

**Reunion Ranch
Water Control and Improvement
District**

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

**REUNION RANCH
WATER CONTROL AND IMPROVEMENT DISTRICT**

TABLE OF CONTENTS

	<u>Page</u>
<i>Annual Filing Affidavit</i>	1
<i>Independent Auditors' Report</i>	2
<i>Management's Discussion and Analysis</i>	MDA-1
 <i>Basic Financial Statements</i>	
Statement of Net Position and Governmental Funds Balance Sheet	FS-1
Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances	FS-2
<i>Notes to the Basic Financial Statements</i>	FS-3
 <i>Required Supplementary Information</i>	
Budgetary Comparison Schedule - General Fund	FS-17
 <i>Texas Supplemental Information (TSI)</i>	
Services and Rates	TSI-1
General Fund Expenditures.....	TSI-2
Temporary Investments	TSI-3
Taxes Levied and Receivable	TSI-4
Long-Term Debt Service Requirements - By Years	TSI-5
Changes in Long-Term Bonded Debt	TSI-6
Comparative Schedule of Revenues and Expenditures - General Fund and Debt Service Fund - Five Years	TSI-7
Board Members, Key Personnel and Consultants	TSI-8
 <i>Other Supplemental Information (OSI)</i>	
Principal Taxpayers	OSI-1
Assessed Value by Classification	OSI-2

ANNUAL FILING AFFIDAVIT

ANNUAL FILING AFFIDAVIT

STATE OF TEXAS
COUNTY OF HAYS

I, Dennis B. Daniel of the
(Name of Duly Authorized District Representative)

REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
(Name of District)

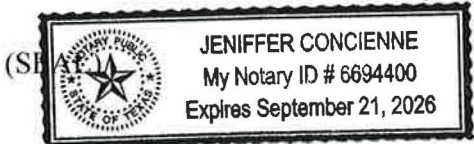
hereby swear, or affirm, that the District above has reviewed and approved at a meeting of the District's Board of Directors on the **16th day of January, 2024**, its annual audit report for the fiscal year ended **September 30, 2023** and that copies of the annual audit report have been filed in the District's office, located at:

12912 Hill Country Blvd., Suite F-232
Austin, Texas 78738
(Address of District's Office)

The annual filing affidavit and the attached copy of the 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 and to the Texas Comptroller of Public Accounts in satisfaction of the annual filing requirements of Section 140.008 of the Texas Local Government Code.

Date: January 16, 2024 By: [Signature]
(Signature of District Representative)
Dennis B. Daniel
(Typed Name and Title of District Representative)

Sworn to and subscribed to before me this 16th day of January, 2024.



[Signature]
(Signature of Notary)

My Commission Expires On: September 21, 2026
Notary Public in the State of Texas

INDEPENDENT AUDITORS' REPORT



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Accountants and Consultants

An Affiliate of CPAmerica International

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Round Rock: 411 West Main Street, Suite 300

Round Rock, TX 78664

Independent Auditors' Report

To the Board of Directors of
Reunion Ranch Water Control and Improvement District:

Opinions

We have audited the financial statements of the governmental activities and each major fund of Reunion Ranch Water Control and Improvement 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 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 and budgetary comparison 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 Texas supplemental information listed in the table of contents is presented for purposes of additional analysis and is 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 Texas supplemental information 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 supplemental 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 do 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 16, 2024

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2023

In accordance with Governmental Accounting Standards Board Statement No. 34 (“GASB 34”), the management of Reunion Ranch Water Control and Improvement District (the “District”) offers the following discussion and analysis to provide an overview of the District’s financial activities for the year ended September 30, 2023. Since this information is designed to focus on the current year’s activities, resulting changes, and currently known facts, it should be read in conjunction with the District’s basic financial statements that follow.

FINANCIAL HIGHLIGHTS

- *General Fund:* At the end of the current fiscal year, the fund balance was \$2,193,683, an increase of \$717,257 from the previous fiscal year. General Fund revenues increased from \$2,017,515 in the previous fiscal year to \$2,111,299 in the current fiscal year primarily due to additional tax revenues generated from a re-allocation of the District’s tax rate. General Fund expenditures increased from \$1,278,305 in the previous fiscal year to \$1,394,042 in the current fiscal year.
- *Debt Service Fund:* Fund balance restricted for debt service increased from \$1,158,339 as of September 30, 2022 to \$1,220,041 as of September 30, 2023. Debt Service Fund revenues totaled \$1,763,823 in the current fiscal year while expenditures totaled \$1,702,121.
- *Capital Projects Fund:* Fund balance restricted for capital projects increased from \$54,423 as of September 30, 2022 to \$56,945 as of September 30, 2023. Capital Projects Fund revenues totaled \$2,522 in the current fiscal year.
- *Governmental Activities:* On a government-wide basis for governmental activities, the District had revenues net of expenses of \$1,134,439 during the current fiscal year. Net position increased from a deficit balance of \$1,389,255 at September 30, 2022 to a deficit balance of \$254,816 at September 30, 2023.

OVERVIEW OF THE DISTRICT

The District was duly created by order of the Texas Commission on Environmental Quality (the “Commission”) dated August 15, 2005 as a conservation and reclamation district created under and essentially to accomplish the purposes of Section 59, Article XVI of the Texas Constitution.

REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2023

USING THIS ANNUAL REPORT

This annual report consists of six parts:

1. *Management's Discussion and Analysis* (this section)
2. *Basic Financial Statements*
3. *Notes to the Basic Financial Statements*
4. *Required Supplementary Information*
5. *Texas Supplemental Information* (required by the Texas Commission on Environmental Quality (the TSI section))
6. *Other Supplemental Information* (the OSI section)

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 "Governmental Funds Total" 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 FINANCIAL STATEMENTS

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Governmental Funds Total") that represents a balance sheet prepared using the modified accrual basis of accounting. This method measures cash and all other financial assets that can be readily converted to cash. 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 "Governmental Funds Total") 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 *Notes to the 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*.

The *Required Supplementary Information* presents a comparison statement between the District's adopted budget and its actual results for the General Fund.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

Summary Statement of Net Position

	Governmental Activities		Change Increase
	2023	2022	(Decrease)
Current and other assets	\$ 4,144,720	\$ 3,298,287	\$ 846,433
Capital and non-current assets	22,921,290	23,385,151	(463,861)
Total Assets	27,066,010	26,683,438	382,572
Current liabilities	1,390,802	1,310,529	80,273
Long-term liabilities	25,930,024	26,762,164	(832,140)
Total Liabilities	27,320,826	28,072,693	(751,867)
Net investment in capital assets	(3,503,484)	(3,840,450)	336,966
Restricted for debt service	1,127,211	1,052,474	74,737
Unrestricted	2,121,457	1,398,721	722,736
Total Net Position	\$ (254,816)	\$ (1,389,255)	\$ 1,134,439

The District's net position increased by \$1,134,439 to a deficit balance of \$254,816 from the previous year's deficit balance of \$1,389,255. The increase is primarily a result of the surpluses generated in the District's General Fund during the fiscal year.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (continued) -

Revenues and Expenses:

Summary Statement of Activities

	Governmental Activities		Change Increase
	2023	2022	(Decrease)
Property taxes, including penalties	\$ 2,559,907	\$ 2,394,900	\$ 165,007
Service account revenues, including penalties	1,141,943	1,090,409	51,534
Tap connection/inspection fees	-	14,400	(14,400)
Interest and other revenue	191,758	97,941	93,817
Total Revenues	3,893,608	3,597,650	295,958
Water reservation/monthly charges/purchases	377,871	402,756	(24,885)
District operations	682,123	585,271	96,852
Professional fees	246,639	243,510	3,129
Other	58,899	113,098	(54,199)
Debt service	873,664	896,230	(22,566)
Depreciation/amortization	519,973	507,977	11,996
Total Expenses	2,759,169	2,748,842	10,327
Change in Net Position	1,134,439	848,808	285,631
Beginning Net Position	(1,389,255)	(2,238,063)	848,808
Ending Net Position	\$ (254,816)	\$ (1,389,255)	\$ 1,134,439

Revenues were \$3,893,608 for the fiscal year ended September 30, 2023, while expenses were \$2,759,169. Net position increased \$1,134,439 for the fiscal year ended September 30, 2023.

Property tax revenues in the current fiscal year totaled \$2,559,907, up from \$2,394,900 during fiscal year 2022. Property tax revenue is derived from taxes being levied based upon the assessed value of real and personal property within the District. Property taxes levied for the 2022 tax year (September 30, 2023 fiscal year) were based upon a current assessed value of \$371,548,996 and a tax rate of \$0.685 per \$100 of assessed valuation. Property taxes levied for the 2021 tax year (September 30, 2022 fiscal year) were based upon a current assessed value of \$288,967,663 and a tax rate of \$0.825 per \$100 of assessed valuation.

The tax rate levied is determined after the District’s Board of Directors (the “Board”) reviews the General Fund budget requirements and the Debt Service Fund debt service obligations of the District. The District’s primary revenue sources during fiscal year 2023 were property taxes and service account revenues.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

ANALYSIS OF GOVERNMENTAL FUNDS

Governmental Funds by Year

	2023	2022
Cash and cash equivalents	\$ 3,674,447	\$ 2,837,261
Receivables	190,025	162,854
Prepaid expenditures	2,990	2,741
Total Assets	\$ 3,867,462	\$ 3,002,856
Accounts payable and other	\$ 376,323	\$ 309,162
Total Liabilities	376,323	309,162
Deferred Inflows of Resources	20,470	4,506
Nonspendable	2,990	2,741
Restricted	1,276,986	1,212,762
Unassigned	2,190,693	1,473,685
Total Fund Balances	3,470,669	2,689,188
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,867,462	\$ 3,002,856

As of September 30, 2023, the District's governmental funds reflected a fund balance of \$3,470,669. For the year ended September 30, 2023, fund balances increased by \$717,257, \$61,702 and \$2,522 in the General Fund, Debt Service Fund, and Capital Projects Fund respectively.

CAPITAL ASSETS

At September 30, 2023, the District's governmental activities have invested \$22,921,290 in water, wastewater, and drainage system infrastructure. The detail is reflected in the following schedule:

Summary of Capital Assets, net

	9/30/2023	9/30/2022
Water/Wastewater/Drainage Facilities	\$ 25,306,885	\$ 25,306,885
Construction in Progress	42,277	-
Total Capital Assets	25,349,162	25,306,885
Less: Accumulated Depreciation	(2,427,872)	(1,921,734)
Total Net Capital Assets	\$ 22,921,290	\$ 23,385,151

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

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

LONG-TERM DEBT

The District has the following balances outstanding on unlimited tax bonds:

	<u>Bonds Payable</u>
Series 2015	\$ 2,945,000
Series 2016	3,105,000
Series 2017	4,995,000
Series 2018	4,415,000
Series 2019	4,410,000
Series 2020	6,950,000
Total	<u>\$ 26,820,000</u>

The District owes \$26.8 million to bond holders. During the year, the District paid interest of \$870,954 on outstanding principal. The ratio of the District’s long-term debt to total 2022 taxable assessed valuation (\$371,548,996) is 7.2%. The District’s estimated population, as provided by the District as of September 30, 2023, is 1,500. More detailed information about the District’s long-term debt is presented in the *Notes to the Basic Financial Statements*.

BUDGETARY HIGHLIGHTS

The General Fund pays for daily operating expenditures. The Board adopted a budget on September 13, 2022 for the 2023 fiscal year. The 2023 fiscal year budget included projected revenues of \$1,835,148 as compared to expenditures of \$1,831,211. When comparing actual results to budget, the District had a positive variance of \$713,320 primarily due to increased service account revenues and less repairs and maintenance expenditures. More detailed information about the District’s budgetary comparison is presented in the *Required Supplementary Information*.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The net property tax assessed value for 2023 (September 30, 2024 fiscal year) is approximately \$440 million. The fiscal year 2024 tax rate is \$0.624 on each \$100 of taxable value. Approximately 39% of the property tax will fund general operating expenses and approximately 61% of the property tax will be set aside for debt service.

The adopted budget for fiscal year 2024 projects an operating fund balance increase of \$184,423. Compared to the fiscal year 2023 budget, revenues are expected to increase by approximately \$327,000 and expenditures are expected to increase by approximately \$146,000.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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 the District in care of Willatt & Flickinger PLLC, 12912 Hill Country Blvd., Suite F-232, Austin, TX 78738.

BASIC FINANCIAL STATEMENTS

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2023**

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - Wide Statement of Net Position
ASSETS						
Cash and cash equivalents:						
Cash	\$ 253,088	\$ -	\$ -	\$ 253,088	\$ -	\$ 253,088
Cash equivalents	2,133,217	1,231,197	56,945	3,421,359	-	3,421,359
Receivables:						
Service accounts, net of reserve for doubtful accounts of \$-0-	162,428	-	-	162,428	-	162,428
Property taxes	6,981	13,489	-	20,470	-	20,470
Interfund	6,047	-	-	6,047	(6,047)	-
Other	1,080	-	-	1,080	-	1,080
Prepaid expenditures	2,990	-	-	2,990	283,305	286,295
Capital assets, net of accumulated depreciation:						
Construction in progress	-	-	-	-	42,277	42,277
Water/wastewater/drainage facilities	-	-	-	-	22,879,013	22,879,013
TOTAL ASSETS	\$ 2,565,831	\$ 1,244,686	\$ 56,945	\$ 3,867,462	23,198,548	27,066,010
LIABILITIES						
Accounts payable	\$ 243,457	\$ 5,109	\$ -	\$ 248,566	-	248,566
Accrued bond interest payable	-	-	-	-	106,319	106,319
Deposits	121,710	-	-	121,710	-	121,710
Interfund payables	-	6,047	-	6,047	(6,047)	-
Long-term liabilities-						
Due to developer	-	-	-	-	79,207	79,207
Bonds payable:						
Due within one year	-	-	-	-	835,000	835,000
Due after one year	-	-	-	-	25,930,024	25,930,024
TOTAL LIABILITIES	365,167	11,156	-	376,323	26,944,503	27,320,826
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue - property taxes	6,981	13,489	-	20,470	(20,470)	-
TOTAL DEFERRED INFLOWS OF RESOURCES	6,981	13,489	-	20,470	(20,470)	-
FUND BALANCES / NET POSITION						
Fund balances:						
Nonspendable	2,990	-	-	2,990	(2,990)	-
Restricted for:						
Debt service	-	1,220,041	-	1,220,041	(1,220,041)	-
Authorized construction	-	-	56,945	56,945	(56,945)	-
Unassigned	2,190,693	-	-	2,190,693	(2,190,693)	-
TOTAL FUND BALANCES	2,193,683	1,220,041	56,945	3,470,669	(3,470,669)	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,565,831	\$ 1,244,686	\$ 56,945	\$ 3,867,462		
Net position:						
Net investment in capital assets					(3,503,484)	(3,503,484)
Restricted for debt service					1,127,211	1,127,211
Unrestricted					2,121,457	2,121,457
TOTAL NET POSITION					\$ (254,816)	\$ (254,816)

The accompanying notes are an integral part of this statement.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT 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	Governmental Funds Total	Adjustments Note 2	Government - Wide Statement of Activities
REVENUES:						
Property taxes, including penalties	\$ 872,905	\$ 1,671,038	\$ -	\$ 2,543,943	\$ 15,964	\$ 2,559,907
Service account revenues, including penalties	1,141,943	-	-	1,141,943	-	1,141,943
Interest and other	96,451	92,785	2,522	191,758	-	191,758
TOTAL REVENUES	2,111,299	1,763,823	2,522	3,877,644	15,964	3,893,608
EXPENDITURES / EXPENSES:						
Current:						
Water purchases	377,871	-	-	377,871	-	377,871
Lab/chemicals	71,186	-	-	71,186	-	71,186
Repairs and maintenance	336,008	-	-	336,008	-	336,008
Sludge hauling	72,946	-	-	72,946	-	72,946
Utilities	26,472	-	-	26,472	-	26,472
Landscape maintenance	73,231	-	-	73,231	-	73,231
Connection/inspection fees	5,881	-	-	5,881	-	5,881
Permits	1,328	-	-	1,328	-	1,328
Management fees	95,071	-	-	95,071	-	95,071
Legal fees	107,342	-	-	107,342	-	107,342
Engineering fees	97,797	-	-	97,797	-	97,797
Audit fees	13,000	-	-	13,000	-	13,000
Bookkeeping fees	25,500	-	-	25,500	-	25,500
Tax appraisal/collection fees	5,638	10,796	-	16,434	-	16,434
Director fees, including payroll taxes	10,691	-	-	10,691	-	10,691
Insurance	20,739	-	-	20,739	-	20,739
Public notice	526	-	-	526	-	526
Other	10,538	2,971	-	13,509	-	13,509
Debt service:						
Principal	-	815,000	-	815,000	(815,000)	-
Interest	-	870,954	-	870,954	310	871,264
Fiscal agent fees	-	2,400	-	2,400	-	2,400
Capital outlay	42,277	-	-	42,277	(42,277)	-
Depreciation	-	-	-	-	506,138	506,138
Amortization	-	-	-	-	13,835	13,835
TOTAL EXPENDITURES / EXPENSES	1,394,042	1,702,121	-	3,096,163	(336,994)	2,759,169
Excess of revenues over expenditures / expenses	717,257	61,702	2,522	781,481	352,958	1,134,439
NET CHANGE IN FUND BALANCES	717,257	61,702	2,522	781,481	(781,481)	-
CHANGE IN NET POSITION					1,134,439	1,134,439
FUND BALANCES / NET POSITION:						
Beginning of the year	1,476,426	1,158,339	54,423	2,689,188	(4,078,443)	(1,389,255)
End of the year	<u>\$ 2,193,683</u>	<u>\$ 1,220,041</u>	<u>\$ 56,945</u>	<u>\$ 3,470,669</u>	<u>\$ (3,725,485)</u>	<u>\$ (254,816)</u>

The accompanying notes are an integral part of this statement.

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Reunion Ranch Water Control and Improvement District (the “District”) relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles (“GAAP”) as applied to governmental entities. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (“GASB”), which constitutes the primary source of GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity - The District was duly created by order of the Texas Commission on Environmental Quality (the “Commission”) dated August 15, 2005 as a conservation and reclamation district created under and essentially to accomplish the purposes of Section 59, Article XVI of the Texas Constitution. 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 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 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 included in the District’s reporting entity.

Basis of Presentation - Government-Wide and Fund Financial Statements - The basic financial statements are prepared in conformity with GASB Statement No. 34, and include a column for government-wide (based upon the District as a whole) and fund financial statement presentations. GASB Statement No. 34 also requires as supplementary information the Management’s Discussion and Analysis, which includes an analytical overview of the District’s financial activities. In addition, a budgetary comparison statement is presented that compares the adopted General Fund budget with actual results.

- **Government-Wide Financial Statements:** The District’s Statement of Net Position includes both non-current assets and non-current liabilities of the District, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. In addition, the government-wide Statement of Activities column reflects depreciation expense on the District’s capital assets, including infrastructure.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from financial activities of the fiscal period. The focus of the fund financial statements is on the individual funds of the governmental categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES (continued) -

- **Fund Financial Statements:** Fund-based financial statement columns are provided for governmental funds. GASB Statement No. 34 sets forth minimum criteria (percentage of assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures of either fund category) for the determination of major funds.

Governmental Fund Types - The accounts of the District are organized and operated on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets and deferred outflows of resources, liabilities and deferred inflows of resources, fund balances, revenues and expenditures. The various funds are grouped by category and type in the financial statements. The District maintains the following fund types:

- **General Fund** - The General Fund accounts for financial resources in use for general types of operations which are not encompassed within other funds. This fund is established to account for resources devoted to financing the general services that the District provides for its residents. Tax revenues and other sources of revenue used to finance the fundamental operations of the District are included in this fund.
- **Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.
- **Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Non-Current Governmental Assets and Liabilities - GASB Statement No. 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the government-wide financial statement column in the Statement of Net Position.

Basis of Accounting

- **Governmental Funds**
 - **Government-Wide Statements** - The government-wide financial statement column is 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 the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES (continued) -

- **Governmental Funds (continued) -**

- *Fund Financial Statements* - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in the fund balances. Governmental funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available).

“Measurable” means that the amount of the transaction can be determined and “available” means the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures, if measurable, are generally recognized on the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include the unmatured principal and interest on general obligation long-term debt which is recognized when due. This exception is in conformity with GAAP.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received subsequent to the 60-day availability period are reported as deferred inflows of resources. All other revenues of the District are recorded on the accrual basis in all funds.

The District reports deferred inflows of resources on its balance sheet. Deferred inflows arise when a potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the balance for deferred inflows is removed from the balance sheet and revenue is recognized.

Budgets and Budgetary Accounting - A budget was adopted on September 13, 2022, for the General Fund on a basis consistent with GAAP. The District’s Board utilizes the budget as a management tool for planning and cost control purposes. All annual appropriations lapse at fiscal year-end. The budget was not amended during the fiscal year.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES (continued) -

Accounting Estimates - The preparation of financial statements, in conformity with GAAP, 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.

Cash and Cash Equivalents - Cash and cash equivalents includes cash on deposit as well as investments with maturities of three months or less. The investments, consisting of obligations in the State Treasurer’s investment pool, are recorded at amortized cost.

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. The District believes all accounts were collectible at September 30, 2023.

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

Interfund Transactions - Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay that amount and if the debtor fund has the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Capital Assets - Capital assets are reported in the government-wide column in the Statement of Net Position. Public domain (“infrastructure”) capital assets, including water, wastewater and drainage facilities, are capitalized. Items purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded as capital assets at their estimated acquisition value at the time received.

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

Asset	Years
Water, wastewater, and drainage facilities	50

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES (continued) -

Long-Term Debt - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the government-wide Statement of Net Position. Bond premiums and original issue discounts are deferred 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 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.

Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures in both the government-wide and the fund financial statements in accordance with GASB Statement No. 65.

Ad Valorem Property Taxes - Property taxes, penalties, and interest are reported as revenue in the fiscal year in which they become available to finance expenditures of the District. Allowances for uncollectible property taxes within the General Fund and Debt Service Fund 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.

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 10 for additional information on those fund balance classifications.

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.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

1. SIGNIFICANT ACCOUNTING POLICIES (continued) -

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

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

2. RECONCILIATION OF THE GOVERNMENTAL FUNDS

Adjustments to convert the Governmental Funds Balance Sheet to the Statement of Net Position are as follows:

Fund balances - total governmental funds		\$ 3,470,669
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds:		
Capital assets	\$ 25,349,162	
Less: Accumulated depreciation	<u>(2,427,872)</u>	22,921,290
Prepaid costs		283,305
Revenue is recognized when earned in the government-wide statements, regardless of availability. The governmental fund reports deferred inflows of resources for revenues earned but not available.		20,470
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable, net of unamortized premiums and discounts	(26,765,024)	
Developer advances	(79,207)	
Accrued interest	<u>(106,319)</u>	<u>(26,950,550)</u>
Total net position		<u><u>\$ (254,816)</u></u>

Adjustments to convert the Governmental Funds Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities are as follows:

Change in fund balances - total governmental funds		\$ 781,481
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report:		
Capital expenditures in the period purchased	\$ 42,277	
Interest expenditures in year paid	(310)	
Bond principal in year paid	815,000	
Tax revenue in year collected	<u>15,964</u>	872,931
Governmental funds do not report:		
Depreciation		(506,138)
Amortization		<u>(13,835)</u>
Change in net position		<u><u>\$ 1,134,439</u></u>

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

3. CASH AND CASH EQUIVALENTS

The investment policies of the District are governed by Section 2256 of the Texas Government Code (the “Public Funds Investment Act”) and an adopted District investment policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District’s investment policy, which complies with the Public Funds Investment Act, include: depositories must be Federal Deposit Insurance Corporation (“FDIC”) insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; and securities collateralizing time deposits must be held by independent third party trustees.

Cash - At September 30, 2023, the carrying amount of the District’s deposits was \$253,088 and the bank balance was \$247,737. The bank balance was covered by FDIC insurance and other pledged collateral.

Cash Equivalents:

Interest Rate Risk - In accordance with its investment policy, the District manages its exposure to declines in fair values through investment diversification and limiting investments as follows:

- Money market mutual funds are required to have weighted average maturities of 90 days or fewer; and
- Other mutual fund investments are required to have weighted average maturities of less than two years.

Credit Risk - The District’s investment policy requires the application of the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, and considering the probable safety of their capital as well as the probable income to be derived. The District’s investment policy requires that District funds be invested in:

- Obligations of the United States Government and/or its agencies and instrumentalities; or
- Money market mutual funds with investment objectives of maintaining a stable net asset value of \$1 per share; or
- Mutual funds rated in one of the three highest categories by a nationally recognized rating agency; or
- Securities issued by a State or local government or any instrumentality or agency thereof, in the United States, and rated in one of the three highest categories by a nationally recognized rating agency; or
- Public funds investment pools rated AAA or AAAM by a nationally recognized rating agency.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

3. CASH AND CASH EQUIVALENTS (continued) -

At September 30, 2023, the District held the following cash equivalents:

<u>Investment</u>	<u>Fair Value at 9/30/2023</u>	<u>Weighted Average Maturity (Days)</u>	<u>Investment Rating</u>	
			<u>Rating</u>	<u>Rating Agency</u>
TexPool	\$ 3,421,359	1	AAAm	Standard & Poor's
	<u>\$ 3,421,359</u>			

The Comptroller of Public Accounts is the sole officer and director of the Texas Treasury Safekeeping Trust Company, which is authorized to operate the Texas Local Government Investment Pool (“TexPool”). Although TexPool is not registered with the SEC as an investment company, they operate in a manner consistent with the SEC’s Rule 2a-7 of the Investment Company Act of 1940. These investments are stated at amortized cost in accordance with GASB Statement No. 31. 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 is the investment manager for the pool and manages daily operations of TexPool under a contract with the Comptroller. TexPool’s investment policy stipulates that it must invest in accordance with the Public Funds Investment Act.

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

Concentration of Credit Risk - In accordance with the District’s investment policy, investments in individual securities are to be limited to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. As of September 30, 2023, the District did not own any investments in individual securities.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The government’s investment policy requires that the District’s deposits be fully insured by FDIC insurance or collateralized with obligations of the United States or its agencies and instrumentalities. As of September 30, 2023, the District’s bank deposits were fully covered by FDIC insurance and other pledged collateral.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

4. PROPERTY TAXES

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, are due on November 1, and are past due the following February 1. The Hays County Appraisal District established appraisal values in accordance with requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Hays County Tax Assessor Collector bills and collects the District’s property taxes. The Board set current tax rates on September 13, 2022.

The property tax rates, established in accordance with state law, were based on 100% of the net assessed valuation of real property within the District on the 2022 tax roll. The tax rate, based on total taxable assessed valuation of \$371,548,996, was \$0.685 on each \$100 valuation and was allocated \$0.235 to the General Fund and \$0.450 to the Debt Service Fund. The maximum allowable maintenance tax of \$1.00 was established by the voters on November 7, 2006.

Property taxes receivable at September 30, 2023 consisted of the following:

	General Fund	Debt Service Fund	Total
Current year levy	\$ 5,557	\$ 10,641	\$ 16,198
Prior years’ levies	1,424	2,848	4,272
	\$ 6,981	\$ 13,489	\$ 20,470

The District is prohibited from writing off real property taxes without specific authority from the Texas Legislature.

5. INTERFUND ACCOUNTS

A summary of interfund accounts, which resulted from the time lag between dates that payments are made between funds, is as follows at September 30, 2023:

	Interfund	
	Receivable	Payable
General Fund- Debt Service Fund	\$ 6,047	\$ -
Debt Service Fund- General Fund	-	6,047
	\$ 6,047	\$ 6,047

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

6. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance 9/30/2022	Additions	Deletions	Balance 9/30/2023
Capital assets not being depreciated - Construction in progress	\$ -	\$ 42,277	\$ -	\$ 42,277
Capital assets being depreciated - Water/Wastewater/Drainage Facilities	25,306,885	-	-	25,306,885
Total capital assets being depreciated	25,306,885	-	-	25,306,885
Less accumulated depreciation for - Water/Wastewater/Drainage Facilities	(1,921,734)	(506,138)	-	(2,427,872)
Total accumulated depreciation	(1,921,734)	(506,138)	-	(2,427,872)
Total capital assets being depreciated, net of accumulated depreciation	23,385,151	(506,138)	-	22,879,013
Total capital assets, net	<u>\$23,385,151</u>	<u>\$ (463,861)</u>	<u>\$ -</u>	<u>\$22,921,290</u>

7. LONG-TERM DEBT

The following is a summary of bond transactions of the District for the year ended September 30, 2023:

	Unlimited Tax Bonds
Bonds payable at September 30, 2022	\$27,635,000
Bonds retired	(815,000)
Less: Bond premiums and discounts, net of accumulated amortization	(54,976)
Bonds payable at September 30, 2023	<u>\$26,765,024</u>

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

7. LONG-TERM DEBT (continued) -

Bonds payable at September 30, 2023 were comprised of the following individual issues:

Unlimited Tax Bonds:

\$2,945,000 - 2015 Unlimited Tax Bonds payable serially through the year 2040 at interest rates which range from 1.75 % to 4.00%.

\$3,105,000 - 2016 Unlimited Tax Bonds payable serially through the year 2041 at interest rates which range from 3.00% to 4.25%.

\$4,995,000 - 2017 Unlimited Tax Bonds payable serially through the year 2042 at interest rates which range from 2.00% to 3.50%.

\$4,415,000 - 2018 Unlimited Tax Bonds payable serially through the year 2043 at interest rates which range from 2.70% to 4.00%.

\$4,410,000 - 2019 Unlimited Tax Bonds payable serially through the year 2044 at interest rates which range from 2.00% to 3.00%.

\$6,950,000 - 2020 Unlimited Tax Bonds payable serially through the year 2045 at interest rates which range from 2.00% to 2.375%.

The annual requirements to amortize all bonded debt at September 30, 2023, including interest, are as follows:

Year Ended September 30,	Principal	Interest	Total
2024	\$ 835,000	\$ 850,554	\$ 1,685,554
2025	865,000	827,844	1,692,844
2026	895,000	804,094	1,699,094
2027	930,000	778,813	1,708,813
2028	960,000	750,289	1,710,289
2029-2033	5,590,000	3,263,207	8,853,207
2034-2038	6,675,000	2,258,595	8,933,595
2039-2043	7,755,000	1,018,608	8,773,608
2044-2045	2,315,000	81,257	2,396,257
	<u>\$ 26,820,000</u>	<u>\$ 10,633,261</u>	<u>\$ 37,453,261</u>

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 YEAR ENDED SEPTEMBER 30, 2023**

7. LONG-TERM DEBT (continued) -

The total amount of bonds approved by the voters of the District, but not issued as of September 30, 2023, are as follows:

Type	Amount
Unlimited Tax Bonds	\$ -
Refunding Bonds	\$ 45,000,000

At September 30, 2023, \$1,220,041 is available in the Debt Service Fund to service the bonded debt.

8. COMMITMENTS AND CONTINGENCIES

The developers of the land within the District have incurred costs for construction of facilities, as well as costs pertaining to the creation and operation of the District. Claims for reimbursement of construction costs and operational advances will be evaluated upon receipt of adequate supporting documentation and proof of contractual obligation. Such costs may be reimbursable to the developer by the District from proceeds of future District bond issues, subject to approval by the Commission, or from operations. On November 6, 2012, a bond election held within the District approved authorization to issue \$30,000,000 of bonds to fund costs for water, wastewater and drainage system facilities. As of September 30, 2023, the District has issued \$30,000,000 of unlimited tax bonds to reimburse the developer for District construction and creation costs. At September 30, 2023, the District has \$79,207 outstanding in developer advances which were used to fund operating activities of the District.

9. 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 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.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**

10. 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. The District had no such amounts.
- Assigned - For the General Fund, amounts that are appropriated by the Board that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed. The District had no such amounts.
- Unassigned - Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

The detail of the fund balances is included in the Governmental Funds Balance Sheet on page FS-1.

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board may also assign fund balance for a specific purpose.

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.

**REQUIRED
SUPPLEMENTARY INFORMATION**

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023**

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance Positive (Negative)</u>
REVENUES:			
Property taxes, including penalties	\$ 872,905	\$ 881,011	\$ (8,106)
Service account revenues, including penalties	1,141,943	940,937	201,006
Interest and other	96,451	13,200	83,251
TOTAL REVENUES	<u>2,111,299</u>	<u>1,835,148</u>	<u>276,151</u>
EXPENDITURES:			
Water purchases	377,871	422,833	44,962
Lab/chemicals	71,186	57,000	(14,186)
Repairs and maintenance	336,008	636,700	300,692
Sludge hauling	72,946	30,000	(42,946)
Utilities	26,472	33,600	7,128
Landscape maintenance	73,231	57,000	(16,231)
Connection/inspection fees	5,881	9,000	3,119
Permits	1,328	1,500	172
Management fees	95,071	103,260	8,189
Legal fees	107,342	102,000	(5,342)
Engineering fees	97,797	84,000	(13,797)
Audit fees	13,000	13,000	-
Bookkeeping fees	25,500	29,800	4,300
Tax appraisal/collection fees	5,638	4,000	(1,638)
Director fees, including payroll taxes	10,691	13,038	2,347
Insurance	20,739	20,000	(739)
Public notices	526	7,500	6,974
Other	10,538	16,980	6,442
Capital outlay	42,277	190,000	147,723
TOTAL EXPENDITURES	<u>1,394,042</u>	<u>1,831,211</u>	<u>437,169</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>717,257</u>	<u>3,937</u>	<u>713,320</u>
NET CHANGE IN FUND BALANCE	<u>\$ 717,257</u>	<u>\$ 3,937</u>	<u>\$ 713,320</u>
FUND BALANCE:			
Beginning of the year	<u>1,476,426</u>		
End of the year	<u>\$ 2,193,683</u>		

**TEXAS
SUPPLEMENTAL INFORMATION**

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-1. SERVICES AND RATES
SEPTEMBER 30, 2023**

1. Services Provided by the District during the Fiscal Year:

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

2. Retail Service Providers

a. Retail Rates Based on 5/8" Meter (or equivalent):

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1000 Gallons Over Minimum</u>	<u>Usage Levels</u>
WATER:	\$ 40.00	N/A	N	\$ 3.50	0 -10,000
				\$ 3.85	10,001 - 15,000
				\$ 4.40	15,001 - 20,000
				\$ 5.65	20,001 - 25,000
				\$ 7.00	25,001 - 30,000
				\$ 12.00	30,001 - 40,000
				\$ 15.00	40,001 and over
WASTEWATER:	\$ 35.00	N/A	N	\$ 3.25	per 1,000
SURCHARGE:	\$ -	-	-	\$ -	-

District employs winter averaging for wastewater usage? Yes No

Total charges per 10,000 gallons usage: Water \$ 75.00 Wastewater \$ 67.50

b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC's</u>
Unmetered	-	-	1.0	-
< 3/4"	520	520	1.0	520.0
1"	3	3	2.5	7.5
1 1/2"	3	3	5.0	15.0
2"	1	1	8.0	8.0
3"	2	2	15.0	30.0
4"	-	-	25.0	-
6"	-	-	50.0	-
8"	-	-	80.0	-
10"	-	-	115.0	-
Unsize	6	6		
Total Water	535	535		580.5
Total Wastewater	533	533	1.0	533.0

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-1. SERVICES AND RATES
SEPTEMBER 30, 2023**

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

Gallons pumped into system: 107,797
Gallons billed to customers: 108,964

Water Accountability Ratio (Gallons billed / Gallons Pumped) 101.1%

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

Does the District assess standby fees? Yes No

If yes, Date of the most recent Commission Order: _____

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

If yes, Date of the most recent Commission Order: _____

5. Location of District

County(ies) in which district is located: _____ Hays

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 Dripping Springs, TX

Are Board members appointed by an office outside the District?

Yes No

If Yes, by whom? _____

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-2. GENERAL FUND EXPENDITURES
SEPTEMBER 30, 2023**

Professional Fees:	
Auditing	\$ 13,000
Legal	107,342
Engineering	97,797
Purchased Services For Resale:	
Bulk Water and Wastewater Purchases	377,871
Contracted Services:	
Bookkeeping	25,500
General Manager	95,071
Appraisal District/Tax Collector	5,638
Other Contracted Services	78,827
Utilities	26,472
Repairs and Maintenance	409,239
Chemicals	71,186
Administrative Expenditures:	
Directors' Fees	10,691
Insurance	20,739
Other Administrative Expenditures	11,064
Capital Outlay:	
Capitalized Assets	42,277
Other Expenditures	1,328
TOTAL EXPENDITURES	<u><u>\$ 1,394,042</u></u>

Number of persons employed by the District: Full-Time Part-Time

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-3. TEMPORARY INVESTMENTS
SEPTEMBER 30, 2023**

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
General Fund-					
TexPool	XXX0001	Varies	Daily	\$ 2,133,217	\$ -
Total				<u>2,133,217</u>	<u>-</u>
Debt Service Fund:					
TexPool	XXX0002	Varies	Daily	16,189	-
TexPool	XXX0005	Varies	Daily	1,215,008	-
Total				<u>1,231,197</u>	<u>-</u>
Capital Projects Fund:					
TexPool	XXX0008	Varies	Daily	7	-
TexPool	XXX0011	Varies	Daily	699	-
TexPool	XXX0013	Varies	Daily	1,015	-
TexPool	XXX0014	Varies	Daily	55,224	-
Total				<u>56,945</u>	<u>-</u>
Total - All Funds				<u>\$ 3,421,359</u>	<u>\$ -</u>

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-4. TAXES LEVIED AND RECEIVABLE
SEPTEMBER 30, 2023**

	Maintenance Taxes	Debt Service Taxes	
Taxes Receivable, Beginning of Year	\$ 1,502	\$ 3,004	
2022 Original Tax Levy, less adjustments	877,791	1,680,876	
Adjustments	1,359	2,719	
Total to be accounted for	880,652	1,686,599	
Tax collections:			
Current year	872,234	1,670,235	
Prior years	1,437	2,875	
Total collections	873,671	1,673,110	
Taxes Receivable, End of Year	\$ 6,981	\$ 13,489	
Taxes Receivable, By Years			
2021	\$ 1,424	\$ 2,848	
2022	5,557	10,641	
Taxes Receivable, End of Year	\$ 6,981	\$ 13,489	
Property Valuations:	<u>2022</u> (a)	<u>2021</u> (a)	<u>2020</u> (a)
Land and improvements	\$ 371,548,996	\$ 288,967,663	\$ 230,137,377
Total Property Valuations	\$ 371,548,996	\$ 288,967,663	\$ 230,137,377
Tax Rates per \$100 Valuation:			
Debt Service tax rates	\$ 0.450	\$ 0.550	\$ 0.725
Maintenance tax rates	0.235	0.275	0.150
Total Tax Rates per \$100 Valuation:	\$ 0.685	\$ 0.825	\$ 0.875
Original Tax Levy	\$ 2,558,667	\$ 2,376,061	\$ 1,959,817
Percent of Taxes Collected to Taxes Levied **	99.4%	99.8%	100.0%
Maximum Tax Rate Approved by Voters:	\$ 1.00 on 11/7/2006.		

**Calculated as taxes collected in current and previous years divided by tax levy.

(a) Valuations are provided by the appropriate Appraisal District. Due to various factors including tax protests and disputes, such valuations change over time; therefore, they may vary slightly from those disclosed in the District's bond offering documents or the District's annual bond disclosure filings.

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
SEPTEMBER 30, 2023**

Fiscal Year Ending	Unlimited Tax Bonds Series 2015			Unlimited Tax Bonds Series 2016			Unlimited Tax Bonds Series 2017			Unlimited Tax Bonds Series 2018		
	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total
2024	\$ 110,000	\$ 112,260	\$ 222,260	\$ 115,000	\$ 121,381	\$ 236,381	\$ 170,000	\$ 163,819	\$ 333,819	\$ 195,000	\$ 172,356	\$ 367,356
2025	115,000	108,850	223,850	125,000	117,931	242,931	180,000	158,718	338,718	195,000	166,507	361,507
2026	120,000	105,256	225,256	130,000	114,025	244,025	190,000	153,319	343,319	195,000	160,656	355,656
2027	130,000	101,356	231,356	135,000	109,638	244,638	195,000	147,619	342,619	200,000	154,562	354,562
2028	135,000	96,806	231,806	140,000	104,913	244,913	205,000	141,769	346,769	200,000	146,563	346,563
2029	145,000	92,082	237,082	145,000	100,013	245,013	215,000	135,618	350,618	200,000	138,562	338,562
2030	150,000	86,825	236,825	155,000	94,756	249,756	225,000	129,169	354,169	200,000	130,563	330,563
2031	160,000	81,200	241,200	160,000	88,944	248,944	235,000	122,419	357,419	200,000	122,562	322,562
2032	165,000	75,200	240,200	170,000	82,944	252,944	245,000	115,369	360,369	200,000	114,563	314,563
2033	175,000	68,600	243,600	175,000	76,144	251,144	255,000	107,712	362,712	205,000	106,562	311,562
2034	185,000	61,600	246,600	185,000	69,144	254,144	265,000	99,425	364,425	205,000	98,363	303,363
2035	195,000	54,200	249,200	190,000	61,744	251,744	280,000	90,813	370,813	215,000	90,162	305,162
2036	210,000	46,400	256,400	195,000	53,906	248,906	290,000	81,363	371,363	220,000	81,563	301,563
2037	220,000	38,000	258,000	200,000	45,863	245,863	305,000	71,574	376,574	225,000	72,762	297,762
2038	230,000	29,200	259,200	205,000	37,613	242,613	320,000	60,900	380,900	230,000	63,763	293,763
2039	245,000	20,000	265,000	210,000	28,900	238,900	330,000	49,700	379,700	240,000	54,562	294,562
2040	255,000	10,200	265,200	215,000	19,975	234,975	345,000	38,150	383,150	250,000	44,963	294,963
2041	-	-	-	255,000	10,836	265,836	365,000	26,075	391,075	270,000	34,650	304,650
2042	-	-	-	-	-	-	380,000	13,300	393,300	280,000	23,512	303,512
2043	-	-	-	-	-	-	-	-	-	290,000	11,963	301,963
2044	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 2,945,000</u>	<u>\$ 1,188,035</u>	<u>\$ 4,133,035</u>	<u>\$ 3,105,000</u>	<u>\$ 1,338,670</u>	<u>\$ 4,443,670</u>	<u>\$ 4,995,000</u>	<u>\$ 1,906,831</u>	<u>\$ 6,901,831</u>	<u>\$ 4,415,000</u>	<u>\$ 1,989,719</u>	<u>\$ 6,404,719</u>

(Continued)

REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS (CONTINUED)
SEPTEMBER 30, 2023

Fiscal Year Ending	Unlimited Tax Bonds Series 2019			Unlimited Tax Bonds Series 2020			Total - All Issues		
	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total	Principal Due 8/15	Interest Due 2/15, 8/15	Total
	2024	\$ 145,000	\$ 119,313	\$ 264,313	\$ 100,000	\$ 161,425	\$ 261,425	\$ 835,000	\$ 850,554
2025	150,000	116,413	266,413	100,000	159,425	259,425	865,000	827,844	1,692,844
2026	155,000	113,413	268,413	105,000	157,425	262,425	895,000	804,094	1,699,094
2027	160,000	110,313	270,313	110,000	155,325	265,325	930,000	778,813	1,708,813
2028	165,000	107,113	272,113	115,000	153,125	268,125	960,000	750,289	1,710,289
2029	175,000	103,400	278,400	120,000	150,825	270,825	1,000,000	720,500	1,720,500
2030	180,000	99,462	279,462	175,000	148,425	323,425	1,085,000	689,200	1,774,200
2031	185,000	94,963	279,963	185,000	144,488	329,488	1,125,000	654,576	1,779,576
2032	190,000	90,337	280,337	200,000	140,325	340,325	1,170,000	618,738	1,788,738
2033	200,000	85,350	285,350	200,000	135,825	335,825	1,210,000	580,193	1,790,193
2034	205,000	80,100	285,100	200,000	131,325	331,325	1,245,000	539,957	1,784,957
2035	215,000	74,463	289,463	200,000	126,825	326,825	1,295,000	498,207	1,793,207
2036	220,000	68,550	288,550	200,000	122,075	322,075	1,335,000	453,857	1,788,857
2037	230,000	61,949	291,949	200,000	117,325	317,325	1,380,000	407,473	1,787,473
2038	235,000	55,050	290,050	200,000	112,575	312,575	1,420,000	359,101	1,779,101
2039	245,000	48,000	293,000	200,000	107,825	307,825	1,470,000	308,987	1,778,987
2040	255,000	40,650	295,650	200,000	103,075	303,075	1,520,000	257,013	1,777,013
2041	260,000	32,999	292,999	450,000	98,325	548,325	1,600,000	202,885	1,802,885
2042	270,000	25,200	295,200	700,000	87,637	787,637	1,630,000	149,649	1,779,649
2043	280,000	17,100	297,100	965,000	71,011	1,036,011	1,535,000	100,074	1,635,074
2044	290,000	8,700	298,700	995,000	48,094	1,043,094	1,285,000	56,794	1,341,794
2045	-	-	-	1,030,000	24,463	1,054,463	1,030,000	24,463	1,054,463
	<u>\$ 4,410,000</u>	<u>\$ 1,552,838</u>	<u>\$ 5,962,838</u>	<u>\$ 6,950,000</u>	<u>\$ 2,657,168</u>	<u>\$ 9,607,168</u>	<u>\$ 26,820,000</u>	<u>\$ 10,633,261</u>	<u>\$ 37,453,261</u>

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-6. CHANGES IN LONG-TERM BONDED DEBT
SEPTEMBER 30, 2023**

	<u>Bond Issue</u>	<u>Bond Issue</u>	<u>Bond Issue</u>	<u>Bond Issue</u>	<u>Bond Issue</u>	<u>Bond Issue</u>	
	<u>Series 2015</u>	<u>Series 2016</u>	<u>Series 2017</u>	<u>Series 2018</u>	<u>Series 2019</u>	<u>Series 2020</u>	<u>Total</u>
Interest Rate	1.75% to 4.00%	3.00% to 4.25%	2.0% - 3.50%	2.7% - 4.0%	2.0% - 3.0%	2.0% - 2.375%	
Dates Interest Payable	2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	2/15; 8/15	
Maturity Dates	8/15/2040	8/15/2041	8/15/2042	8/15/2043	8/15/2044	8/15/2045	
Bonds Outstanding at Beginning of Current Fiscal Year	\$ 3,050,000	\$ 3,215,000	\$ 5,160,000	\$ 4,610,000	\$ 4,550,000	\$ 7,050,000	\$27,635,000
Bonds Sold During the Current Fiscal Year	-	-	-	-	-	-	-
Retirements During the Current Fiscal Year:							
Principal	(105,000)	(110,000)	(165,000)	(195,000)	(140,000)	(100,000)	(815,000)
Refunded	-	-	-	-	-	-	-
Bonds Outstanding at End of Current Fiscal Year	<u>\$ 2,945,000</u>	<u>\$ 3,105,000</u>	<u>\$ 4,995,000</u>	<u>\$ 4,415,000</u>	<u>\$ 4,410,000</u>	<u>\$ 6,950,000</u>	<u>\$26,820,000</u>
Interest Paid During the Current Fiscal Year	<u>\$ 115,410</u>	<u>\$ 124,681</u>	<u>\$ 167,119</u>	<u>\$ 178,206</u>	<u>\$ 122,113</u>	<u>\$ 163,425</u>	<u>\$ 870,954</u>
Paying Agent's Name & Address:	<u>Bank of Texas</u> <u>Austin, TX</u>	<u>Bank of Texas</u> <u>Austin, TX</u>	<u>Bank of Texas</u> <u>Austin, TX</u>	<u>Bank of Texas</u> <u>Austin, TX</u>	<u>Bank of Texas</u> <u>Austin, TX</u>	<u>Bank of Texas</u> <u>Austin, TX</u>	
Bond Authority:	<u>Unlimited</u> <u>Tax Bonds*</u>	<u>Refunding</u> <u>Bonds*</u>					
Amount Authorized by Voters	\$ 30,000,000	\$ 45,000,000					
Amount Issued	<u>(30,000,000)</u>	<u>-</u>					
Remaining To Be Issued	<u>\$ -</u>	<u>\$ 45,000,000</u>					
* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.							
Debt Service Fund Cash and Temporary Investment balances as of September 30, 2023:					<u>\$ 1,231,197</u>		
Average Annual Debt Service Payment (Principal & Interest) for the remaining term of all debt:					<u>\$ 1,702,421</u>		

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-7. COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS
SEPTEMBER 30, 2023**

	Amounts					Percent of Fund Total Revenues				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
GENERAL FUND REVENUES:										
Property taxes, including penalties	\$ 872,905	\$ 796,793	\$ 347,617	\$ 259,178	\$ 248,016	41.3%	38.9%	24.8%	20.3%	23.0%
Service account revenues, including penalties	1,141,943	1,090,409	990,386	884,310	647,013	54.1%	53.3%	70.7%	69.3%	60.0%
Tap connection/inspection fees	-	14,400	55,800	122,500	160,200	-	0.7%	4.0%	9.6%	14.9%
Interest and other	96,451	145,913	7,706	10,148	23,220	4.6%	7.1%	0.5%	0.8%	2.1%
TOTAL GENERAL FUND REVENUES	2,111,299	2,047,515	1,401,509	1,276,136	1,078,449	100.0%	100.0%	100.0%	100.0%	100.0%
GENERAL FUND EXPENDITURES:										
Water purchases	377,871	402,756	356,180	341,137	245,726	18.0%	19.8%	25.5%	26.8%	22.9%
Lab/chemicals	71,186	52,775	50,338	48,091	31,433	3.4%	2.6%	3.6%	3.8%	2.9%
Repairs and maintenance	336,008	328,575	389,875	299,884	177,919	15.9%	16.0%	27.8%	23.5%	16.5%
Sludge hauling	72,946	17,109	406,417	127,622	129,373	3.5%	0.8%	29.0%	10.0%	12.0%
Utilities	26,472	24,479	17,343	16,329	14,675	1.3%	1.2%	1.2%	1.3%	1.4%
Landscape maintenance	73,231	47,930	66,980	56,078	50,512	3.5%	2.3%	4.8%	4.4%	4.7%
Connection/inspection fees	5,881	17,631	30,863	51,598	52,564	0.3%	0.9%	2.2%	4.0%	4.9%
Permits	1,328	1,328	1,328	1,328	1,979	0.1%	0.1%	0.1%	0.1%	0.2%
Management fees	95,071	95,444	93,758	97,904	91,165	4.5%	4.7%	6.7%	7.7%	8.5%
Legal fees	107,342	114,777	93,758	75,890	71,854	5.1%	5.6%	6.7%	5.9%	6.7%
Engineering fees	97,797	91,233	63,014	54,296	99,015	4.6%	4.5%	4.5%	4.3%	9.2%
Audit fees	13,000	12,500	12,000	11,500	11,000	0.6%	0.6%	0.9%	0.9%	1.0%
Bookkeeping fees	25,500	25,000	24,750	24,750	21,750	1.2%	1.2%	1.8%	1.9%	2.0%
Tax appraisal/collection fees	5,638	5,347	2,346	1,828	1,654	0.3%	0.3%	0.2%	0.1%	0.2%
Director fees, including payroll taxes	10,691	9,850	12,111	10,819	8,558	0.5%	0.5%	0.9%	0.8%	0.8%
Insurance	20,739	18,661	14,903	14,673	12,796	1.0%	0.9%	1.1%	1.1%	1.2%
Public notice	526	852	1,798	323	1,026	-	-	0.1%	-	0.1%
Other	10,538	12,058	17,102	8,767	2,332	0.5%	0.6%	1.2%	0.7%	0.2%
Capital outlay	42,277	-	-	95,339	-	2.0%	-	-	7.5%	-
TOTAL GENERAL FUND EXPENDITURES	1,394,042	1,278,305	1,654,864	1,338,156	1,025,331	66.3%	62.5%	118.2%	105.0%	95.2%
EXCESS (DEFICIT) OF GENERAL FUND REVENUES OVER (UNDER) EXPENDITURES	\$ 717,257	\$ 769,210	\$ (253,355)	\$ (62,020)	\$ 53,118	33.7%	37.5%	-18.2%	-5.0%	4.8%
DEBT SERVICE FUND REVENUES AND OTHER FINANCING SOURCES:										
Interest	\$ 92,785	\$ 12,372	\$ 703	\$ 12,721	\$ 29,747	5.3%	0.8%	-	1.0%	2.7%
Property taxes, including penalties	1,671,038	1,593,619	1,679,680	1,248,010	954,208	94.7%	99.2%	100.0%	93.4%	87.7%
Issuance of bonds	-	-	-	74,388	104,084	-	-	-	5.6%	9.6%
TOTAL DEBT SERVICE FUND REVENUES AND OTHER FINANCING SOURCES	1,763,823	1,605,991	1,680,383	1,335,119	1,088,039	100.0%	100.0%	100.0%	100.0%	100.0%
DEBT SERVICE FUND EXPENDITURES:										
Bond interest	870,954	888,114	848,971	707,243	563,040	49.4%	55.3%	50.5%	53.0%	51.7%
Bond principal	815,000	690,000	670,000	515,000	320,000	46.2%	43.0%	39.9%	38.6%	29.4%
Other	16,167	15,593	14,403	11,496	7,878	0.8%	0.9%	0.8%	0.8%	0.7%
TOTAL DEBT SERVICE FUND EXPENDITURES	1,702,121	1,593,707	1,533,374	1,233,739	890,918	96.4%	99.2%	91.2%	92.4%	81.9%
EXCESS OF DEBT SERVICE REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	\$ 61,702	\$ 12,284	\$ 147,009	\$ 101,380	\$ 197,121	3.5%	0.8%	8.8%	7.6%	18.1%
TOTAL ACTIVE RETAIL WATER CONNECTIONS	535	535	524	481	407					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	533	533	521	464	398					

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
TSI-8. BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2023**

Complete District Mailing Address:	12912 Hill Country Blvd.
	Suite F-232
	Austin, TX 78738
District Business Telephone Number:	(512) 476-6604
Submission Date of the most recent District Registration Form TWC Sections 36.054 & 49.054):	May 23, 2022
Limits on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution TWC Section 49.060)	\$7,200

Name and Address:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid * 9/30/2023	Expense Reimbursements 9/30/2023	Title at Year End
<i>Board Members:</i>				
DENNIS DANIEL	(Elected) 5/2022 - 5/2026	\$ 1,721	\$ 186	President
TERRI SOHN-PURDY	(Appointed) 12/2020 - 5/2024	\$ 2,013	\$ -	Vice-President
RON MEYER	(Appointed) 2/2021 - 5/2024	\$ 1,863	\$ 147	Secretary
GARY GRASS	(Elected) 5/2022 - 5/2026	\$ 2,242	\$ -	Assistant Secretary
JOHN GENTER	(Elected) 5/2022 - 5/2026	\$ 2,092	\$ -	Assistant Secretary
<i>Consultants:</i>				
Willatt & Flickinger PLLC	11/11/2005	\$ 109,705	\$ -	Attorney
McCall Parkhurst & Horton LLP	11/11/2005	\$ -	\$ -	Bond Counsel
Inframark LLC	12/2017	\$ 457,417	\$ -	Operator
Murfee Engineering Company	4/20/2012	\$ 123,994	\$ -	District Engineer
Bott & Douthitt PLLC	5/2012	\$ 25,500	\$ 218	District Accountant
Maxwell Locke & Ritter LLP	10/23/2013	\$ 13,000	\$ -	Auditor
Specialized Public Finance	8/20/2013	\$ 3,000	\$ -	Financial Advisor
Hays County Tax Office	2014	\$ -	\$ -	Tax Collector

**Fees of Office* are the amounts actually paid to a director during the District's fiscal year.

**OTHER
SUPPLEMENTAL INFORMATION**

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
OSI-1. PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2023**

Taxpayer	Type of Property	Tax Roll Year		
		2023	2022	2021
Homeowner	N/A	\$ 3,199,810	\$ 2,701,200	\$ 1,600,750
Homeowner	N/A	3,194,660	2,638,180	1,462,940
Homeowner	N/A	3,154,270	2,469,170	1,386,460
Homeowner	N/A	3,050,570	2,344,000	1,373,220
Roadrunner Trust	N/A	3,020,070	2,635,050	-
Homeowner	N/A	2,987,640	2,212,800	1,339,980
Homeowner	N/A	2,982,980	2,046,770	1,330,131
Homeowner	N/A	2,977,480	1,948,360	1,329,240
Homeowner	N/A	2,878,670	-	-
Homeowner	N/A	2,790,120	-	-
Kirby Kish 2015 Trust	N/A	-	2,307,180	-
Gamblin 2008 Trust	N/A	-	2,131,380	-
Hays Reunion Ranch LP	N/A	-	-	2,333,400
Kish Christina 2015 Trust	N/A	-	-	1,294,854
Heyl Homes Inc.	N/A	-	-	1,283,250
Total		\$ 30,236,270	\$ 23,434,090	\$ 14,734,225
Percent of Assessed Valuation		6.9%	6.3%	5.1%

**REUNION RANCH WATER CONTROL AND IMPROVEMENT DISTRICT
OSI-2. ASSESSED VALUE BY CLASSIFICATION
SEPTEMBER 30, 2023**

Type of Property	Tax Roll Year					
	2023		2022		2021	
	Amount	%	Amount	%	Amount	%
Single Family Residential	\$ 563,134,376	127.9%	\$ 480,860,694	129.4%	\$ 275,745,055	95.4%
Vacant Platted Lots/Tracts	1,755,080	0.4%	3,806,400	1.0%	7,471,600	2.6%
Real Acreage	-	0.0%	-	0.0%	-	0.0%
Farm and Ranch Improvements	18,770	0.0%	16,110	0.0%	102,879	0.0%
Business Personal Property	420,322	0.1%	125,336	0.0%	295,241	0.1%
Residential Inventory	-	0.0%	823,670	0.2%	8,770,260	3.0%
Adjustments & Exemptions	(125,008,076)	-28.4%	(114,083,214)	-30.7%	(3,417,372)	-2.9%
Total	\$ 440,320,472	100.0%	\$ 371,548,996	100.0%	\$ 288,967,663	100.0%