscription-based information technology arrangements (“SBITAs”), improving the comparability of financial statements among governments that have entered into SBITAs, and enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. The adoption did not have an impact on the District’s statement of net position or statement of revenues, expenses and changes in net position as the District did not have any significant SBITAs.

### 3. Reconciliation of Government-Wide and Fund Financial Statements

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

Governmental funds total fund balance	\$ 34,294,557
Prepaid bond insurance costs are recorded as expenditures in the funds, but are amortized over the life of the related bonds in the statement of net position.	15,042
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	49,461,906
Net pension asset is not recoverable in the current period and, therefore, is not reported in the funds.	4,950
Leases receivable are not available financial resources and, therefore, are not reported in the funds.	1,135,843
Deferred tax revenue is not available to pay for current period expenditures and, therefore, is deferred in the funds.	69,343
Deferred lease revenue is not available to pay for current period expenditures and, therefore, is not reported in the funds.	(1,059,711)
The following liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable and revenue note, including premiums and discounts	
Less: Deferred charges on bond refundings	(27,947,228)
Bond interest payable	(271,973)
Vacation payable	(105,664)
The following liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Pension contributions after measurement date	264,139
Deferred outflows related to pension asset	410,687
Deferred inflows related to pension asset	(119,997)
Total net position	<u>\$ 56,151,894</u>

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

Change in fund balances	\$ 3,178,944
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:	
Capital outlay	4,008,817
Depreciation expense	(3,709,186)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Change in deferred tax revenue	9,981
Change in deferred lease revenue	36,632
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Repayment of bond and revenue note principal	3,740,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Change in bond interest payable	33,894
Change in vacation payable	(8,284)
Amortization of deferred charges on bond refunding	(51,259)
Amortization of bond premium	221,332
Amortization of original issue discount	(2,269)
Amortization of bond insurance costs	(2,084)
Pension contributions made before measurement date	100,934
Pension contributions made after measurement date	264,139
Adjustments for ending deferred inflows and outflows related to net pension asset	<u>(343,666)</u>
Change in net position	<u>\$ 7,477,925</u>

#### 4. Cash and Investments

The District's deposits are required to be secured in the manner provided by law for the security of the funds. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of September 30, 2023, the District's bank deposits were entirely covered by Federal Deposit Insurance Corporation ("FDIC") insurance or secured by collateral pledged by the depository.

The Public Funds Investment Act authorizes the District to invest in funds under a written investment policy. The District's deposits and investments are invested pursuant to the investment policy, which is approved annually by the Board. The primary objectives of the District's investment strategy, in order of priority, are safety, liquidity, diversification, and yield.

The District is entitled to invest in obligations of the United States, the State of Texas and their agencies or any state, county, city and any other political subdivisions of any state rated by a nationally recognized investment rating firm with a rating not less than A or its equivalent, certificates of deposit of state or national banks or savings and loan associations within the State, fully collateralized repurchase agreements, prime domestic bankers' acceptances, commercial paper with a stated maturity of 270 days or less from the date of its issuance, no-load money market mutual funds regulated by the United States Securities and Exchange Commission, and eligible public funds investment pools.

Investments held at September 30, 2023 consisted of the following:

Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poor's Rating
Local Governmental Investment Pools:			
TexPool	\$ 1,506,046	1	AAAm
LOGIC	13,540,002	1	AAAm
U.S. Government Agency Securities:			
Federal Home Loan Bank	8,319,065	273	AA+
Federal Farm Credit Bank	6,760,196	501	AA+
Federal Agriculture Mortgage Corp.	3,346,020	540	AA+
Commercial Paper	996,929	20	A-1
Total	<u>\$ 34,468,258</u>		

The District had investments in two external local government investment pools, Texas Local Governmental Investment Pool ("TexPool") and Local Government Investment Cooperative ("LOGIC"). Although TexPool and LOGIC are not registered with the SEC as an investment company, they operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. These investments are stated at amortized cost, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

TexPool is an external investment pool offered to local governments. TexPool is overseen by the Texas State Comptroller of Public Accounts, who is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. TexPool also has an advisory board to advise on TexPool’s investment policy; this board is made up equally of participants and nonparticipants who do not have a business relationship with TexPool. Federated Investors manages daily operations of TexPool under a contract with the Comptroller and is the investment manager for the pool. TexPool uses amortized cost rather than market value to report net assets to compute share prices. TexPool’s investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

LOGIC is a public funds investment pool created pursuant to the Interlocal Cooperation Act of the State of Texas. The District has delegated the authority to hold legal title to LOGIC as custodian and to make investment purchases with the District’s funds. LOGIC is a member-owned, member-governed public funds investment pool. The Board of Trustees, who have governance responsibilities, is comprised of participants in LOGIC and members of the Texas Association of School Business Officials. LOGIC measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in LOGIC at amortized cost for financial reporting purposes.

In accordance with GASB Statement No. 79, the external local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption gates.

The District also invests U.S. government agency securities and commercial paper. The U.S. government agency securities are valued using Level 1 inputs that are based on market data obtained from independent sources. Commercial paper is valued using Level 2 inputs based on market data obtained from independent sources. The fair value of these investments at September 30, 2023 are detailed below:

	Level 1	Level 2	Level 3	Total
U.S. Government Agency Securities	\$ 18,425,481	\$ -	\$ -	\$ 18,425,481
Commercial Paper	-	996,929	-	996,929
Total Fair Value	\$ 18,425,481	\$ 996,929	\$ -	\$ 19,422,210
Investments not subject to fair value leveling				15,046,048
Total Investments				<u>\$ 34,468,258</u>

The investments held for customer deposits in the General Fund consist of deposits received from customers to initiate water services with the District. These deposits are to be refunded to customers upon termination of water service with the District and, therefore, are also included as liabilities by the District.

Credit Risk - At September 30, 2023, investments were comprised of external local governmental investment pools, U.S. government agency securities, and commercial paper with ratings from Standard & Poor’s in compliance with the District’s investment policy.

Interest Rate Risk - The District considers the holdings in the external local governmental investment pools to have a one day weighted average maturity due to the fact that the share position can usually be redeemed each day at the discretion of the shareholders, unless there has been a significant change in value. U.S. government agency securities and commercial paper held by the District have set interest rates.

Information regarding investments in any one issuer that represents five percent or more of the District’s total investments must be disclosed under GASB Statement No. 40, excluding investments issued or explicitly guaranteed by the U.S. government. As of September 30, 2023, the District’s investments which require disclosure are as follows:

	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
Investments at September 30, 2023:		
Federal Agriculture Mortgage Corp.	\$ 3,346,020	10%
Federal Farm Credit Bank	\$ 6,760,196	20%
Federal Home Loan Bank	\$ 8,319,065	24%

## 5. **Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds.” The composition of interfund balances as of September 30, 2023, was as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Debt Service	\$ 35,206
Total		<u>\$ 35,206</u>

## 6. Capital Assets

Capital assets activity for the year ended September 30, 2023, was as follows:

	Balance 9/30/2022	Additions	Retirements and Transfers	Balance 9/30/2023
Capital assets not being depreciated and amortized:				
Land	\$ 2,676,333	-	-	2,676,333
Construction in progress	1,230,540	2,845,246	(1,727,172)	2,348,614
Total capital assets not being depreciated	<u>3,906,873</u>	<u>2,845,246</u>	<u>(1,727,172)</u>	<u>5,024,947</u>
Capital assets being depreciated:				
Water, wastewater, and drainage systems	86,656,925	89,222	586,713	87,332,860
Easements and rights-of-way	883,890	-	-	883,890
Buildings and improvements	14,383,787	-	(8,000)	14,375,787
Furniture and office equipment	2,440,508	603,393	(80,889)	2,963,012
Park and recreational amenities	9,766,637	345,414	939,044	11,051,095
Vehicles and equipment	751,120	125,542	-	876,662
Total capital assets being depreciated	<u>114,882,867</u>	<u>1,163,571</u>	<u>1,436,868</u>	<u>117,483,306</u>
Less accumulated depreciation for:				
Water, wastewater, and drainage systems	(57,566,054)	(2,532,545)	50,620	(60,047,979)
Easements and rights-of-way	(883,890)	-	-	(883,890)
Buildings and improvements	(3,468,170)	(371,330)	8,000	(3,831,500)
Furniture and office equipment	(1,705,091)	(164,725)	80,889	(1,788,927)
Park and recreational amenities	(5,424,662)	(558,526)	150,795	(5,832,393)
Vehicles and equipment	(579,598)	(82,060)	-	(661,658)
Total accumulated depreciation	<u>(69,627,465)</u>	<u>(3,709,186)</u>	<u>290,304</u>	<u>(73,046,347)</u>
Total capital assets being depreciated, net	<u>45,255,402</u>	<u>(2,545,615)</u>	<u>1,727,172</u>	<u>44,436,959</u>
Capital assets, net	<u>\$ 49,162,275</u>	<u>299,631</u>	<u>-</u>	<u>49,461,906</u>

## 7. Deferred Charges on Bond Refundings

The following is a summary of changes in deferred charges on bond refundings for the year ended September 30, 2023:

	Balance 9/30/2022	Additions	Retirements	Balance 9/30/2023
Deferred charges on bond refundings	\$ 374,582	-	(51,259)	323,323

## 8. Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended September 30, 2023:

	Balance 9/30/2022	Additions	Retirements	Balance 9/30/2023
Bonds payable and revenue note	\$ 31,040,000	-	(3,740,000)	27,300,000
Discount on bonds	(34,214)	-	2,269	(31,945)
Premium on bonds	1,223,828	-	(221,332)	1,002,496
Vacation payable	97,380	8,284	-	105,664
Total	\$ 32,326,994	8,284	(3,959,063)	28,376,215

At September 30, 2023, \$8,284 of vacation payable was due within one year.

Long-term debt at September 30, 2023 is comprised of the following:

	Balance September 30, 2023	Due in One Year
	<u>                    </u>	<u>                    </u>
\$3,625,000 Series 2015 Sendero Springs/Cornerstone Defined Area Refunding Bonds, maturing annually on June 1 through 2033. Interest varies from 3.00% to 3.75% and is payable on June 1 and December 1 each year.	\$ 2,460,000	\$ 230,000
\$3,530,000 Series 2015 Sendero Springs/Cornerstone Defined Area Unlimited Tax Bonds, maturing annually on June 1 through 2039. Interest varies from 3.00% to 3.75% and is payable on June 1 and December 1 each year.	2,705,000	125,000
\$6,940,000 Series 2016 Term Note (Community Center), maturing annually on June 1 through 2030. Interest at 2.63% and is payable on June 1 and December 1 each year.	3,600,000	475,000
\$6,605,000 Series 2019 Refunding Bonds, maturing annually on June 1 through 2026. Interest varies from 3.00% to 4.00% and is payable on June 1 and December 1 each year.	2,100,000	-
\$8,140,000 Series 2020 Refunding Bonds, maturing annually on June 1 through 2028. Interest varies from 3.00% to 4.00% and is payable on June 1 and December 1 each year.	6,285,000	1,770,000
\$2,100,000 Series 2020 Unlimited Tax Bonds, maturing annually on June 1 through 2029. Interest varies from 1.00% to 1.50% and is payable on June 1 and December 1 each year.	1,270,000	340,000
\$5,600,000 Series 2020A Refunding Bonds, maturing annually on June 1 through 2028. Interest varies from 2.00% to 4.00% and is payable on June 1 and December 1 each year.	5,600,000	615,000
\$1,795,000 Series 2020 Sendero Springs/Cornerstone Defined Area Refunding Bonds, maturing annually on June 1 through 2033. Interest varies from 2.00% to 3.00% and is payable on June 1 and December 1 each year.	1,565,000	115,000
\$1,850,000 Series 2021 Sendero Springs/Cornerstone Defined Area Refunding Bonds, maturing annually on June 1 through 2038. Interest varies from 2.00% to 3.00% and is payable on June 1 and December 1 each year.	1,715,000	130,000
Total long-term debt	<u>\$ 27,300,000</u>	<u>\$ 3,800,000</u>

As of September 30, 2023, the debt service requirements to maturity on the long-term debt outstanding is as follows:

Fiscal Year	Principal	Interest	Total Requirement
2024	\$ 3,800,000	815,917	4,615,917
2025	3,915,000	698,924	4,613,924
2026	4,130,000	601,150	4,731,150
2027	4,180,000	463,496	4,643,496
2028	4,315,000	323,849	4,638,849
2029-2033	4,750,000	657,423	5,407,423
2034-2038	1,985,000	213,849	2,198,849
2039	225,000	8,442	233,442
Total	<u>\$ 27,300,000</u>	<u>3,783,050</u>	<u>31,083,050</u>

The bonds are payable from proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

The bond resolutions require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and cover the cost of assessing and collecting taxes. These provisions have been met, and the cash allocated for these purposes is sufficient to meet debt service requirements through the fiscal year ended September 30, 2023.

At September 30, 2023, unlimited tax bonds of \$10,715,000 were authorized by the District, but unissued, all of which is for the Defined Area water, wastewater, and drainage systems.

## 9. Leases

The District, as a lessor, has entered into agreements with three outside parties to lease District property for cell tower use. For the year ended September 30, 2023, the District reported lease revenue of \$90,227 and interest revenue of \$44,458 related to lease payments received. These leases are summarized as follows:

	Monthly lease payment range	# of months in FY 2023 and subsequent	Lease term date	Interest rate
AT&T	\$1,293 - \$3,380	388	January 1, 2055	3.6%
Sprint	\$3,064 - \$3,769	95	August 1, 2030	4.0%
Verizon	\$3,214 - \$4,250	142	July 1, 2034	4.0%

The District receives monthly payments and there are no termination clauses within the lease agreements. The District believes the renewal options will be exercised and have been included in the future minimum lease payments.

Future minimum lease payments as of September 30, 2023, are as follows:

Year Ended September 30,	Principal	Interest	Total
2024	\$ 53,192	39,776	92,968
2025	60,210	40,270	100,480
2026	63,862	38,571	102,433
2027	66,567	35,969	102,536
2028	71,662	33,212	104,874
Thereafter	820,350	352,966	1,173,316
Total	<u>\$ 1,135,843</u>	<u>540,764</u>	<u>1,676,607</u>

The District owns a house that it rents to third parties. During the year ended September 30, 2023, the District recognized rental income of \$5,425 related to this rental property. Future rental income per the lease agreement is on a month to month basis.

## 10. Property Taxes

The Texas Water Code authorizes the District to levy a tax each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located within its boundaries. Assessed values are established annually by the Williamson Central Appraisal District. District property tax revenues are recognized when levied to the extent that they are collected in the current year. The uncollected balance is reported as deferred revenue. Taxes receivable are due January 1 and are delinquent if received after January 31 and are subject to penalty and interest charges.

In August 2022, the District levied a district-wide combined tax rate of \$0.419543 per \$100 of assessed valuation to finance operating expenditures and debt service requirements. The maintenance tax rate and the debt service tax rate were \$0.316543 and \$0.1030, respectively. The total fiscal year 2023 tax levy was \$12,233,041 based on a taxable valuation of \$2,931,304,495. The District also levied a defined area debt service tax rate of \$0.1275 per \$100 of assessed valuation to finance debt service requirements. The total fiscal year 2023 tax levy related to the defined area was \$860,438 based on a taxable valuation of \$677,572,848.

## 11. Fund Balances

The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

Nonspendable - Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted - Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board. Commitments may be changed or lifted only by the Board by taking the same formal action that imposed the constraint originally.

The amounts committed for funding the repair and replacement of capital assets as of September 30, 2023 are as follows:

Community Park Playground (Phase I)	\$ 1,700,000
Shirley McDonald Park	25,000
2 Reports: Master Plan and Audit	50,000
CC Meeting Room Wall Partition Replacement	35,000
Red Gym Floor Replacement	175,000
Highland Horizon Pool Deck Replacement	150,000
Water Treatment Replace CIP Tanks	75,000
Water Treatment Replace PLCs	150,000
Water Treatment Electrical Controls Rehab	450,000
Liberty Walk Lift Station	30,000
Upsize Sewer Line from WTF, Townhomes, SBFD #3	750,000
Racine Woods Park Playscape Replacements	100,000
Community Park Amphitheater	10,000
Maintenance Yard Phase 2, Creekside Park	10,000
Park Master Plan: Highland Horizon Playscape Additions	100,000
ADA Transition Plan	100,000
Shirley McDonald Fountain Replacement	12,000
CC Storage Building	100,000
CC UV for A/C	10,000
CC Replace Galvanized Sewer Line	20,000
Cat Hollow Aquatic Features Replacement	150,000
Storm Water Wet Ponds Depth Survey	30,000
Storm Water Dry Ponds Rehabilitation	85,000
Community Park Playground (Phase II)	10,000
Parking, Restroom, and Inclusive Playground at North Park	200,000
Pavilion and Trail Expansion at Little Village	75,000
Expand Parking at Highland Horizon	75,000
Connect Creekside Parking Lots	25,000
Skateboard Park	10,000
Cat Hollow Park Update Baseball Fields	25,000
Community Garden Phase III	33,000
	<hr/>
Total	<u>\$ 4,770,000</u>

Assigned - For the General Fund, amounts that are appropriated by the Board that are to be used for specific purposes. The Board has authorized the General Manager to have the authority to assign an amount of funds. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Included in the assigned fund balance as of September 30, 2023 is \$3,918,527 that is reported as *Subsequent fiscal year budget deficit* which represents management’s commitment to utilize funds set aside in prior years for the next fiscal cycle.

The amounts assigned for funding the repair and replacement of capital assets as of September 30, 2023 are as follows:

901 and CC Space Study	\$ 6,304
Shirley McDonald Trailhead Landscape and Hardscape	14,440
Community Garden Phase II	607,750
Stormwater Rate Study	27,500
District Security Camera Improvements Community Center Playground/Bathroom	121,205
Work Order and GIS System Software Upgrades	53,597
Pepper Rock Phase II	44,385
O'Connor Median Sign	145,014
Community Park Trail Repair	4,107
Shirley McDonald Park Trail Repairs	1,173
Cat Hollow Park Trail Repairs (Disc Golf)	3,127
Creekside, Pour Concrete Under Basketball Net	5,000
Cat Hollow - Add Electrical Power to Run Inflatables	30,000
District Facilities : Re-key Doors	10,952
Sendero Springs Pool - Resurface Bathroom Floors	20,000
CH Pool Renovations	44,073
Replace North Tower Fence	75,000
Quick Connect Coupling and Hydraulic Hammer for Mini Exca	20,000
Water Pressure and Fire Flow Modeling	77,167
ARPA Ground Wells Emergency Power Generator	33,741
ARPA Ground Wells Winterization	274,243
ARPA Water Treatment Winterization	20,525
Water Intake Electrical Controls Rehab	61,611
ARPA Water Intake Emergency Power	59,481
Water Treatment Generator Automatic Transfer Switch	87,304
Raw Water Wyoming Springs Line Relocates	8,736
Paint Floor and Chemical Storage	75,000
Replace Recycle Pump Control Panel/Re-Build Pump #2	25,000
ARPA Lift Station Cat Hollow Rehabilitation Phase II	44,174
ARPA Hillside Lift Station Removal	11,655
BCRWWS Regional Wastewater Improvement Fund	172,294
BRA - Water Line Reserve	942,000
Gym Equipment Reserve	55,879
Total	<u>\$ 3,182,437</u>

Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund. The Board approved a resolution for a six-month operating reserve and a revenue protection reserve. As these items do not meet the criteria to be classified elsewhere within another fund balance classification, these amounts are reflected within unassigned fund balance in the General Fund as of September 30, 2023 as noted in the table below:

<u>Unassigned Fund Balance</u>	
Operating reserve	\$ 10,510,276
Revenue protection reserve	4,264,910
Remaining unassigned fund balance	<u>714,913</u>
Total unassigned fund balance	<u>\$ 15,490,099</u>

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page 13.

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

## 12. Defined Benefit Pension Plan

### Plan Description

The District provides retirement, disability, and death benefits for all of its non-temporary full-time employees through a nontraditional defined benefit pension plan administered by TCDRS. The Board of Trustees of TCDRS is responsible for the administration of the statewide agent multiple-employer public employee retirement system consisting of nearly 850 active participating counties and districts throughout Texas. TCDRS in the aggregate issues an annual comprehensive financial report (“ACFR”) on a calendar year basis. The ACFR is available upon written request from the TCDRS, Finance Division, at Barton Oaks Plaza IV, Suite 500, 901 S. Mopac Expressway, Austin, Texas 78746.

The plan provisions are adopted by the governing body of the employer, within the options available in the Texas State statutes governing TCDRS (“TCDRS Act”). Members can retire either at age 60 and above with 5 or more years of service, after 20 years of service, or when service time plus age equals 80 but must leave their accumulated contributions in the plan to receive any employer-financed benefit. Members who withdraw their personal contributions in a lump sum are not entitled to any amounts contributed by their employer.

### Benefits Provided

Benefit amounts are determined by the sum of the employee’s contributions to the plan, with interest, and the employer-financed monetary credits. The level of these monetary credits is adopted by the governing body of the employer within the actuarial constraints imposed by the TCDRS Act, so that the resulting benefits can be expected to be adequately financed by the employer’s commitment to contribute. At retirement, death, or disability, the benefit is calculated by converting the sum of the employee’s accumulated contributions and the employer-financed monetary credits to a monthly annuity using annuity purchase rates prescribed by the TCDRS Act.

Employee membership data related to the Plan, as of the valuation date of December 31, 2022, was as follows:

Retirees and beneficiaries currently receiving benefits	20
Terminated employees entitled to but not yet receiving benefits	421
Active plan members	118
Total	<u>559</u>

## Contributions

The District has elected the annually determined contribution rate (“ADCR”) plan provisions of the TCDRS Act. The plan is funded by monthly contributions from both employee members and the employer based on the covered payroll of employee members. Under the TCDRS Act, the contribution rate of the employer is actuarially determined annually. The District contributed using the actuarially determined rate of 8.28% for 2023 as adopted by the governing body of the District. The employee contribution rate was 6.00%. The employee contribution rate and the employer contribution rate may be changed by the governing body of the District within the options available in the TCDRS Act. The required contribution and actual contributions for the year ended September 30, 2023 equaled \$365,073.

## Net Pension Asset

### Actuarial Assumptions

The District’s net pension asset was measured as of December 31, 2022 and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported
Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization method	Level percentage of payroll, closed
Amortization period	14.7 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation
Investment Rate of Return	7.50%, net of administrative and investment expenses, including inflation
Cost-of-Living Adjustments	Cost-of-Living Adjustments for the District are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB 68 calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Between ages 40 and 74 with various rates of service retirement by gender: low of 5.3% for age 40-49 to high of 27.5% for age 65-66 for males and females
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.

Mortality:

Depositing members	135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Disabled retirees	160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

The actuarial assumptions that determined the total pension liability as of December 31, 2022 were based on the results of an actuarial experience study for the period January 1, 2017 through December 31, 2020, except where required to be different by GASB 68.

Long-Term Expected Rate of Return

The long-term expected rate of return on TCDRS assets is determined by adding expected inflation to expected long-term real returns, and reflecting expected volatility and correlation. The capital market assumptions and information shown below are provided by TCDRS' investment consultant, Cliffwater LLC. The numbers shown are based on January 2023 information for a 10-year time horizon.

Note that the valuation assumption for long-term expected return is re-assessed in detail at a minimum of every four years and is set based on a long-term time horizon; the most recent analysis was performed in March 2021.

Asset Class	Benchmark	Target Allocation (a)	Geometric Real Rate of Return (Expected minus Inflation) (b)
US Equities	Dow Jones U.S. Total Stock Market Index	11.50%	4.95%
Global Equities	MSCI World (net) Index	2.50%	4.95%
International Equities - Developed	MSCI World Ex USA (net) Index	5.00%	4.95%
International Equities - Emerging	MSCI Emerging Markets (net) Index	6.00%	4.95%
Investment-Grade Bonds	Bloomberg U.S. Aggregate Bond Index	3.00%	2.40%
Strategic Credit	FTSE High-Yield Cash-Pay Index	9.00%	3.39%
Direct Lending	Morningstar LSTA US Leveraged Loan Index	16.00%	6.95%
Distressed Debt	Cambridge Associates Distressed Securities Index (d)	4.00%	7.60%
REIT Equities	67% FTSE NAREIT All Equity REITs Index + 33% S&P Global REIT (net) Index	2.00%	4.15%
Master Limited Partnerships (MLPs)	Alerian MLP Index	2.00%	5.30%
Private Real Estate Partnerships	Cambridge Associates Real Estate Index (e)	6.00%	5.70%
Private Equity	Cambridge Associates Global Private Equity & Venture Capital Index (c)	25.00%	7.95%
Hedge Funds	Hedge Fund Research, Inc. (HFRI) Fund of Funds Composite Index	6.00%	2.90%
Cash Equivalents	90-Day U.S. Treasury	2.00%	0.20%

- a) Target asset allocation adopted at the March 2023 TCDRS Board meeting.
- b) Geometric real rates of return equal the expected return minus the assumed inflation rate of 2.30%, per Cliffwater's 2023 capital market assumptions.
- c) Includes vintage years 2006-present of Quarter Pooled Horizon internal rates of return.
- d) Includes vintage years 2005-present of Quarter Pooled Horizon internal rates of return.
- e) Includes vintage years 2007-present of Quarter Pooled Horizon internal rates of return.

### Discount Rate

The discount rate used to measure the total pension liability was 7.60%. This rate reflects the long-term rate of return funding valuation assumption of 7.50%, plus 0.10% adjustment to be gross of administrative expenses as required by GASB 68. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active, inactive, and retired members. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return, and the municipal bond rate does not apply.

### **Changes in Net Pension Asset**

Changes in the District's net pension liability asset for the valuation year ended December 31, 2022 are as follows:

	Total Pension Liability	Increase (Decrease) Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balance as of December 31, 2021	\$ 7,836,394	\$ 9,244,978	\$ (1,408,584)
Changes for the year:			
Service cost	553,753	-	553,753
Interest on total pension liability (1)	629,940	-	629,940
Effect of plan changes (2)	1,662	-	1,662
Effect of economic/demographic gains or losses	303,961	-	303,961
Effect of assumptions changes or inputs	-	-	-
Refund of contributions	(46,922)	(46,922)	-
Benefit payments	(159,798)	(159,798)	-
Administrative expenses	-	(5,347)	5,347
Member contributions	-	248,079	(248,079)
Net investment income	-	(575,770)	575,770
Employer contributions	-	355,166	(355,166)
Other (3)	-	63,554	(63,554)
Balance as of December 31, 2022	<u>\$ 9,118,990</u>	<u>\$ 9,123,940</u>	<u>\$ (4,950)</u>

- 1) Reflects the change in the liability due to the time value of money. TCDRS does not charge fees or interest.
- 2) Reflects plan changes adopted effective in 2023.
- 3) Relates to allocation of system-wide items.

## Sensitivity Analysis

The following presents the net pension asset of the District, calculated using the discount rate of 7.60%, as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.60%) or 1 percentage point higher (8.60%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	<u>6.60%</u>	<u>7.60%</u>	<u>8.60%</u>
Total pension liability	\$ 10,684,381	\$ 9,118,990	\$ 7,859,494
Fiduciary net position	<u>9,123,940</u>	<u>9,123,940</u>	<u>9,123,940</u>
Net pension liability / (asset)	<u>\$ 1,560,441</u>	<u>\$ (4,950)</u>	<u>\$ (1,264,446)</u>

## Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended September 30, 2023, the District recognized pension expense of \$343,666. As of September 30, 2023, the deferred outflows and inflows of resources are as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 151,980	\$ 117,533
Changes of assumptions	-	2,464
Net difference between projected and actual earnings	258,707	-
Contributions made subsequent to measurement date	<u>264,139</u>	<u>-</u>
Total	<u>\$ 674,826</u>	<u>\$ 119,997</u>

The \$264,139 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended September 30, 2024. The remaining amounts currently reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Pension Expense Amount</u>
Year ended September 30:	
2024	\$ (31,841)
2025	18,882
2026	44,578
2027	<u>259,071</u>
	<u>\$ 290,690</u>

### **13. Risk Management**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained coverage from commercial insurance companies and the Texas Municipal League Intergovernmental Risk Pool (“TML Pool”) to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The TML Pool was established by various political subdivisions in Texas to provide self-insurance for its members and to obtain lower costs for insurance. TML Pool members pay annual contributions to obtain the insurance. Annual contribution rates are determined by the TML Pool Board. Rates are estimated to include all claims expected to occur during the policy including claims incurred but not reported. The TML Pool has established claims reserves for each of the types of insurance offered. Although the TML Pool is a self-insured risk pool, members are not contingently liable for claims filed above the amount of the fixed annual contributions. If losses incurred are significantly higher than actuarially estimated, the TML Pool adjusts the contribution rate for subsequent years. Members may receive returns of contributions if actual results are more favorable than estimated.

### **14. Amounts Collected for Capital Improvements**

By an agreement dated March 26, 1996, the District and developers of property within the District agreed to the payment of a fee by the developers of the District. The fee has been established by contract between the District and its developers. The agreement also establishes the restrictions for the use of the fees. The fees collected under this agreement totaled \$117,698 for the year ended September 30, 2023 and are within the Capital Projects Fund.

### **15. Commitments and Contingencies**

In August 1998, the Board authorized the District to enter into a contract with the Brazos River Authority (“BRA”) for participation in the Williamson County Raw Water Line Project. The Williamson County Raw Water Line Project is for the construction and maintenance of facilities capable of transporting water from Lake Stillhouse Hollow to Lake Georgetown.

In October 2000, the Board authorized the District to enter into a contract with the BRA and the Lower Colorado River Authority (“LCRA”) for participation in the Sub Regional Wastewater Collection, Treatment and Disposal System.

The LCRA utilized its reserved capacity in the system to receive wastewater from the District’s wastewater collection system. The cities of Round Rock, Cedar Park, and Austin purchased the wastewater system from the LCRA in December 2009. The District is a customer of the City of Round Rock (the “City”). The BRA will operate and maintain the system in order to receive wastewater from the customers’ wastewater collection systems and to treat and dispose of such wastewater. The District will pay charges on the system, their annual estimates for sub-regional operation and maintenance expenses and the resulting estimates of sub-regional capital charges and sub-regional flow charges. The District’s capital charge means the portion of the City’s debt necessary to service the District. Capital charges are included in wastewater purchase expenditures which totaled \$833,709 for the year ended September 30, 2023. The following details the District’s portion of the City’s debt that will be included in future wastewater purchases:

Fiscal Year	Principal	Interest	Total
2024	\$ 305,000	182,923	487,923
2025	340,000	172,457	512,457
2026	355,000	160,243	515,243
2027	370,000	147,261	517,261
2028	375,000	140,139	515,139
2029-2033	1,875,000	579,717	2,454,717
2034-2038	1,685,000	298,925	1,983,925
2039	380,000	16,150	396,150
Total	<u>\$ 5,685,000</u>	<u>1,697,815</u>	<u>7,382,815</u>

A \$122,500,000 project (the “Project”) is underway by the City and other owners of the wastewater collection system. The Project includes both required improvements and an expansion component. The District is not responsible for the expansion costs but has been allocated \$1,355,000 in costs of the Project representing its pro rata share of the required improvement costs. The District made a lump sum payment towards the Project of \$224,400 during the year ended September 30, 2021. The remaining \$1,130,600 allocated to the District will be paid out annually through 2032 as part of the District’s obligation to pay a share of debt service.

On June 24, 2021, the District entered into an Interlocal Agreement for Emergency Water Service with the City where each party agrees to provide potable water service for a temporary period, as defined in the agreement, and only in the event of and for the duration of an emergency, as defined in the agreement. The rate charged will be the residential customer volume rate for Rate Block Four as set forth in Sec. 44-32(a)(5) Code of Ordinances of the City, as amended from time to time. The agreement is effective until September 30, 2040.

## **16. Subrecipient Agreement**

Effective August 9, 2022, the District entered into a Subrecipient Agreement with Williamson County (the “County”) to receive an amount up to \$4,000,000 to reimburse the District for expenses related to eligible State and Local Fiscal Recovery Funds. These include construction and construction administration for any one or more of the following public infrastructure improvements: 1) centralized wastewater collection and conveyance including Cat Hollow Wastewater Lift Station improvements and Hillside Lift Station removal; 2) drinking water treatment including winterization improvements at the water treatment plant; and 3) drinking water source including emergency power installation at raw water intake facility, emergency power installation for groundwater wells, winterization of raw water intake vault, and winterization improvements for groundwater wells. The Subrecipient Agreement terminates on December 31, 2026 unless terminated earlier in accordance with the Subrecipient Agreement. As of September 30, 2023, no funds have been received or expended under the Subrecipient Agreement.

## Brushy Creek Municipal Utility District

### Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

September 30, 2023

	Year Ended December 31, 2022*	Year Ended December 31, 2021*	Year Ended December 31, 2020*	Year Ended December 31, 2019*	Year Ended December 31, 2018*	Year Ended December 31, 2017*	Year Ended December 31, 2016*	Year Ended December 31, 2015*	Year Ended December 31, 2014*
<b>Total Pension Liability</b>									
Service cost	\$ 553,753	\$ 508,147	\$ 448,604	\$ 416,956	\$ 364,608	\$ 294,923	\$ 295,387	\$ 267,011	\$ 250,979
Interest on total pension liability	629,940	585,706	526,117	456,424	398,452	342,882	291,308	263,305	230,728
Effect of plan changes	1,662	-	-	-	-	4,376	-	(55,460)	-
Effect of assumption changes or inputs	-	(7,394)	483,993	-	-	512	-	30,086	-
Effect on economic/demographic (gains) or losses	303,961	(352,599)	(164,748)	38,542	(26,962)	44,864	(28,730)	(120,517)	(26,206)
Benefit payments/refunds of contributions	(206,720)	(188,521)	(97,267)	(69,593)	(75,772)	(66,783)	(75,753)	(54,772)	(42,950)
Net change in total pension liability	1,282,596	545,339	1,196,699	842,329	660,326	620,774	482,212	329,653	412,551
Total pension liability, beginning	7,836,394	7,291,055	6,094,356	5,252,027	4,591,701	3,970,927	3,488,715	3,159,062	2,746,511
Total pension liability, ending (a)	\$ 9,118,990	\$ 7,836,394	\$ 7,291,055	\$ 6,094,356	\$ 5,252,027	\$ 4,591,701	\$ 3,970,927	\$ 3,488,715	\$ 3,159,062
<b>Fiduciary Net Position</b>									
Employer contributions	\$ 355,166	\$ 251,756	\$ 219,201	\$ 206,110	\$ 183,429	\$ 173,616	\$ 142,204	\$ 140,561	\$ 141,860
Member contributions	248,079	227,490	206,145	198,835	180,126	170,719	147,347	138,711	129,948
Investment income net of investment expenses	(575,770)	1,639,053	653,880	843,237	(88,684)	596,801	264,683	(66,405)	199,976
Benefit payments/refunds of contributions	(206,720)	(188,521)	(97,267)	(69,593)	(75,772)	(66,783)	(75,753)	(54,772)	(42,950)
Administrative expenses	(5,347)	(5,002)	(5,349)	(4,818)	(4,126)	(3,280)	(2,878)	(2,516)	(2,463)
Other	63,554	10,248	10,334	12,363	9,070	3,689	24,012	2,487	445
Net change in fiduciary net position	(121,038)	1,935,024	986,944	1,186,134	204,043	874,762	499,615	158,066	426,816
Fiduciary net position, beginning	9,244,978	7,309,954	6,323,010	5,136,876	4,932,833	4,058,071	3,558,456	3,400,390	2,973,574
Fiduciary net position, ending (b)	\$ 9,123,940	\$ 9,244,978	\$ 7,309,954	\$ 6,323,010	\$ 5,136,876	\$ 4,932,833	\$ 4,058,071	\$ 3,558,456	\$ 3,400,390
Net pension liability / (asset), ending = (a) - (b)	\$ (4,950)	\$ (1,408,584)	\$ (18,899)	\$ (228,654)	\$ 115,151	\$ (341,132)	\$ (87,144)	\$ (69,741)	\$ (241,328)
Fiduciary net position as a % of total pension liability	100.05%	117.97%	100.26%	103.75%	97.81%	107.43%	102.19%	102.00%	107.64%
Pensionable covered payroll	\$ 4,134,647	\$ 3,791,499	\$ 3,435,745	\$ 3,313,925	\$ 3,002,106	\$ 2,845,317	\$ 2,450,776	\$ 2,311,858	\$ 2,165,801
Net pension liability / (asset) as a % of covered payroll	-0.12%	-37.15%	-0.55%	-6.90%	3.84%	-11.99%	-3.56%	-3.02%	-11.14%

\* Schedule is intended to show information for 10 years.

Additional years will be displayed as they become available.

# Brushy Creek Municipal Utility District

## Schedule of District Contributions

September 30, 2023

Year Ending September 30	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Deficiency (Excess)	Pensionable Covered Payroll *	Actual Contribution as a % of Covered Payroll
2013**	\$ 134,120	134,120	-	2,089,097	6.4%
2014**	141,860	141,860	-	2,165,801	6.6%
2015**	140,561	140,561	-	2,311,858	6.1%
2016**	141,900	142,204	(304)	2,450,776	5.8%
2017**	168,727	173,616	(4,889)	2,845,317	6.1%
2018**	183,429	183,429	-	3,002,106	6.1%
2019**	205,795	206,110	(315)	3,313,925	6.2%
2020**	219,201	219,201	-	3,435,745	6.4%
2021**	251,756	251,756	-	3,791,499	6.6%
2023	365,063	365,063	-	4,364,979	8.4%

\* Payroll is calculated based on contributions as reported to TCDRS.

\*\* TCDRS calculates actuarially determined contributions on a calendar year basis. GASB Statement No. 68 indicates the employer should report on a fiscal year basis. The District is reporting contributions on a calendar year basis for years 2013-2021 and a fiscal year basis thereafter.

# Brushy Creek Municipal Utility District

## Notes to Required Supplementary Information Year Ended September 30, 2023

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### 1. Methods and Assumptions Used in Calculations of Actuarially Determined Contributions

The following methods and assumptions were used to determine the contributions rates:

Valuation Timing	Actuarially determined contribution rates are calculated on a calendar basis as of December 31, two years prior to the end of the fiscal year in which the contributions are reported
Actuarial Cost Method	Entry Age (level percentage of pay)
Amortization method	Level percentage of payroll, closed
Amortization period	14.7 years
Asset Valuation Method	5-year smoothed market
Inflation	2.50%
Salary Increases	Varies by age and service. 4.7% average over career including inflation
Investment Rate of Return	7.50%
Cost-of-Living Adjustments	Cost-of-Living Adjustments for the District are not considered to be substantively automatic under GASB 68. Therefore, no assumption for future cost-of-living adjustments is included in the GASB 68 calculations. No assumption for future cost-of-living adjustments is included in the funding valuation.
Retirement Age	Between ages 40 and 74 with various rates of service retirement by gender: low of 5.3% for age 40-49 to high of 27.5% for age 65-66 for males and females
Turnover	New employees are assumed to replace any terminated members and have similar entry ages.
Mortality:	
Depositing members	135% of the Pub-2010 General Employees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Employees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
Service retirees, beneficiaries and non-depositing members	135% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for males and 120% of the Pub-2010 General Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.

Disabled retirees	160% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for males and 125% of the Pub-2010 General Disabled Retirees Amount-Weighted Mortality Table for females, both projected with 100% of the MP-2021 Ultimate scale after 2010.
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## **2. Change in Assumptions**

The following was a change to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period-

- Amortization period decreased from 14.8 years to 14.7 years

# Brushy Creek Municipal Utility District

## Index of Supplemental Schedules Required by the Texas Commission on Environmental Quality Year Ended September 30, 2023

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<u>Schedule Included</u>			
<u>Yes</u>	<u>No</u>		
<u>X</u>	<u>      </u>	TSI-0	Notes Required by the Water District Accounting Manual
<u>X</u>	<u>      </u>	TSI-1	Schedule of Services and Rates
<u>X</u>	<u>      </u>	TSI-2	Schedule of General Fund Expenditures
<u>X</u>	<u>      </u>	TSI-3	Schedule of Temporary Investments
<u>X</u>	<u>      </u>	TSI-4	Analysis of Taxes Levied and Receivable
<u>X</u>	<u>      </u>	TSI-5	Long-Term Debt Service Requirements by Years
<u>X</u>	<u>      </u>	TSI-6	Analysis of Changes in Long-Term Bonded Debt
<u>X</u>	<u>      </u>	TSI-7	Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund - Five Years
<u>X</u>	<u>      </u>	TSI-8	Board Members, Key Personnel and Consultants

# Brushy Creek Municipal Utility District

## TSI-0 Notes Required by the Water District Accounting Manual Year Ended September 30, 2023

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The notes which follow are not necessarily required for fair presentation of the audited financial statements of the District which are contained in the preceding section of this report. They are presented in conformity with requirements of the Texas Commission on Environmental Quality to assure disclosure of specifically required facts.

(A) Creation of District

See Note 1 to basic financial statements.

(B) Contingent Liabilities

See Note 15 to basic financial statements

(C) Pension Coverage

See Note 12 to basic financial statements

(D) Pledge of Revenues

See Note 8 to basic financial statements

(E) Compliance with Debt Service Requirements

See Note 8 to basic financial statements

(F) Redemption of Bonds

See Note 8 to basic financial statements.

# Brushy Creek Municipal Utility District

## TSI-1 Schedule of Services and Rates Year Ended September 30, 2023

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### 1. Services Provided by the District:

- |   |   |  |
|---|---|--|
| <input checked="" type="checkbox"/> Retail Water  | <input checked="" type="checkbox"/> Wholesale Water | <input checked="" type="checkbox"/> Drainage |
| <input checked="" type="checkbox"/> Retail Wastewater   | <input type="checkbox"/> Wholesale Wastewater       | <input type="checkbox"/> Irrigation          |
| <input checked="" type="checkbox"/> Parks/Recreation  | <input type="checkbox"/> Fire Protection            | <input checked="" type="checkbox"/> Security |
| <input checked="" type="checkbox"/> Solid Waste/Garbage   | <input type="checkbox"/> Flood Control              | <input type="checkbox"/> Roads               |
| <input checked="" type="checkbox"/> Participates in joint venture, regional system and or wastewater service<br>(other than emergency interconnect) |   |  |
| <input type="checkbox"/> Other (specify): _____   |   |  |

### 2. Retail Service Providers:

#### a. Retail Rates for a 5/8" Meter (or equivalent):

Based on rate order effective August 7, 2023

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum	Usage Levels
Water	\$ 20.00		N	\$ 3.50 4.70	October to May June to September
Wastewater	\$ 9.00		N	\$ 3.20	Per 1,000
Surcharge	N/A	N/A	N	N/A	Per Water & Wastewater Charges

District employs winter averaging for wastewater usage? Yes  No

Total charges per 10,000 gallons usage:

Water: \$55.00 - Winter; \$67.00 - Summer  
Wastewater: \$41.00

(continued)

# Brushy Creek Municipal Utility District

## TS-1 Schedule of Services and Rates (continued) Year Ended September 30, 2023

### b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
≤¾"	5,555	5,555	x 1.5	5,555
1"	38	38	x 2.5	95
1 ½"	41	41	x 5.0	205
2"	40	40	x 8.0	320
3"	3	3	x 15.0	45
4"	2	2	x 25.0	50
6"	1	1	x 50.0	50
8"	5	5	x 80.0	400
10"			x 115.0	
Total Water	5,685	5,685		6,720
Total Wastewater	5,606	5,606	x 1.0	5,606

### 3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system:	<u>984,921,000</u>	Water Accountability Ratio: (Gallons billed/Gallons pumped)
Gallons billed to customers:	<u>877,303,000</u>	
		<u>89.1% (1)</u>

- (1) The water accountability ratio does not include fire hydrant flushing, water used in firefighting, loss due to water leaks identified, or other un-metered loss to the system.

(continued)

# Brushy Creek Municipal Utility District

## TSI-1 Schedule of Services and Rates (continued)

Year Ended September 30, 2023

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### 4. Standby Fees (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes  No

If yes, Date of the most recent Commission Order: N/A

Does the District have Operation and Maintenance standby fees? Yes  No

If yes, Date of the most recent Commission Order: N/A

### 5. Location of District:

County(ies) in which district is located: Williamson

Is the District located entirely within one county? Yes  No

Is the District located within a city? Entirely  Partly  Not at all

City(ies) in which District is located: N/A

Is the District located within a city's extra territorial jurisdiction (ETJ)? Entirely  Partly  Not at all

ETJ's in which district is located: City of Round Rock

Are Board members appointed by an office outside the District? Yes  No

If yes, by whom? N/A

# Brushy Creek Municipal Utility District

## TSI-2 Schedule of General Fund Expenditures Year Ended September 30, 2023

	Parks and Recreation	Utilities	Administrative and Other Services	Total
Personnel expenditures (including benefits)	\$ 3,297,324	1,092,049	2,029,275	6,418,648
Professional fees:				
Auditing	-	-	55,950	55,950
Legal	-	-	170,046	170,046
Engineering	2,943	318,165	5,535	326,643
Financial advisor	-	-	20,000	20,000
Purchased services for resale-				
Bulk water and wastewater service purchases	-	1,904,999	-	1,904,999
Contracted services	587,446	83,271	188,829	859,546
Utilities	135,353	341,225	139,330	615,908
Repairs and maintenance	810,183	145,822	48,803	1,004,808
Administrative expenditures:				
Directors' fees	-	-	29,036	29,036
Insurance	-	-	164,147	164,147
Other administrative expenditures	138,072	82,460	240,449	460,981
Capital outlay-				
Capitalized assets	1,952,444	1,744,630	311,743	4,008,817
Tap connection expenditures	-	38,993	-	38,993
Solid waste disposal	9,514	-	1,308,698	1,318,212
Security fees	9,928	-	111,418	121,346
Debt service:				
Principal payments	-	-	465,000	465,000
Interest and fiscal charges	-	-	106,909	106,909
Other expenditures	451,579	319,563	140,055	911,197
Total expenditures	<u>\$ 7,394,786</u>	<u>6,071,177</u>	<u>5,535,223</u>	<u>19,001,186</u>

Number of persons employed by the District:  
(Does not include independent contractors or consultants)

Full-Time - 63 Part-Time - 125

# Brushy Creek Municipal Utility District

## TSI-3 Schedule of Temporary Investments September 30, 2023

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at September 30, 2023	Accrued Interest Receivable at September 30, 2023
<b>General Fund:</b>					
LOGIC	XXXX1002	Varies	Daily	\$ 677,723	\$ -
LOGIC	XXXX1003	Varies	Daily	855,939	-
LOGIC	XXXX1015	Varies	Daily	7,985,676	-
TexPool	XXXX0008	Varies	Daily	87,523	-
TexPool	XXXXX001	Varies	Daily	40,865	-
US Govt Agencies	XXXXXMV1	0.500%	10/04/2024	2,376,508	6,113
US Govt Agencies	XXXXNGN4	0.970%	12/09/2024	2,369,826	7,474
US Govt Agencies	XXXXMVD1	0.330%	04/05/2024	2,433,994	4,125
US Govt Agencies	XXXXLVY7	0.400%	04/15/2024	2,431,331	5,080
US Govt Agencies	XXXXLJ70	0.400%	03/12/2024	1,954,872	4,855
US Govt Agencies	XXXXPFT7	3.750%	04/13/2026	971,408	13,356
US Govt Agencies	XXXXX2U5	3.625%	05/15/2026	969,512	13,805
US Govt Agencies	XXXXPPE9	4.375%	07/06/2026	984,968	3,716
US Govt Agencies	XXXX4D71	n/a	08/28/2024	955,477	-
US Govt Agencies	XXXXUU36	4.125%	03/13/2026	981,679	2,134
US Govt Agencies	XXXXUVK7	5.000%	02/13/2024	1,995,706	13,015
Commercial paper	XXXXBXL0	n/a	10/20/2023	996,929	-
Total General Fund				<u>29,069,936</u>	<u>73,673</u>
<b>Debt Service Fund:</b>					
LOGIC	XXXX1001	Varies	Daily	1,488,143	-
LOGIC	XXXX1013	Varies	Daily	871,677	-
TexPool	XXXX0004	Varies	Daily	250,245	-
Total Debt Service Fund				<u>2,610,065</u>	<u>-</u>
<b>Capital Projects Fund:</b>					
LOGIC	XXXX1009	Varies	Daily	1,645,733	-
LOGIC	XXXX1017	Varies	Daily	15,111	-
TexPool	XXXX0007	Varies	Daily	1,127,413	-
Total Capital Projects Fund				<u>2,788,257</u>	<u>-</u>
Total - all funds				<u>\$ 34,468,258</u>	<u>\$ 73,673</u>

# Brushy Creek Municipal Utility District

## TSI-4 Analysis of Taxes Levied and Receivable Year Ended September 30, 2023

	General Fund	Debt Service Fund
Taxes receivable, September 30, 2022	\$ 33,423	\$ 25,939
2022 Tax Roll	9,229,766	3,863,713
Adjustments	(10,237)	(7,862)
Total to be accounted for	<u>9,252,952</u>	<u>3,881,790</u>
Tax collections:		
Prior years	(6,640)	(2,586)
Current year	9,215,540	3,859,085
Total collections	<u>9,208,900</u>	<u>3,856,499</u>
Taxes receivable, September 30, 2023	<u>\$ 44,052</u>	<u>\$ 25,291</u>
Taxes receivable, by years		
2022	\$ 14,226	\$ 4,629
2021	4,457	1,714
2020	3,651	1,597
2019	2,843	1,244
2018	2,856	1,250
2017	2,219	1,183
2016	2,199	1,267
2015 and prior	11,601	12,407
Taxes receivable, September 30, 2023	<u>\$ 44,052</u>	<u>\$ 25,291</u>

	2022	2021	2020	2019
Property valuations:				
District-wide	\$ 2,931,304,495	\$ 2,491,434,408	\$ 2,246,365,598	\$ 2,171,065,972
Defined area	677,572,848	589,413,912	534,966,231	515,650,174
Tax rates per \$100 valuation:				
Debt service tax rate	0.103000	0.120000	0.140000	0.140000
Maintenance tax rate	0.316543	0.312059	0.320000	0.320000
District-wide	0.419543	0.432059	0.460000	0.460000
Defined area	0.127500	0.140000	0.160000	0.165000
Adjusted tax levy	<u>\$ 13,093,479</u>	<u>\$ 11,591,192</u>	<u>\$ 11,189,256</u>	<u>\$ 10,840,101</u>
Percent of taxes collected to taxes levied	<u>99.86%</u>	<u>99.95%</u>	<u>99.95%</u>	<u>99.96%</u>

# Brushy Creek Municipal Utility District

## TSI-5 Long-Term Debt Service Requirements - By Years September 30, 2023

Due During Fiscal Years Ending 9/30	Defined Area Refunding Series 2015			Defined Area Unlimited Tax Series 2015			Utility System Revenue Note Series 2016		
	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total
2024	\$ 230,000	84,150	314,150	125,000	92,106	217,106	475,000	94,680	569,680
2025	240,000	77,250	317,250	130,000	88,356	218,356	490,000	82,188	572,188
2026	245,000	70,050	315,050	135,000	84,456	219,456	500,000	69,301	569,301
2027	260,000	62,394	322,394	140,000	80,406	220,406	515,000	56,151	571,151
2028	270,000	53,944	323,944	145,000	76,206	221,206	525,000	42,606	567,606
2029	280,000	44,494	324,494	150,000	71,494	221,494	540,000	28,799	568,799
2030	295,000	34,694	329,694	155,000	66,619	221,619	555,000	14,592	569,592
2031	300,000	24,000	324,000	160,000	61,581	221,581	-	-	-
2032	165,000	12,750	177,750	170,000	56,381	226,381	-	-	-
2033	175,000	6,562	181,562	175,000	50,431	225,431	-	-	-
2034	-	-	-	185,000	44,306	229,306	-	-	-
2035	-	-	-	190,000	37,831	227,831	-	-	-
2036	-	-	-	200,000	31,181	231,181	-	-	-
2037	-	-	-	205,000	23,931	228,931	-	-	-
2038	-	-	-	215,000	16,500	231,500	-	-	-
2039	-	-	-	225,000	8,442	233,442	-	-	-
	<u>\$ 2,460,000</u>	<u>470,288</u>	<u>2,930,288</u>	<u>2,705,000</u>	<u>890,227</u>	<u>3,595,227</u>	<u>3,600,000</u>	<u>388,317</u>	<u>3,988,317</u>

(continued)

# Brushy Creek Municipal Utility District

## TSI-5 Long-Term Debt Service Requirements - By Years (continued) September 30, 2023

Due During Fiscal Years Ending 9/30	Refunding Series 2019			Refunding Series 2020			Unlimited Tax Series 2020		
	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total
2024	\$ -	82,000	82,000	1,770,000	206,250	1,976,250	340,000	16,663	356,663
2025	200,000	82,000	282,000	915,000	135,450	1,050,450	135,000	13,262	148,262
2026	1,900,000	76,000	1,976,000	945,000	108,000	1,053,000	140,000	11,575	151,575
2027	-	-	-	1,305,000	79,650	1,384,650	10,000	9,825	19,825
2028	-	-	-	1,350,000	40,500	1,390,500	-	9,675	9,675
2029	-	-	-	-	-	-	645,000	9,675	654,675
2030	-	-	-	-	-	-	-	-	-
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	-	-	-	-	-	-	-	-	-
2039	-	-	-	-	-	-	-	-	-
	<u>\$ 2,100,000</u>	<u>240,000</u>	<u>2,340,000</u>	<u>6,285,000</u>	<u>569,850</u>	<u>6,854,850</u>	<u>1,270,000</u>	<u>70,675</u>	<u>1,340,675</u>

(continued)

# Brushy Creek Municipal Utility District

## TSI-5 Long-Term Debt Service Requirements - By Years (continued) September 30, 2023

Due During Fiscal Years Ending 9/30	Refunding Series 2020A			Defined Area Refunding Series 2020			Defined Area Refunding Series 2021		
	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total	Principal Due 6/1	Interest Due 6/1, 12/1	Total
2024	\$ 615,000	163,200	778,200	115,000	35,568	150,568	130,000	41,300	171,300
2025	1,550,000	150,900	1,700,900	120,000	32,118	152,118	135,000	37,400	172,400
2026	-	119,900	119,900	125,000	28,518	153,518	140,000	33,350	173,350
2027	1,685,000	119,900	1,804,900	120,000	26,020	146,020	145,000	29,150	174,150
2028	1,750,000	52,500	1,802,500	125,000	23,618	148,618	150,000	24,800	174,800
2029	-	-	-	125,000	21,120	146,120	5,000	20,300	25,300
2030	-	-	-	125,000	18,462	143,462	5,000	20,200	25,200
2031	-	-	-	135,000	15,806	150,806	5,000	20,100	25,100
2032	-	-	-	285,000	12,938	297,938	5,000	20,000	25,000
2033	-	-	-	290,000	6,525	296,525	5,000	19,900	24,900
2034	-	-	-	-	-	-	190,000	19,800	209,800
2035	-	-	-	-	-	-	195,000	16,000	211,000
2036	-	-	-	-	-	-	200,000	12,100	212,100
2037	-	-	-	-	-	-	200,000	8,100	208,100
2038	-	-	-	-	-	-	205,000	4,100	209,100
2039	-	-	-	-	-	-	-	-	-
	<u>\$ 5,600,000</u>	<u>606,400</u>	<u>6,206,400</u>	<u>1,565,000</u>	<u>220,693</u>	<u>1,785,693</u>	<u>1,715,000</u>	<u>326,600</u>	<u>2,041,600</u>

(continued)

# Brushy Creek Municipal Utility District

## TSI-5 Long-Term Debt Service Requirements - By Years (continued) September 30, 2023

Due During Fiscal Years Ending 9/30	Annual Requirements for All Series		
	Principal Due	Interest Due	Total
2024	\$ 3,800,000	815,917	4,615,917
2025	3,915,000	698,924	4,613,924
2026	4,130,000	601,150	4,731,150
2027	4,180,000	463,496	4,643,496
2028	4,315,000	323,849	4,638,849
2029	1,745,000	195,882	1,940,882
2030	1,135,000	154,567	1,289,567
2031	600,000	121,487	721,487
2032	625,000	102,069	727,069
2033	645,000	83,418	728,418
2034	375,000	64,106	439,106
2035	385,000	53,831	438,831
2036	400,000	43,281	443,281
2037	405,000	32,031	437,031
2038	420,000	20,600	440,600
2039	225,000	8,442	233,442
	<u>\$ 27,300,000</u>	<u>3,783,050</u>	<u>31,083,050</u>

## Brushy Creek Municipal Utility District

### TSI-6 Analysis of Changes in Long-Term Debt September 30, 2023

	Defined Area Refunding Series 2015	Defined Area Tax Series 2015	Utility System Revenue Note Series 2016	Refunding Series 2019	Refunding Series 2020
Interest rate	3.00 to 3.75%	3.00 to 3.75%	2.63%	3.00 to 4.00%	3.00 to 4.00%
Dates interest payable	6/1 ; 12/1	6/1 ; 12/1	6/1 ; 12/1	6/1 ; 12/1	6/1 ; 12/1
Maturity dates	6/1/2033	6/1/2039	6/1/2030	6/1/2026	6/1/2028
Bonds outstanding, beginning of year	\$ 2,685,000	2,825,000	4,065,000	3,485,000	7,155,000
Bonds issued during current year	-	-	-	-	-
Bonds retired during current year	<u>(225,000)</u>	<u>(120,000)</u>	<u>(465,000)</u>	<u>(1,385,000)</u>	<u>(870,000)</u>
Bonds outstanding, end of year	<u>\$ 2,460,000</u>	<u>2,705,000</u>	<u>3,600,000</u>	<u>2,100,000</u>	<u>6,285,000</u>
Interest paid during current year	<u>\$ 90,900</u>	<u>95,706</u>	<u>106,909</u>	<u>123,550</u>	<u>232,350</u>

(continued)

## Brushy Creek Municipal Utility District

### TSI-6 Analysis of Changes in Long-Term Debt (continued) September 30, 2023

	Unlimited Tax Series 2020	Refunding Series 2020A	Defined Area Refunding Series 2020	Defined Area Refunding Series 2021
Interest rate	1.00 to 1.50%	2.00 to 4.00%	2.00 to 3.00%	2.00 to 3.00%
Dates interest payable	6/1 ; 12/1	6/1 ; 12/1	6/1 ; 12/1	6/1 ; 12/1
Maturity dates	6/1/2029	6/1/2028	6/1/2033	6/1/2038
Bonds outstanding, beginning of year	\$ 1,710,000	5,600,000	1,675,000	1,840,000
Bonds issued during current year	-	-	-	-
Bonds retired during current year	(440,000)	-	(110,000)	(125,000)
Bonds outstanding, end of year	<u>\$ 1,270,000</u>	<u>5,600,000</u>	<u>1,565,000</u>	<u>1,715,000</u>
Interest paid during current year	<u>\$ 21,062</u>	<u>163,200</u>	<u>38,870</u>	<u>45,050</u>

(continued)

# Brushy Creek Municipal Utility District

## TSI-6 Analysis of Changes in Long-Term Debt (continued) September 30, 2023

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	Grand Totals
Bonds outstanding, beginning of year	\$ 31,040,000
Bonds issued during current year	-
Bonds retired during current year	<u>(3,740,000)</u>
Bonds outstanding, end of year	<u>\$ 27,300,000</u>
Interest paid during current year	<u>\$ 917,597</u>

Paying agent's name & address:

Series 2015, 2019, 2020, 2020A and 2021  
Computershare  
St. Paul, Minnesota

Series 2016  
BB&T Governmental Finance  
Charlotte, North Carolina

	District Tax Bonds	Defined Area Tax Bonds	Refunding Bonds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Bond authority:			
Amount authorized	\$ 74,100,000	24,500,000	84,074,998
Amount issued	<u>(74,100,000)</u>	<u>(13,785,000)</u>	<u>(84,074,998)</u>
Remaining to be issued	<u>\$ -</u>	<u>10,715,000</u>	<u>-</u>

Debt Service Fund cash and temporary investments balances  
as of September 30, 2023:

\$ 2,610,065

Average annual debt service payments (principal & interest)  
for remaining term of debt:

\$ 1,942,691

# Brushy Creek Municipal Utility District

## TSI-7 Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund Five Years Ended September 30, 2023

	Amounts					Percentage of Fund Total Revenues				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
<b>General Fund</b>										
Revenues and other financing sources:										
Water and wastewater services	\$ 7,385,191	5,731,129	5,408,639	5,405,598	5,192,564	33.8 %	34.0	33.9	34.9	30.9
Park and recreation center fees	2,414,578	2,133,310	1,560,908	1,165,846	1,969,615	11.0	12.7	9.8	7.5	11.7
Garbage collection	1,398,153	1,397,438	1,395,584	1,391,326	1,388,800	6.4	8.3	8.8	9.0	8.3
Inspection fees	47,060	24,075	21,675	31,700	29,000	0.2	0.1	0.1	0.2	0.2
Tap and other connection fees	50,791	1,325	1,296	6,214	26,003	0.2	0.1	0.1	0.0	0.2
Property taxes, including penalties and interest	9,222,308	7,789,171	7,210,360	6,922,703	6,675,772	42.0	46.1	45.1	44.6	39.8
Investment earnings	1,098,828	(607,745)	80,144	342,725	564,348	5.0	(3.6)	0.5	2.2	3.4
Other	317,495	380,416	264,285	253,967	248,092	1.4	2.3	1.7	1.6	1.5
Proceeds from the sale of capital assets	-	-	-	-	685,683	-	-	-	-	4.0
<b>Total revenues and other financing sources</b>	<b>21,934,404</b>	<b>16,849,119</b>	<b>15,942,891</b>	<b>15,520,079</b>	<b>16,779,877</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Expenditures:										
Current:										
Salary and benefits	6,418,648	5,838,057	5,200,496	4,652,172	4,534,771	29.3	34.7	32.5	30.1	26.9
Purchased services for resale	3,223,211	2,898,572	2,871,703	2,773,047	2,762,311	14.7	17.2	18.0	17.9	16.5
Repairs and maintenance	1,004,808	1,045,010	1,385,387	1,276,114	1,117,540	4.6	6.2	8.7	8.2	6.7
Administrative	490,017	388,403	370,745	378,185	1,149,496	2.2	2.3	2.3	2.4	6.9
Utilities	615,908	644,156	585,697	611,657	580,259	2.8	3.8	3.7	3.9	3.5
Contracted services	859,546	780,482	502,558	731,530	393,621	3.9	4.6	3.2	4.7	2.3
Professional services	1,808,322	1,451,292	1,235,878	1,326,943	706,177	8.2	8.6	7.8	8.5	4.2
Capital outlay	4,008,817	1,009,796	2,185,839	2,987,146	724,604	18.3	6.0	13.7	19.2	4.3
Debt service:										
Principal payments	465,000	450,000	440,000	430,000	420,000	2.1	2.7	2.8	2.8	2.5
Interest and fiscal charges	106,909	118,744	130,317	141,626	152,672	0.5	0.7	0.8	0.9	0.9
<b>Total expenditures</b>	<b>19,001,186</b>	<b>14,624,512</b>	<b>14,908,620</b>	<b>15,308,420</b>	<b>12,541,451</b>	<b>86.6</b>	<b>86.8</b>	<b>93.5</b>	<b>98.6</b>	<b>74.7</b>
Excess of revenues and other financing sources over expenditures	\$ 2,933,218	2,224,607	1,034,271	211,659	4,238,426	13.4 %	13.2	6.5	1.4	25.3

(Continued)

# Brushy Creek Municipal Utility District

## TSI-7 Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund (Continued) Five Years Ended September 30, 2023

	Amounts					Percentage of Fund Total Revenues				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
<b>Debt Service Fund</b>										
Revenues:										
Property taxes, including penalties and interest	\$ 3,862,275	3,826,408	4,012,812	3,880,627	3,785,126	94.2 %	99.3	99.8	97.7	95.1
Investment earnings and other	236,899	28,902	6,937	93,065	193,091	5.8	0.7	0.2	2.3	4.9
<b>Total revenues</b>	<b>4,099,174</b>	<b>3,855,310</b>	<b>4,019,749</b>	<b>3,973,692</b>	<b>3,978,217</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Expenditures:										
Principal payments	3,275,000	3,175,000	3,895,000	2,810,000	3,205,000	79.8	82.4	96.9	70.7	80.6
Interest and fiscal charges	810,688	907,226	980,684	1,014,149	1,378,965	19.8	23.5	24.4	25.5	34.7
Tax appraisal and collection	70,157	63,945	64,653	66,799	64,078	1.7	1.7	1.6	1.7	1.6
Bond issuance costs	-	-	102,981	541,840	220,225	-	-	2.6	13.6	5.5
Other	8,524	8,023	13,325	15,608	7,129	0.2	0.2	0.3	0.4	0.2
<b>Total expenditures</b>	<b>4,164,369</b>	<b>4,154,194</b>	<b>5,056,643</b>	<b>4,448,396</b>	<b>4,875,397</b>	<b>101.5</b>	<b>107.8</b>	<b>125.8</b>	<b>111.9</b>	<b>122.6</b>
Other financing sources (uses):										
Proceeds from the sale of capital assets	-	-	-	-	18,412	-	-	-	-	0.5
Proceeds of refunding bonds	-	-	1,850,000	15,535,000	6,605,000	-	-	46.0	390.9	166.0
Payment to refunded bond escrow agent	-	-	(1,874,403)	(16,373,412)	(6,855,598)	-	-	(46.6)	(412.0)	(172.3)
Premium (discount) on bonds	-	-	62,484	1,252,827	408,548	-	-	1.6	31.5	10.3
<b>Total other financing sources, net</b>	<b>-</b>	<b>-</b>	<b>38,081</b>	<b>414,415</b>	<b>176,362</b>	<b>-</b>	<b>-</b>	<b>1.0</b>	<b>10.4</b>	<b>4.5</b>
Deficiency of revenues and other financing sources, net under expenditures	\$ (65,195)	(298,884)	(998,813)	(60,289)	(720,818)	(1.5) %	(7.8)	(24.8)	(1.5)	(18.1)
Total active retail water connections	5,685	5,679	5,673	5,680	5,685					
Total active retail wastewater connections	5,606	5,557	5,594	5,563	5,583					

# Brushy Creek Municipal Utility District

## TSI-8 Board Members, Key Personnel and Consultants September 30, 2023

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Complete District Mailing Address: 16318 Great Oaks Drive  
Round Rock, Texas 78681

District Business Telephone Number: (512) 255-7871

Submission date of the most recent District Registration Form: November 13, 2023  
(TWC Sections 36.054 and 49.054)

Limit on fees of office that a director may receive during a fiscal year: \$7,200  
(Set by Board Resolution - TWC Sections 49.060)

<u>Name and Address</u>	<u>Term of Office Elected &amp; Expires or Date Hired</u>	<u>Fees 9/30/23</u>	<u>Expense Reimbursements 9/30/23</u>	<u>Title at Year End</u>
<b>Board Members:</b>				
Michael Tucker	Elected 11/20 - 11/24	\$ 4,950	-	President
Kim Filiatrault	Elected 11/22 - 11/26	6,450	-	Vice-President
Ken Reifschlager	Elected 11/22 - 11/26	5,100	-	Secretary
Rebecca B. Tullos	Elected 11/22 - 11/26	7,200	-	Treasurer
<b><u>Former Board Members:</u></b>				
Donna B. Parker	Elected 11/20 - 12/22	1,350	-	Former Director
Cynthia Elkins	Appointed 03/23 - 09/23	1,200	-	Former Director

**Note: No director is disqualified from serving on this board under the Texas Water Code.**

(continued)

## Brushy Creek Municipal Utility District

### TSI-8 Board Members, Key Personnel and Consultants (continued) September 30, 2023

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Name and Address	Date Hired	Fees and Expense Reimbursements 9/30/23	Title at Year End
<b>Consultants:</b>			
McLean & Howard, LLP	2017	\$ 137,400	Attorney
McCall Gibson Swedlund Barfoot PLLC	2018	45,250	Former Auditor
Maxwell Locke & Ritter LLP	2023	-	Auditor
Robert W. Baird & Co.	2015	-	Financial Advisor
MRB Group	2013	119,902	Engineer
Meeder Public Funds, Inc. (fka Patterson & Associates)	2008	20,000	Investment Advisor
Williamson County Tax Assessor-Collector	1981	2,155	Tax Assessor/Collector

# Brushy Creek Municipal Utility District

## OSI-1 Principal Taxpayers September 30, 2023

District-Wide Area Taxpayer	Tax Roll Year		
	2023	2022	2021
Landing at Round Rock Acquisition LLC	\$ 163,843,084	\$ 160,011,540	\$ 88,725,000
CWS Brushy Creek LP	78,954,775	74,647,167	52,934,180
Beck Commons Investments LLC	15,000,000	14,000,000	12,151,316
TXMS Real Estate Investments Inc.	14,919,160	13,745,042	-
Atmos Energy/Mid-Tex Distribution	13,883,507	11,616,884	9,764,727
H.E. Butt Inc.	13,700,000	12,936,927	10,657,967
Great American Storage Partners LLC	10,703,411	9,316,343	7,730,511
Oncor Electric Delivery Company	10,351,107	6,668,719	6,662,136
Highland 620 Land Investment Ltd.	9,573,468	8,117,325	7,502,624
Airport Storage LLC	9,300,000	6,520,000	-
IVQ Round Rock LLP	-	-	12,099,882
Barclay/Texas Holdings XI LP	-	-	7,325,000
<b>Total</b>	<b>\$ 340,228,512</b>	<b>\$ 317,579,947</b>	<b>\$ 215,553,343</b>
<b>Percent of Assessed Valuation</b>	<b>11.64%</b>	<b>10.83%</b>	<b>8.65%</b>

(continued)

# Brushy Creek Municipal Utility District

## OSI-1 Principal Taxpayers (continued) September 30, 2023

Defined Area  Taxpayer	Tax Roll Year		
	2023	2022	2021
TXMS Real Estate Investments Inc.	\$ 14,919,160	\$ 13,745,042	\$ -
Highland 620 Land Investment Ltd.	9,573,468	8,117,325	7,502,624
Brushy Creek Texas LLC	6,865,000	5,490,000	-
Saiba Holdings LLC	5,252,079	4,676,400	2,974,967
Cuchara Investment Group Ltd.	5,238,016	4,388,626	4,293,221
Hatch House Management Company LLC	4,593,885	4,080,321	2,412,136
Great Oaks Physicians Holding Company LP	4,514,867	4,384,883	4,254,867
First Star Bank SSB	3,691,541	4,318,086	3,789,811
RCP 620 Great Oaks LP	3,663,054	-	-
TDE Investments LLC	3,318,750	3,378,333	3,315,417
LIDL US Operations LLC	-	3,679,701	2,812,778
IVQ Round Rock LP	-	-	12,099,882
Alpie Village Community LLC & et al	-	-	4,934,348
<b>Total</b>	<b>\$ 61,629,820</b>	<b>\$ 56,258,717</b>	<b>\$ 48,390,051</b>
<b>Percent of Assessed Valuation</b>	<b>8.51%</b>	<b>8.30%</b>	<b>8.21%</b>

# Brushy Creek Municipal Utility District

## OSI-2 Assessed Value by Classification September 30, 2023

District-Wide Area  Type of Property	Tax Roll Year					
	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Single Family	\$ 2,830,015,670	96.8%	\$ 3,333,085,211	113.7%	\$ 2,293,183,357	92.1%
Multi-Family	257,819,523	8.8%	252,052,771	8.6%	154,101,224	6.2%
Vacant Platted Lots/Tracts	26,198,790	0.9%	14,845,087	0.5%	11,097,385	0.4%
Farm and Ranch Improvement	1,923	0.0%	20,063	0.0%	11,533	0.0%
Commercial	190,756,299	6.5%	172,370,809	5.9%	147,873,152	5.9%
Real & Intangible Personal, Utilities	26,557,767	0.9%	20,471,155	0.7%	18,456,530	0.7%
Tangible Personal Business	23,407,361	0.8%	20,287,415	0.7%	24,115,734	1.0%
Exempt	(431,298,727)	(14.7)%	(881,828,016)	(30.1)%	(157,404,507)	(6.3)%
Total	<u>\$ 2,923,458,606</u>	<u>100.0%</u>	<u>\$ 2,931,304,495</u>	<u>100.0%</u>	<u>\$ 2,491,434,408</u>	<u>100.0%</u>

(continued)

# Brushy Creek Municipal Utility District

## OSI-2 Assessed Value by Classification (continued) September 30, 2023

Defined Area  Type of Property	Tax Roll Year					
	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Single Family	\$ 716,728,904	99.0%	\$ 793,655,042	117.1%	\$ 576,576,729	97.8%
Vacant Platted Lots/Tracts	18,505,157	2.6%	13,789,853	2.0%	10,316,347	1.8%
Farm and Ranch Improvement	300	0.0%	18,440	0.0%	9,910	0.0%
Commercial	48,393,298	6.7%	44,461,691	6.6%	38,074,649	6.5%
Real & Intangible Personal, Utilities	281,825	0.0%	149,943	0.0%	207,966	0.0%
Tangible Personal Business	4,162,254	0.6%	4,023,176	0.6%	4,799,291	0.8%
Exempt	(64,172,767)	(8.9)%	(178,525,297)	(26.3)%	(40,570,980)	(6.9)%
<b>Total</b>	<b>\$ 723,898,971</b>	<b>100.0%</b>	<b>\$ 677,572,848</b>	<b>100.0%</b>	<b>\$ 589,413,912</b>	<b>100.0%</b>