

**GREEN VALLEY
SPECIAL UTILITY DISTRICT**

605 FM 465 | MARION, TX 78124 | WWW.GVSUD.ORG | 830.914.2330

2023

**ANNUAL FINANCIAL
REPORT**

FOR FISCAL YEAR ENDED
SEPTEMBER 30, 2023



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Green Valley Special Utility District

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September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Green Valley Special Utility District:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the major fund of Green Valley Special 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 present fairly, in all material respects, the respective financial position of the business-type activities of the District, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Green Valley Special Utility 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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Green Valley

Special Utility District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Green Valley Special Utility 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 Green Valley Special Utility 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.

Emphasis of Matter

As discussed in Note 14 to the financial statements, due to corrections to balance sheet items in the prior year, the District restated beginning net position within business-type activities proprietary fund. Our opinion is not modified with respect to this matter.

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 Green Valley Special Utility District's basic financial statements. The Texas Supplementary Information ("TSI") schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The TSI 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. Such 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 TSI is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



BrooksWatson & Co., PLLC
Certified Public Accountants
Houston, Texas
February 8, 2024

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Green Valley Special Utility District

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended September 30, 2023

As management of the Green Valley Special Utility District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows (net position) at September 30, 2023 by \$57,820,381.
- The District's total net position increased by \$8,395,354. The unrestricted portion of net position is \$14,367,077.
- At the end of the fiscal year, the District's capital assets totaled \$117,865,760, net of accumulated depreciation.

OVERVIEW OF THE FINANCIAL STATEMENTS

The purpose of the Management's Discussion and Analysis (MD&A) is to give the readers an objective and easily readable analysis of the financial activities of the District for the year ended September 30, 2023. The analysis is based on currently known facts, decisions, or economic conditions. It presents a short and long-term analysis of the District's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the District's financial statements, which follow this section.

The District's basic financial statements include (1) Statement of Net Position; (2) Statement of Revenues, Expenses, and Changes in Net Position; (3) statement of cash flows; and (4) notes to the financial statements.

Basic Financial Statements

The Statement of Net Position presents information on all of the District's assets, deferred outflows, and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other nonfinancial factors, such as the District's property tax base and the condition of the District's infrastructure, need to be considered to assess the overall health of the District.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows, which is the accrual method.

Green Valley Special Utility District

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2023

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position present the District using one class of activity:

1. Business-Type Activities – The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position present the District using one class of activity:

The statement of cash flows presents information about the District's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where cash came from, what was cash used for, and what was the change in the cash balance during the reporting period.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

The basic financial statements can be found after the MD&A within this report.

Notes to Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to basic financial statements, the MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the proprietary fund. RSI can be found after the notes to the basic financial statements. The District adopts an annual unappropriated budget for its proprietary fund. A budgetary comparison schedule has been provided for the proprietary fund to demonstrate compliance with this budget. Additionally, Texas Supplementary Information (TSI) has been included to comply with state reporting requirements.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of the District's financial position. The District's assets and deferred outflows of resources exceeded liabilities by \$57,820,381 at the close of the most recent fiscal year.

An important portion of the District's net position, is \$31,651,037, which reflects its investments in capital assets (e.g., land, building, machinery, equipment, infrastructure, etc.), less any debt used to acquire those assets that is still outstanding. The District uses these capital assets to

Green Valley Special Utility District

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2023

provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	Business-Type Activities		
	2023	2022	Variance
Current and other assets	\$ 53,025,371	\$ 65,006,846	\$ (11,981,475)
Capital assets, net	117,865,760	101,139,726	16,726,034
Total Assets	170,891,131	166,146,572	4,744,559
 Deferred outflows of resources	 159,182	 166,464	 (7,282)
Long-term liabilities	102,122,431	108,005,851	(5,883,420)
Other liabilities	11,107,501	8,882,158	2,225,343
Total Liabilities	113,229,932	116,888,009	(3,658,077)
Net position:			
Net investment in capital	31,651,037	26,834,145	4,816,892
Restricted	11,802,267	10,858,440	943,827
Unrestricted	14,367,077	11,732,442	2,634,635
Total Net Position	\$ 57,820,381	\$ 49,425,027	\$ 8,395,354

A portion of the District's net position represents resources that are subject to restrictions on how they may be used, which is \$11,802,267. \$31,651,037 of the net position represents the net investment in capital assets. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligation to citizens and creditors. The financial condition of the District increased due primarily to capital recovery revenue and revenue from connections.

The District's net position increased \$8,395,354 to \$57,820,381. The District's net investment in capital assets increased when compared to the prior year primarily due to new utility infrastructure improvements in the current year. Current and other assets decreased by \$11,981,475 due primarily to declining cash balances, which is a result of the utilization of funds for ongoing capital projects. Capital assets increased by \$16,726,034 due to the aforementioned utility infrastructure improvements added in the current year. Other liabilities increased by \$2,225,343 as a result of greater payables owed for utility contract services, accrued interest at the end of the current year, and the timing of disbursements for ongoing capital projects. Long-term liabilities decreased by \$5,883,420 due to the principal payments made in current year.

Green Valley Special Utility District

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2023

Statement of Activities:

The following table provides a summary of the District's changes in net position for the years ended September 30:

	Business-Type Activities		
	2023	2022	Variance
Operations			
Program revenues	\$ 22,025,430	\$ 19,228,322	\$ 2,797,108
Operating expenses	(21,560,853)	(19,962,503)	(1,598,350)
Operating Income (Loss)	464,577	(734,181)	1,198,758
Nonoperating Revenues (Expenses)			
Other revenues	2,151,195	2,211,879	(60,684)
Capital recovery revenue	2,976,098	3,807,590	(831,492)
Developer contributions	3,251,379	131,156	3,120,223
Intergovernmental revenue	-	1,230,725	(1,230,725)
Interest income	2,148,314	257,152	1,891,162
Interest expense and bond issuance costs	(2,596,209)	(3,048,443)	452,234
Change in Net Position	8,395,354	3,855,878	3,340,718
 Beginning Net Position	 49,425,027	 45,569,149	 3,855,878
 Ending Net Position	 \$ 57,820,381	 \$ 49,425,027	 \$ 8,395,354

Compared to the prior year, program revenues and operating expenses for business-type activities increased by \$2,797,108 and \$1,598,350, respectively. These increases are primarily due to more new connections and water consumption which resulted in an increase in service revenues and operational expenses. Capital recovery revenues decreased by \$831,492 from the prior year primarily due to less impact fees collected. Intergovernmental revenues decreased by 100% due to nonrecurring TxDOT funds received in the prior year. Developer contributions increased by \$3,120,223 due to new agreements for current infrastructure development. Interest income increased of \$1,891,162 due to higher interest rates and higher balances held in interest bearing accounts. There was a decrease of \$452,234 in interest expense and bond issuance costs due to nonrecurring debt issuance issued in the prior year.

Proprietary Fund Budgetary Highlights

Actual proprietary fund revenues were greater than budgeted revenues by \$3,863,195 during the year primarily due to more revenue received that is restricted for capital projects such as revenue from capital recoveries, water acquisitions, and other charges from impact fees.

Green Valley Special Utility District

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

For the Year Ended September 30, 2023

Budgeted proprietary fund operating expenses were less than actual expenses by \$2,958,427 during the year primarily due to depreciation expense along with repairs and maintenance. Nonoperating revenues and expenses had a positive budget variance of \$4,348,238, primarily due to developer contributions received during the year. Overall, the budget reflected a total positive budget variance of \$11,169,860.

Capital Assets

At the end of the year, the District's business-type activities had invested \$117,865,760 in a variety of capital assets, net of accumulated depreciation. This represents a net increase of \$16,726,034 during the fiscal year. The increase in capital assets is primarily due to an increase in construction in progress in relation to plant development.

Major capital asset additions during the year included several vehicles, plant infrastructure, and additions to construction projects in progress.

More detailed information about the District's capital assets is presented in note 7 to the financial statements.

Long-Term Debt

At the end of the year, the District reported total long-term debt of \$104,822,204 (net of discount and premium). The District made \$3,054,725 of debt principal payments in the current year.

More detailed information about the District's long-term liabilities is presented in note 8 to the financial statements.

Economic Factors

The District will continue to expand with growth in the area. It is the District's aim to continue to provide quality services while maintaining a reasonable level of expenses in the area. The total budgeted operating expenses, including capital outlay, for fiscal year ended September 30, 2024 is \$31,811,537.

Requests for Information

This financial report is designed to provide a general overview of the finances of the District. Questions concerning this report or requests for additional financial information should be directed to the District at P.O. Box 99, Marion, Texas 78124-0099.

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FINANCIAL STATEMENTS

Green Valley Special Utility District

STATEMENT OF NET POSITION

PROPRIETRY FUND

September 30, 2023

	<u>Enterprise Fund</u>
<u>Assets</u>	
Current Assets:	
Cash	\$ 29,220,103
Investments	567,163
Receivables	3,700,175
Inventory	1,109,607
Restricted Current Assets:	
Cash	14,609,421
Investments	3,059,363
Total Current Assets	<u>52,265,832</u>
Noncurrent Assets:	
Capital Assets:	
Land	3,380,052
Construction in progress	18,316,775
Depreciable capital assets, net of accumulated depreciation	96,168,933
Other Assets:	
Water rights	759,539
Total Noncurrent Assets	<u>118,625,299</u>
Total Assets	<u>\$ 170,891,131</u>
<u>Deferred Outflows of Resources</u>	
Deferred charge on refunding	159,182
Total Deferred Outflow of Resources	<u>159,182</u>
<u>Liabilities</u>	
Current Liabilities:	
Accounts payable and accrued liabilities	\$ 5,709,873
Customer deposits	2,499,011
Accrued interest payable	110,776
Compensated absences - due within one year	52,841
Bonds payable - due within one year	2,735,000
Total Current Liabilities	<u>11,107,501</u>
Noncurrent liabilities:	
Compensated absences - due after one year	35,227
Bonds payable - due after one year	102,087,204
Total Noncurrent Liabilities	<u>102,122,431</u>
Total Liabilities	<u>\$ 113,229,932</u>
<u>Net Position</u>	
Net investment in capital assets	31,651,037
Restricted for:	
Water rights	759,539
Debt service	2,403,965
Capital improvements	8,638,763
Unrestricted	14,367,077
Total Net Position	<u>\$ 57,820,381</u>

See Notes to Financial Statements.

Green Valley Special Utility District

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND

For the Year Ended September 30, 2023

	<u>Enterprise Fund</u>
<u>Operating Revenues</u>	
Charges for water services	\$ 16,373,048
Meter installations and trip charges	844,551
Penalties & other connection charges	4,722,013
Miscellaneous income	85,818
Total Revenues	<u>22,025,430</u>
<u>Operating Expenses</u>	
Service Operations:	
Personnel	4,322,763
Professional fees	983,741
Edwards' Aquifer fees	153,998
Repairs and maintenance	818,798
Purchased water services	10,721,301
Utilities	277,817
Materials and supplies	920,066
Office supplies	443,390
Other	42,629
Depreciation	2,876,350
Total Operating Expenses	<u>21,560,853</u>
Operating Income (Loss)	464,577
<u>Nonoperating Revenues (Expenses)</u>	
Interest (expense)	(2,596,209)
Interest income	2,148,314
Antenna service income	695
Water acquisition	2,150,500
Capital recovery revenue	2,976,098
Developer contributions	3,251,379
Total Nonoperating Revenues	<u>7,930,777</u>
Change in Net Position	8,395,354
Beginning Net Position	<u>49,425,027</u>
Ending Net Position	<u><u>\$ 57,820,381</u></u>

See Notes to Financial Statements.

Green Valley Special Utility District

STATEMENT OF CASH FLOWS (Page 1 of 2)

PROPRIETARY FUND

For the Year Ended September 30, 2023

	<u>Enterprise Fund</u>
<u>Cash Flows from Operating Activities</u>	
Payments to employees	\$ (4,372,421)
Payments to suppliers	(15,698,514)
Receipts from customers	21,563,999
Net Cash Provided (Used) by Operating Activities	<u>1,493,064</u>
<u>Cash Flows from Nonoperating Activities</u>	
Water acquisition	2,150,500
Intergovernmental	695
Net Cash Provided (Used) by Nonoperating Activities	<u>2,151,195</u>
<u>Cash Flows from Capital and Related Financing Activities</u>	
Acquisition and construction of capital assets	(19,602,383)
Capital contributions and developer payments	6,227,477
Interest paid on capital debt	(2,729,721)
Principal paid on capital debt	(3,054,725)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(19,159,352)</u>
<u>Cash Flows from Investing Activities</u>	
Purchase of investments	(56,407)
Interest on investments	2,148,314
Net Cash Provided (Used) by Investing Activities	<u>2,091,907</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(13,423,186)
Beginning cash and cash equivalents	<u>57,252,710</u>
Ending Cash and Cash Equivalents (including restricted cash)	<u><u>\$ 43,829,524</u></u>

See Notes to Financial Statements.

Green Valley Special Utility District

STATEMENT OF CASH FLOWS (Page 2 of 2)

PROPRIETARY FUND

For the Year Ended September 30, 2023

	<u>Enterprise Fund</u>
<u>Reconciliation of Operating Income (Loss)</u>	
<u>to Net Cash Provided (Used) by Operating Activities</u>	
Operating Income (Loss)	\$ 464,577
Adjustments to reconcile operating income (loss) to net cash provided (used):	
Depreciation	2,876,350
Changes in Operating Assets and Liabilities:	
(Increase) Decrease in:	
Accounts receivable	(706,382)
Inventory	(678,923)
Increase (Decrease) in:	
Accounts payable and accrued liabilities	(657,851)
Customer deposits	244,951
Compensated absences	(49,658)
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 1,493,064</u></u>

See Notes to Financial Statements.

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Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended September 30, 2023

NOTE 1 – CREATION OF DISTRICT

The Green Valley Special Utility District (the “District”) was created May 4, 1992 by a vote of the members of the Green Valley Water Supply Corporation. The District operates under the Texas Constitution, Article XVI, Section 59, Chapter 65 of the Texas Water Code. The District’s services are as follows:

- To purchase, own, hold, lease, and otherwise acquire sources of water supply;
- To build, operate, and maintain facilities for the transportation of water;
- To sell water to towns, cities, other political subdivisions, and to private individuals and businesses;
- To protect, preserve, and restore the purity and sanitary condition of water; and
- To carry out the duties and powers of a Special Utility District.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements and accounting policies of the District are prepared in conformity with generally accepted accounting principles for local governmental units as prescribed by the Governmental Accounting Standards Board (GASB), which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District’s significant accounting policies are described below.

A. Reporting Entity

The District has adopted Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity*. In accordance with these statements, a financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. There are no component units that are legally separate for which the District is considered financially accountable.

The District is governed by a board of directors consisting of seven individuals who are residents or owners of property within the District and are elected by voters within the District. Board members that resign prior to the completion of their term are appointed by the board. As required by generally accepted accounting principles, these financial statements present the activities of the District, which is considered to be the primary government, as well as the reporting entity. There are no other organizations which meet the criteria for inclusion herein as part of the financial reporting entity.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

B. Basis of accounting

The District is a proprietary fund accounted for on an accrual basis, which is a flow of economic resources measurement focus. Revenues and expenses are recognized in the accounting period in which they are earned and incurred, respectively, and in which net income is determined.

1. *Proprietary Fund Types*

Proprietary funds are used to account for activities that are similar to those often found in the private sector. All assets and deferred outflows, liabilities and deferred inflows, equities, revenues, expenses, and transfers relating to the government's business activities are accounted for through proprietary funds. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items.

Operating revenues include charges for services. Operating expenses include costs of materials, contracts, personnel, and depreciation. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

The proprietary fund types used by the District include the following:

Enterprise Fund

The enterprise fund is used to account for water operations. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The enterprise fund is considered a major fund for reporting purposes.

2. *Budget*

An unappropriated budget is adopted for the proprietary fund. The budget is prepared using the same method of accounting as for financial reporting and serves as a planning tool. Encumbrance accounting is not utilized.

Green Valley Special Utility District
NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2023

C. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash and cash equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Temporary investments consist of certificates of deposit and time deposits and are stated at cost, which approximates market value.

Applicable state laws and regulations allow the District to invest its funds in direct or indirect obligations of the United States, the State, or any county, city, school district, or other political subdivision of the State. Funds may also be placed in certificates of deposit of state or national banks or savings and loan associations (depository institutions) domiciled within the State. Related state statutes and provisions included in the District's bond resolutions require that all funds invested in depository institutions be guaranteed by federal depository insurance and/or be secured in the manner provided by law for the security of public funds.

In accordance with GASB Statement No. 31, *Accounting and Reporting for Certain Investments and External Investment Pools*, the District reports all investments at fair value, except for "money market investments" and "2a7-like pools." Money market investments, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations, are reported at amortized costs. Investment positions in external investment pools that are operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 are reported using the pools' share price.

Credit Risk – Investments. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At year end, the District's investment in money market mutual funds was rated AAAm by Standard & Poor's and Aaa-mf by Moody's.

Interest Rate Risk – Investments. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in the money market mutual fund to have a maturity of less than one year due to the fact the share positions can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

3. *Fair Value*

The District has applied Governmental Accounting Standards Board (“GASB”) Statement No. 72, Fair Value Measurement and Application. GASB Statement No. 72 provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements.

4. *Receivables and Payables*

Accounts receivable consist of amounts due from customers of the District. Accounts payable consist of trade payables and other accrued expenses including accrued payroll taxes.

5. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., water lines, sewer lines, and storm sewers), are reported in the applicable business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years:

Asset Description	Estimated Useful Life
Property improvements	5 to 30 years
Water supply system plant and distribution system	25 to 50 years
Machinery and equipment	5 to 10 years

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

6. *Water Rights*

Water rights are a non-depreciable asset. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

7. *Inventories and prepaid items*

The costs of business-type fund type inventories are recorded as expenditures when the related liability is incurred, (i.e., the purchase method). The inventories are valued at the lower of cost or market using the first-in/first-out method. Certain payments to vendors reflect costs applicable to future accounting periods (prepaid expenditures) are recognized as expenditures when utilized.

8. *Deferred outflows/inflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The District has only one type of item, which results from the difference in the carrying value of refunded debt and its reacquisition price. A deferred charge on refunding is deferred and amortized over the shorter of the life of the refunded or refunding debt.

9. *Net position flow assumption*

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

10. Compensated absences

It is the District's policy to permit employees to accumulate an amount of earned but unused vacation, which will be paid to employees upon separation from the District's service.

11. Customer Deposits

The District requires customers to make deposits to provide service. These deposits are refundable upon the termination of services. These deposits are not set aside in restricted bank accounts by the District.

12. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities statement of net position. The long-term debt consists primarily of revenue bonds payable.

Assets acquired under the terms of leases are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease.

13. Estimates

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

NOTE 4 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The original budget is adopted by the Board of Directors prior to the beginning of the year. Management may not amend the budget without the approval of the Board.

The District has adopted a non-appropriated budget in accordance with Title 30 of the Texas Administrative Code, Section 293.97. The budget is prepared using the same method of accounting as for financial reporting and a budgetary comparison schedule for the proprietary fund is presented as supplementary information to the basic financial statements.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

NOTE 5 – CASH AND TEMPORARY INVESTMENTS

A. Deposits and Investments

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District requires funds on deposit at the depository bank to be collateralized by securities. As of yearend, the District's bank balances were fully covered by FDIC and pledged securities.

Interest rate risk: In compliance with the District's Investment Policy, as of September 30, 2023, the District minimized the interest rate risk, related to current events market turmoil in the portfolio by: limiting the effective duration of security types not to exceed two years with the exception of securities purchases related to reserve funds; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the secondary market prior to maturity; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in certificates of deposit and money market mutual funds.

As of September 30, 2023, the District had the following investments:

<u>Investment Type</u>	<u>Value</u>	<u>Weighted Average Maturity (years)</u>
Investment pools	\$ 28,992,765	0.10
Certificates of deposit	3,626,526	0.35
Portfolio total	<u>\$ 32,619,291</u>	<u>0.23</u>

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

LOGIC

The Local Government Investment Cooperative (LOGIC) was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code. The Act allows eligible local governments, state agencies, and nonprofit corporations of the State (each a "Government Entity") to jointly invest their funds in permitted investments. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the LOGIC investment policies. The LOGIC's governing body is a six-member Board of Directors (the "Board") comprised of employees, officers, or elected officials of participant Government Entities or individuals who do not have a business relationship with LOGIC and are qualified to advise it. A maximum of two advisory Board members represents the co-administrators of LOGIC. As of September 30, 2023, the District had \$27,912,178 invested in LOGIC. Accounts for review. There were no limitations or restrictions on withdrawals.

TexPool

TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool 'AAAm'. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. As of September 30, 2023, the District had \$1,080,587 invested in TexPool. Accounts for review. There were no limitations or restrictions on withdrawals.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

B. Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are remeasured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The District's financial instruments consist of cash and cash equivalents, investments in certificates of deposits maturing in greater than three months, bonds, accounts payable and accounts receivable. The estimated fair value of cash, cash equivalents, investments, accounts payable and accounts receivable approximate their carrying amounts due to the short-term nature of these instruments. Certificates of deposit with a year or less maturity are recorded at face value.

NOTE 6 – RECEIVABLES

The following comprise the receivable balances at year end:

	<u>Enterprise</u>
Accounts receivable	\$ 3,717,363
Allowance	(17,188)
	<u>\$ 3,700,175</u>

Green Valley Special Utility District
NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the Year Ended September 30, 2023

NOTE 7 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the year ended is as follows:

	Beginning Balances	Increases	(Decreases)	Ending Balances
Capital assets, not being depreciated:				
Land and land improvements	\$ 3,380,052	\$ -	\$ -	\$ 3,380,052
Construction in progress	38,343,515	19,149,620	(39,176,360)	18,316,775
Total capital assets not being depreciated	41,723,567	19,149,620	(39,176,360)	21,696,827
Capital assets, being depreciated:				
Furniture and fixtures	62,651	216,213	(10,497)	268,367
Lines, pumps, equipment, and plant	74,193,335	83,665	39,176,360	113,453,360
Office building and equipment	1,317,260	-	-	1,317,260
Ship building and equipment	518,085	-	-	518,085
Vehicles and equipment	2,816,088	152,885	(42,901)	2,926,072
Total capital assets being depreciated	78,907,419	452,763	39,122,962	118,483,144
Less accumulated depreciation	(19,491,259)	(2,876,350)	53,398	(22,314,211)
Net capital assets being depreciated	59,416,160	(2,423,587)	39,176,360	96,168,933
Total Capital Assets	\$ 101,139,727	\$ 16,726,033	\$ -	\$ 117,865,760

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

NOTE 8 – CHANGES IN LONG-TERM DEBT, DEBT SERVICE REQUIREMENTS, AND BOND RESOLUTION REQUIREMENTS

The following is a summary of changes in the District's total governmental long-term liabilities for the year ended. In general, the District uses the debt service fund to liquidate governmental long-term liabilities:

	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due Within One Year
Revenue bonds payable					
Series 2003	\$ 423,000	\$ -	\$ (13,000)	\$ 410,000	\$ 13,000
Series 2020 Refunding	7,820,000	-	(310,000)	7,510,000	325,000
Series 2020 TWDB	24,225,000	-	(825,000)	23,400,000	825,000
Series 2020 USDA	4,388,829	-	(78,000)	4,310,829	80,000
Series 2020A USDA	5,102,000	-	(97,000)	5,005,000	99,000
Series 2020B USDA	2,739,000	-	(891,725)	1,847,275	53,000
Series 2021 TWDB	15,725,000	-	(375,000)	15,350,000	385,000
Series 2021A TWDB	19,540,000	-	(465,000)	19,075,000	480,000
Series 2022	27,150,000	-	-	27,150,000	475,000
Plus: Premium - Series 2022	790,523	-	(26,423)	764,100	-
Total	\$ 107,903,352	\$ -	\$ (3,081,148)	\$ 104,822,204	\$ 2,735,000
Long-term liabilities due in more than one year					\$ 102,087,204

Bonds payable as of September 30, 2023 are comprised of the following:

	Amounts Outstanding	Interest Rates	Maturity Interest Payment Dates	Callable Date
Series 2003	\$ 410,000	3.75% to 5.50%	March 15, September 15	Any date
Series 2020 Refunding	7,510,000	2.00% to 4.00%	March 15, September 15	Any date
Series 2020 TWDB	23,400,000	0.00% to 1.40%	March 15, September 15	March 15, 2030
Series 2020 USDA	4,310,829	2.75%	March 15, September 15	September 15, 2025
Series 2020A USDA	5,005,000	1.88%	March 15, September 15	Any date
Series 2020B USDA	1,847,275	1.88%	March 15, September 15	Any date
Series 2021 TWDB	15,350,000	0.47% to 2.91%	March 15, September 15	September 15, 2031
Series 2021A TWDB	19,075,000	0.47% to 2.91%	March 15, September 15	September 15, 2031
Series 2022	27,150,000	4.17%	March 15, September 15	September 15, 2031
	\$ 104,058,104			

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

As of September 30, 2023, the debt service requirements on bonds outstanding were as follows:

Due During Fiscal Year Ended September 30	Principal	Interest
2024	\$ 2,735,000	\$ 2,627,363
2025	2,800,000	2,570,562
2026	2,861,000	2,510,582
2027	2,927,000	2,450,474
2028	3,003,000	2,386,216
2029-2033	16,032,000	10,896,488
2034-2038	18,043,000	9,061,534
2039-2043	19,564,000	6,735,615
2044-2048	20,502,000	4,128,272
2049-2053	13,851,275	1,216,604
2054-2058	1,549,829	97,281
2059-2063	190,000	3,563
Total	\$ 104,058,104	\$ 44,684,554

C. Deferred Charges on Refunding

Deferred charges resulting from the issuance of series 2020 refunding bonds have been recorded as deferred outflows of resources and are being amortized to interest expense annually over the term of the refunding bonds. The current balance totaled \$159,182 as of year end. Current year amortization expense totaled \$7,282.

D. Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the District could result. The District periodically engages an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

NOTE 9 – COMPENSATED ABSENCES

The following summarizes the changes in the compensated absences balances of the District during the year.

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Amounts Due within One Year</u>
Business-Type Activities:					
Compensated absences	\$ 102,499	\$	\$ (14,431)	\$ 88,068	\$ 52,841
Total Business-Type Activities	<u>\$ 102,499</u>	<u>\$ -</u>	<u>\$ (14,431)</u>	<u>\$ 88,068</u>	<u>\$ 52,841</u>
Other long-term liabilities due in more than one year				<u>\$ 35,227</u>	

NOTE 10 – DEFINED CONTRIBUTION

The District has a defined contribution plan (the “Plan”) for employees. Benefits depend solely on amounts contributed plus investment earnings. Employees are eligible to participate after one month of employment. On a monthly basis, the employees may make contributions up to 10% of compensation. The District matches these employee contributions up to 6% of the base pay. On an annual basis, the District makes an additional contribution of 4% of the employee’s annual base salary.

The regular vesting schedule of the Plan is as follows: less than one year of service is 0% vested, one year of service is 25% vested, two years of service is 50% vested, three years of service is 75% vested, and four years of service is 100% vested.

Current year employer discretionary contributions amounted to \$107,369.

NOTE 11 – WATER RIGHTS

The District purchased the right to pump 309 acre-feet of Edwards’ Aquifer water from the Regional Water Resources Development Group (RWRDG) for \$274,539, and 190 acre-feet of Guadalupe Water for \$475,000. Additionally, the District has invested \$10,000 toward Canyon Regional Water Authority (CRWA).

NOTE 12 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries insurance coverage. There have been no significant reductions in coverage from the prior year.

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

NOTE 13 – COMMITMENTS AND CONTINGENCIES

The District entered into contracts with various entities for water supply, sewer outfall construction, and wholesale wastewater service.

Water Supply Contracts

The District has acquired certain water rights and entered into supply contracts with Canyon Regional Water Authority (CRWA), Well Ranch, Edwards' Aquifer, Laguna Water II LTD, Hays Caldwell Public Utility Agency (HCPUA), and Guadalupe-Blanco River Authority (GBRA) that will require payments that may change based on the actual rates and consumption.

The estimated commitments are as follows:

Fiscal Year	CRWA	Wells Ranch	Edwards Aquifer	Laguna Water II, LTD	HCPUA	GBRA	Totals
2024	\$ 2,358,478	\$ 4,748,624	\$ 60,000	\$ 83,556	\$ 1,692,187	\$ 171,253	\$ 9,114,098
2025	2,452,817	4,938,569	-	86,898	1,759,874	178,103	9,416,261
2026	2,550,930	5,136,112	-	90,374	1,830,269	185,227	9,792,912
2027	2,652,967	5,341,556	-	93,989	1,903,480	192,636	10,184,628
2028	2,759,086	5,555,218	-	97,749	1,979,619	200,341	10,592,013
2029-2033	14,347,247	28,887,134	-	195,497	10,294,019	1,041,773	54,765,670
2034-2038	14,921,137	30,042,619	-	-	10,705,780	1,083,444	56,752,980
2039-2043	15,517,982	31,244,324	-	-	11,134,011	1,126,782	59,023,099
2044-2048	16,138,701	32,494,097	-	-	11,579,371	946,497	61,158,666
2049-2053	16,784,249	33,793,861	-	-	12,042,546	-	62,620,656
2054-2058	17,455,619	35,145,615	-	-	12,524,248	-	65,125,482
2059-2063	14,662,720	31,985,455	-	-	13,025,218	-	59,673,393
	<u>\$ 122,601,933</u>	<u>\$ 249,313,184</u>	<u>\$ 60,000</u>	<u>\$ 648,063</u>	<u>\$ 90,470,622</u>	<u>\$ 5,126,056</u>	<u>\$ 468,219,858</u>

Sewer Outfall Construction Agreement

On May 4, 2017, the District entered into a interlocal agreement with San Antonio River Authority (the "Authority") for sewer outfall construction. The Authority owns and operates the wastewater treatment system. The District contracts with the Authority to construct a sanitary sewer outfall line to serve current and future customers. The District will pay the actual cost line minus the Developer's contribution for the line extension. The District will be the owner of the sanitary sewer outfall line.

Wholesale Wastewater Services Agreement

In November 2021, the District amended its wholesale wastewater services agreement (the "Agreement") with the City of Marion, Texas (the "City"). The City owns and

Green Valley Special Utility District

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the Year Ended September 30, 2023

operates a wastewater system and treatment facility. The District obtains wholesale wastewater treatment and disposal services from the City. The District will be responsible for construction of any improvements necessary to collect wastewater from the District's customers within the Woods of St. Clare subdivision. The City agrees to expend and improve the City's sewer system to provide adequate service to the District.

This Agreement shall become effective upon the effective date and shall extend for a term of five years unless terminated earlier. The District provides at least six months written notice to the City and it may renew this Agreement for one additional term of five years.

NOTE 14 – RESTATEMENT OF NET POSITION

Due to corrections to compensated absences, accrued interest payable, capital assets and long-term debt, the District restated beginning net position. The restatement of beginning net position is as follows:

Prior year ending net position as reported	\$	49,457,240
Correct compensated absences		90,446
Correct accrued liabilities for unapplied credits		(89,562)
Correct accrued interest payable		(33,097)
Correct capital assets		(499,171)
Correct long-term debt		499,171
Restated beginning net position	\$	<u>49,425,027</u>

NOTE 15 – RELATED PARTY

Cibolo Creek Municipal Authority has an intergovernmental arrangement with the District for wastewater services. As an employee of Cibolo Creek Municipal Authority, Board of Directors member Nicholas Sherman has disclosed a potential conflict of interest and abstained from all related voting.

NOTE 16 – SUBSEQUENT EVENTS

We have evaluated subsequent events through February 8, 2024, the date the financial statements were issued. There were no subsequent events through this date which materially impact the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

Green Valley Special Utility District

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

BUDGETARY COMPARISON SCHEDULE (Page 1 of 2)

PROPRIETARY FUND

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for water services	\$ 14,500,000	\$ 14,500,000	\$ 16,373,048	\$ 1,873,048
Meter installations and trip charges	875,000	875,000	844,551	(30,449)
Penalties & other connection charges	2,775,235	2,775,235	4,722,013	1,946,778
Miscellaneous income	12,000	12,000	85,818	73,818
Total Operating Revenues	18,162,235	18,162,235	22,025,430	3,863,195
Operating Expenses				
Personnel	4,938,011	4,938,011	4,322,763	615,248
Professional fees	970,000	990,000	983,741	6,259
Edwards' Aquifer fees	155,000	155,000	153,998	1,002
Repairs and maintenance	307,000	317,000	818,798	(501,798)
Purchased water services	11,518,015	11,419,015	10,721,301	697,714
Utilities	250,000	250,000	277,817	(27,817)
Materials and supplies	115,000	123,000	920,066	(797,066)
Office supplies	384,500	410,400	443,390	(32,990)
Other	-	-	42,629	(42,629)
Depreciation	-	-	2,876,350	(2,876,350)
Total Operating Expenditures	18,637,526	18,602,426	21,560,853	(2,958,427)
Operating Income (Loss)	(475,291)	(440,191)	464,577	6,821,622

Green Valley Special Utility District

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

BUDGETARY COMPARISON SCHEDULE (Page 2 of 2)

PROPRIETARY FUND

For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Nonoperating Revenues (Expenses)				
Interest (expense)	(1,479,582)	(1,550,582)	(2,596,209)	(1,045,627)
Interest income	97,121	97,121	2,148,314	2,051,193
Antenna service income	95,000	95,000	695	(94,305)
Water acquisition	1,800,000	1,800,000	2,150,500	350,500
Capital recovery revenue	3,141,000	3,141,000	2,976,098	(164,902)
Developer contributions	-	-	3,251,379	3,251,379
Total Nonoperating Revenues (Expenses)	3,653,539	3,582,539	7,930,777	4,348,238
Change in Net Position	\$ 3,178,248	\$ 3,142,348	\$ 8,395,354	\$ 11,169,860
Beginning Net Position			49,425,027	
Ending Net Position			\$ 57,820,381	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception that capital outlay is budgeted but excluded from above.

Change in Net Position - GAAP	\$ 3,142,348
Capital Outlay	5,641,257
Change in Net Position - Budget	<u>\$ (2,498,909)</u>

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TEXAS SUPPLEMENTARY INFORMATION

Green Valley Special Utility District

TSI-1 SERVICES AND RATES

For the Year Ended September 30, 2023

1. Services provided by the District:

☒	Retail Water	☒	Wholesale Water	☐	Drainage
☒	Retail Sewer	☐	Wholesale Sewer	☐	Irrigation
☐	Parks/Recreation	☐	Fire Protection	☐	Security
☐	Solid Waste/Garbage	☐	Flood Control	☐	Roads
☐	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
☐	Other (specify): _____				

2. a. Retail rates based on 5/8" meter

The most prevalent type of meter (if not a 5/8"):

Retail rates based on 5/8" meter			Retail rates not applicable		
The most prevalent type of meter (if not a 5/8"):			Not applicable		
			Flat Rate	Rate per 1,000 Gallons Over	
	Minimum Charge	Minimum Usage	Y/N	Minimum Usage Levels	
Water	<u>\$ 32.98</u>	<u>2,000</u>	<u>N</u>	<u>\$4.33</u>	2,001 to 5,000
				<u>\$5.59</u>	5,001 to 10,000
				<u>\$6.92</u>	10,001 to 15,000
				<u>\$8.42</u>	15,001 to 25,000
				<u>\$11.08</u>	25,001 to 50,000
				<u>\$13.86</u>	50,001 and up
Waste	<u>\$ 51.00</u>	<u>-</u>		<u>Y</u>	(Martinez Creek)
Waste	<u>\$ 70.25</u>	<u>-</u>		<u>Y</u>	(Santa Clara Flat)
Waste	<u>\$ 25.03</u>	<u>6.64 per 1000</u>		<u>Y</u>	(Santa Clara - Winter Avg)
Surcharge	<u>N/A</u>	<u>N/A</u>		<u>N/A</u>	

District employs winter averaging for retail water and/or wastewater usage? Yes ☒ No ☐

Total water and sewer charges per 10,000 gallons usage (including surcharges)

146.23 - Flat
165.61 Winter Avg

b. Water and Wastewater Retail Connections: Number of retail water and/or wastewater connections * within the District as of the fiscal year end. Provide actual numbers and single family equivalents (ESFC) as noted:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
5/8"	17,123	16,638	x 1.0	16,638
< 3/4"	22	21	x 1.5	31.5
1"	94	89	x 2.5	223
1 1/2"	23	23	x 5.0	115
2"	29	28	x 8.0	224
3"	9	9	x 15.0	135
4"	2	2	x 25.0	50
6"	-	-	x 50.0	-
Total water	17,302	16,810		17,416

* Number of connections relates to water service, if provided. Otherwise, the number of wastewater connections should be provided.

3. Total Water Consumption (In Thousands) During the Fiscal Year:

Gallons pumped into system:	2,026,437,000	Water Accountability Ratio:
Gallons billed to customers:	1,833,944,252	90.5%

Green Valley Special Utility District

TSI-2 PROPRIETARY FUND EXPENSES

For the Year Ended September 30, 2023

	2023	2022
<u>Operating Expenses</u>		
Water purchases	\$ 10,721,301	\$ 8,921,234
Salaries and labor	3,439,796	3,084,308
Payroll taxes and employee benefits	882,967	845,461
Edwards' Aquifer fees	153,998	153,998
Materials and supplies	920,066	1,128,570
Utilities	277,817	331,361
Repairs and maintenance	818,798	1,584,738
Office and operations	443,390	484,395
Professional fees	983,741	1,122,826
Depreciation	2,876,350	2,216,050
Other	42,629	-
Total Operating Expenses	21,560,853	19,872,941
<u>Nonoperating Expenses</u>		
Interest expense	\$ 2,596,209	\$ 3,048,443
	2,596,209	3,048,443
Total Expenses	\$ 24,157,062	\$ 22,921,384

(1) The District operates as an enterprise fund and, accordingly, this presentation is for an enterprise fund since there is no general fund.

Green Valley Special Utility District

TSI-3 CASH AND TEMPORARY INVESTMENTS

For the Year Ended September 30, 2023

Funds	Interest Rate (%)	Maturity Date	Restricted Balance	Unrestricted Balance	Total Balance
<u>Marion State Bank</u>					
Operating Account	Various	Various	\$ -	\$ 462,794	\$ 462,794
Operating Web Cks	Various	Various	-	27,835	27,835
Water Acquisition	Various	Various	-	576,232	576,232
CIAC Fee	Various	Various	-	2,557,379	2,557,379
Impact Fee	Various	Various	1,826,531	-	1,826,531
TWDB Construction	Various	Various	500	-	500
USDA 2020 Bonds	Various	Various	479	-	479
Series 2003 I&S	Various	Various	6,569	-	6,569
Series 2010 I&S	Various	Various	53,405	-	53,405
Series 2020 WW I&S	Various	Various	17,106	-	17,106
TWDB 10&11 Refunding I&S	Various	Various	540,208	-	540,208
Series 2022 I&S	Various	Various	2,114	-	2,114
I & S Fund	Various	Various	1,784,564	-	1,784,564
CD - Capital Recovery Account	1.00%	4/9/2024	278,079	-	278,079
CD - Capital Recovery Account	0.65%	9/22/2024	587,697	-	587,697
CD - Capital Recovery Account	0.75%	4/25/2024	1,096,793	-	1,096,793
CD - Capital Recovery Account	0.75%	4/26/2024	1,096,793	-	1,096,793
<u>Schertz Bank & Trust</u>					
Operating Account	0.05%	N/A	-	78,781	78,781
CD - Operating Account	0.45%	3/1/2024	-	500,000	500,000
CD - Operating Account	0.45%	10/14/2023	-	67,163	67,163
<u>First United Bank</u>					
Operating Account	Various	Demand	-	273,957	273,957
<u>Bank of Texas</u>					
Escrow Account	Various	Demand	76,424	-	76,424
<u>TexPool</u>					
Operating Account	Various	N/A	-	562,327	562,327
Capital Recovery Account	Various	N/A	518,259	-	518,259
<u>Logic</u>					
Operating Account	Various	N/A	-	9,041,922	9,041,922
Operating Account II	Various	N/A	-	14,779,183	14,779,183
Water Acquisition Reserves	Various	N/A	-	857,444	857,444
Capital Recovery Account	Various	N/A	3,233,632	-	3,233,632
<u>Held in Escrow</u>					
Escrow - Series 2020	Various	N/A	932,983	-	932,983
Escrow - Series 2021 TWDB	Various	N/A	3,100,460	-	3,100,460
Escrow - Series 2021A TWDB	Various	N/A	2,516,188	-	2,516,188
<u>Cash on Hand</u>					
			-	2,249	2,249
Total			\$ 17,668,784	\$ 29,787,266	\$ 47,456,050

Green Valley Special Utility District

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS

For the Year Ended September 30, 2023

Due During Fiscal Year Ending Sept 30,	Bond Series 2003			Bond Series 2020 Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 13,000	\$ 17,425.00	\$ 30,425	\$ 325,000	\$ 188,788	\$ 513,788
2025	14,000	16,873.00	30,873	340,000	175,788	515,788
2026	15,000	16,278.00	31,278	355,000	162,188	517,188
2027	15,000	15,640.00	30,640	365,000	151,538	516,538
2028	16,000	15,003.00	31,003	380,000	140,588	520,588
2029	17,000	14,323.00	31,323	385,000	132,988	517,988
2030	17,000	13,600.00	30,600	395,000	125,288	520,288
2031	18,000	12,878.00	30,878	400,000	117,388	517,388
2032	19,000	12,113.00	31,113	405,000	109,388	514,388
2033	20,000	11,305.00	31,305	420,000	101,288	521,288
2034	20,000	10,455.00	30,455	425,000	101,288	526,288
2035	21,000	9,605.00	30,605	435,000	83,325	518,325
2036	22,000	8,713.00	30,713	440,000	73,538	513,538
2037	23,000	7,778.00	30,778	455,000	63,638	518,638
2038	24,000	6,800.00	30,800	455,000	52,263	507,263
2039	25,000	5,780.00	30,780	475,000	40,888	515,888
2040	26,000	4,718.00	30,718	485,000	29,013	514,013
2041	27,000	3,613.00	30,613	285,000	15,675	300,675
2042	28,000	2,465.00	30,465	285,000	7,838	292,838
2043	30,000	1,275.00	31,275	-	-	-
2044	-	-	-	-	-	-
2045	-	-	-	-	-	-
2046	-	-	-	-	-	-
2047	-	-	-	-	-	-
2048	-	-	-	-	-	-
2049	-	-	-	-	-	-
2050	-	-	-	-	-	-
2051	-	-	-	-	-	-
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
2054	-	-	-	-	-	-
2055	-	-	-	-	-	-
2056	-	-	-	-	-	-
2057	-	-	-	-	-	-
2058	-	-	-	-	-	-
2059	-	-	-	-	-	-
Totals	<u>\$ 410,000</u>	<u>\$ 206,640</u>	<u>\$ 616,640</u>	<u>\$ 7,510,000</u>	<u>\$ 1,872,696</u>	<u>\$ 9,382,696</u>

Green Valley Special Utility District

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS (Continued)

For the Year Ended September 30, 2023

Due During Fiscal Year Ending Sept 30,	Bond Series 2020 TWDB			Bond Series 2020 USDA		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 825,000	\$ 220,504	\$ 1,045,504	\$ 80,000	\$ 80,828	\$ 160,828
2025	830,000	219,267	1,049,267	82,000	79,328	161,328
2026	830,000	217,690	1,047,690	84,000	77,791	161,791
2027	830,000	215,864	1,045,864	87,000	76,216	163,216
2028	835,000	213,623	1,048,623	89,000	74,584	163,584
2029	835,000	211,201	1,046,201	92,000	72,916	164,916
2030	840,000	208,279	1,048,279	94,000	71,191	165,191
2031	845,000	204,163	1,049,163	97,000	69,428	166,428
2032	850,000	199,008	1,049,008	99,000	67,609	166,609
2033	855,000	192,803	1,047,803	102,000	65,753	167,753
2034	860,000	185,536	1,045,536	105,000	63,841	168,841
2035	870,000	177,538	1,047,538	108,000	61,872	169,872
2036	880,000	169,012	1,049,012	111,000	59,847	170,847
2037	885,000	159,860	1,044,860	114,000	57,766	171,766
2038	895,000	150,213	1,045,213	117,000	55,628	172,628
2039	905,000	140,100	1,045,100	120,000	53,434	173,434
2040	920,000	129,421	1,049,421	123,000	51,184	174,184
2041	930,000	118,197	1,048,197	127,000	48,878	175,878
2042	940,000	106,572	1,046,572	130,000	46,497	176,497
2043	950,000	94,540	1,044,540	134,000	44,059	178,059
2044	965,000	82,095	1,047,095	138,000	41,547	179,547
2045	980,000	69,260	1,049,260	141,000	38,959	179,959
2046	990,000	56,030	1,046,030	145,000	36,316	181,316
2047	1,005,000	42,467	1,047,467	149,000	33,597	182,597
2048	1,020,000	28,598	1,048,598	153,000	30,803	183,803
2049	1,030,000	14,420	1,044,420	158,000	27,934	185,934
2050	-	-	-	162,000	24,972	186,972
2051	-	-	-	166,000	21,934	187,934
2052	-	-	-	171,000	18,822	189,822
2053	-	-	-	176,000	15,616	191,616
2054	-	-	-	180,000	12,316	192,316
2055	-	-	-	185,000	8,941	193,941
2056	-	-	-	191,000	5,472	196,472
2057	-	-	-	100,829	1,891	102,720
2058	-	-	-	-	-	-
2059	-	-	-	-	-	-
Totals	<u>\$ 23,400,000</u>	<u>\$ 3,826,261</u>	<u>\$ 27,226,261</u>	<u>\$ 4,310,829</u>	<u>\$ 1,597,770</u>	<u>\$ 5,908,599</u>

Green Valley Special Utility District

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS (Continued)

For the Year Ended September 30, 2023

Due During Fiscal Year Ending Sept 30,	Bond Series 2020A USDA			Bond Series 2020B USDA		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 99,000	\$ 93,844	\$ 192,844	\$ 53,000	\$ 34,636	\$ 87,636
2025	100,000	91,988	191,988	54,000	33,643	87,643
2026	102,000	90,113	192,113	55,000	32,630	87,630
2027	104,000	88,200	192,200	56,000	31,599	87,599
2028	106,000	86,250	192,250	57,000	30,549	87,549
2029	108,000	84,263	192,263	58,000	29,480	87,480
2030	110,000	82,238	192,238	59,000	28,393	87,393
2031	112,000	80,175	192,175	60,000	27,286	87,286
2032	114,000	78,075	192,075	61,000	26,161	87,161
2033	117,000	75,938	192,938	63,000	25,018	88,018
2034	119,000	73,744	192,744	64,000	23,836	87,836
2035	121,000	71,513	192,513	65,000	22,636	87,636
2036	123,000	69,244	192,244	66,000	21,418	87,418
2037	126,000	66,938	192,938	67,000	20,180	87,180
2038	128,000	64,575	192,575	69,000	18,924	87,924
2039	130,000	62,175	192,175	70,000	17,630	87,630
2040	133,000	59,738	192,738	71,000	16,318	87,318
2041	135,000	57,244	192,244	73,000	14,986	87,986
2042	138,000	54,713	192,713	74,000	13,618	87,618
2043	140,000	52,125	192,125	75,000	12,230	87,230
2044	143,000	49,500	192,500	77,000	10,824	87,824
2045	146,000	46,819	192,819	78,000	9,380	87,380
2046	148,000	44,081	192,081	80,000	7,918	87,918
2047	151,000	41,306	192,306	81,000	6,418	87,418
2048	154,000	38,475	192,475	83,000	4,899	87,899
2049	157,000	35,588	192,588	84,000	3,343	87,343
2050	160,000	32,644	192,644	86,000	1,768	87,768
2051	163,000	29,644	192,644	8,275	155	8,430
2052	166,000	26,588	192,588	-	-	-
2053	169,000	23,475	192,475	-	-	-
2054	172,000	20,306	192,306	-	-	-
2055	175,000	17,081	192,081	-	-	-
2056	179,000	13,800	192,800	-	-	-
2057	182,000	10,443	192,443	-	-	-
2058	185,000	7,031	192,031	-	-	-
2059	190,000	3,563	193,563	-	-	-
Totals	<u>\$ 5,005,000</u>	<u>\$ 1,923,437</u>	<u>\$ 6,928,437</u>	<u>\$ 1,847,275</u>	<u>\$ 525,876</u>	<u>\$ 2,373,151</u>

Green Valley Special Utility District

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS (Continued)

For the Year Ended September 30, 2023

Due During Fiscal Year Ending Sept 30,	Bond Series 2021			Bond Series 2021A		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 385,000	\$ 336,011	\$ 721,011	\$ 480,000	\$ 417,609	\$ 897,609
2025	395,000	334,048	729,048	490,000	415,161	905,161
2026	405,000	331,757	736,757	500,000	412,319	912,319
2027	415,000	328,881	743,881	515,000	408,769	923,769
2028	425,000	325,312	750,312	530,000	404,340	934,340
2029	435,000	321,105	756,105	540,000	399,093	939,093
2030	445,000	316,189	761,189	555,000	392,991	947,991
2031	460,000	310,582	770,582	570,000	385,998	955,998
2032	470,000	304,372	774,372	585,000	378,303	963,303
2033	480,000	297,604	777,604	595,000	369,879	964,879
2034	495,000	289,108	784,108	610,000	359,348	969,348
2035	505,000	279,258	784,258	630,000	347,209	977,209
2036	520,000	268,198	788,198	645,000	333,412	978,412
2037	530,000	256,342	786,342	660,000	318,706	978,706
2038	545,000	243,781	788,781	675,000	303,064	978,064
2039	560,000	230,538	790,538	695,000	286,661	981,661
2040	570,000	216,538	786,538	710,000	269,286	979,286
2041	585,000	201,946	786,946	730,000	251,110	981,110
2042	600,000	186,677	786,677	745,000	232,057	977,057
2043	615,000	170,777	785,777	765,000	212,315	977,315
2044	630,000	154,418	784,418	785,000	191,966	976,966
2045	645,000	137,534	782,534	805,000	170,928	975,928
2046	665,000	120,119	785,119	825,000	149,193	974,193
2047	680,000	102,098	782,098	845,000	126,835	971,835
2048	695,000	83,534	778,534	865,000	103,767	968,767
2049	715,000	63,587	778,587	885,000	78,941	963,941
2050	730,000	42,995	772,995	910,000	53,453	963,453
2051	750,000	21,825	771,825	930,000	27,063	957,063
2052	-	-	-	-	-	-
2053	-	-	-	-	-	-
2054	-	-	-	-	-	-
2055	-	-	-	-	-	-
2056	-	-	-	-	-	-
2057	-	-	-	-	-	-
2058	-	-	-	-	-	-
2059	-	-	-	-	-	-
Totals	<u>\$ 15,350,000</u>	<u>\$ 6,275,134</u>	<u>\$ 21,625,134</u>	<u>\$ 19,075,000</u>	<u>\$ 7,799,776</u>	<u>\$ 26,874,776</u>

Green Valley Special Utility District

TSI-5 LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS (Continued)

For the Year Ended September 30, 2023

Due During Fiscal Year Ending Sept 30,	Bond Series 2022			Total		
	Principal	Interest	Total	Principal	Interest	Total
2024	\$ 475,000	\$ 1,237,718	\$ 1,712,718	\$ 2,735,000	\$ 2,627,363	\$ 5,362,363
2025	495,000	1,204,466	1,699,466	2,800,000	2,570,562	5,370,562
2026	515,000	1,169,816	1,684,816	2,861,000	2,510,582	5,371,582
2027	540,000	1,133,767	1,673,767	2,927,000	2,450,474	5,377,474
2028	565,000	1,095,967	1,660,967	3,003,000	2,386,216	5,389,216
2029	590,000	1,056,416	1,646,416	3,060,000	2,321,785	5,381,785
2030	615,000	1,015,116	1,630,116	3,130,000	2,253,285	5,383,285
2031	645,000	972,068	1,617,068	3,207,000	2,179,966	5,386,966
2032	675,000	926,918	1,601,918	3,278,000	2,101,947	5,379,947
2033	705,000	899,917	1,604,917	3,357,000	2,039,505	5,396,505
2034	735,000	871,717	1,606,717	3,433,000	1,978,873	5,411,873
2035	765,000	842,317	1,607,317	3,520,000	1,895,273	5,415,273
2036	800,000	811,716	1,611,716	3,607,000	1,815,098	5,422,098
2037	840,000	779,716	1,619,716	3,700,000	1,730,924	5,430,924
2038	875,000	746,118	1,621,118	3,783,000	1,641,366	5,424,366
2039	915,000	711,118	1,626,118	3,895,000	1,548,324	5,443,324
2040	955,000	674,516	1,629,516	3,993,000	1,450,732	5,443,732
2041	1,000,000	636,317	1,636,317	3,892,000	1,347,966	5,239,966
2042	1,045,000	596,317	1,641,317	3,985,000	1,246,754	5,231,754
2043	1,090,000	554,518	1,644,518	3,799,000	1,141,839	4,940,839
2044	1,140,000	510,917	1,650,917	3,878,000	1,041,267	4,919,267
2045	1,190,000	465,318	1,655,318	3,985,000	938,198	4,923,198
2046	1,245,000	416,230	1,661,230	4,098,000	829,887	4,927,887
2047	1,300,000	364,874	1,664,874	4,211,000	717,595	4,928,595
2048	1,360,000	311,249	1,671,249	4,330,000	601,325	4,931,325
2049	1,420,000	255,149	1,675,149	4,449,000	478,962	4,927,962
2050	1,485,000	195,509	1,680,509	3,533,000	351,341	3,884,341
2051	1,550,000	133,140	1,683,140	3,567,275	233,761	3,801,036
2052	1,620,000	68,039	1,688,039	1,957,000	113,449	2,070,449
2053	-	-	-	345,000	39,091	384,091
2054	-	-	-	352,000	32,622	384,622
2055	-	-	-	360,000	26,022	386,022
2056	-	-	-	370,000	19,272	389,272
2057	-	-	-	282,829	12,334	295,163
2058	-	-	-	185,000	7,031	192,031
2059	-	-	-	190,000	3,563	193,563
Totals	<u>\$ 27,150,000</u>	<u>\$ 20,656,964</u>	<u>\$ 47,806,964</u>	<u>\$ 104,058,104</u>	<u>\$ 44,684,554</u>	<u>\$ 148,742,658</u>

Green Valley Special Utility District

TSI-6 CHANGE IN LONG-TERM BONDED DEBT

For the Year Ended September 30, 2023

	Bond Issues			
	Series 2003	Series 2020 Refunding	Series 2020 TWDB	Series 2020 USDA
Interest rate	3.75 to 5.50%	2.00 to 4.00%	0.00 to 1.40%	2.75%
Dates interest payable	3/15 and 9/15	3/15 and 9/15	3/15 and 9/15	3/15 and 9/15
Maturity dates	2043	2042	2049	2057
Bonds outstanding at beginning of current year	\$ 423,000	\$ 7,820,000	\$ 24,225,000	\$ 4,388,829
Bonds issued	-	-	-	-
Bonds sold or refunded	-	-	-	-
Principal retirements	(13,000)	(310,000)	(825,000)	(78,000)
Bonds Outstanding at End of Current Year	\$ 410,000	\$ 7,510,000	\$ 23,400,000	\$ 4,310,829
Interest Retirements	\$ 17,978	\$ 201,188	\$ 221,412	\$ 120,693

Lender's Name and Address

Series 2003, Series 2020 USDA, Series 2020A, USDA, Series 2020B USDA;

US Department of Agriculture
3251 N. Highway 123 Bypass
Seguin, TX 78155-7415

Series 2020 TWDB, 2020 Refunding, Series 2021 TWDB, Series 2021A TWDB, and Series 2022;

Texas Water Development Board
PO Box 13231
Austin, TX 78711-3231

Bond Authority	Tax Bonds
Amount authorized by voters	\$ 9,544,000
Amount issued	9,544,000
Remaining	\$ -

Restricted cash and temporary investment for debt service as of Sept 30, 2023 \$ 2,403,965

Average annual debt service payment (Principal and Interest)
for remaining term of all debt: \$ 4,131,741

Bond Issues					Total
Series 2020A USDA	Series 2020B USDA	Bond Series 2021	Bond Series 2021A	Bond Series 2022	
1.88%	1.88%	0.47 to 2.91%	0.47 to 2.91%	4.00 to 7.00%	
3/15 and 9/15	3/15 and 9/15	3/15 and 9/15	3/15 and 9/15	3/15 and 9/15	
2059	2051	2051	2051	2052	
\$ 5,102,000	\$ 2,739,000	\$ 15,725,000	\$ 19,540,000	\$ 27,150,000	\$ 107,112,829
-	-	-	-	-	-
-	-	-	-	-	-
(97,000)	(891,725)	(375,000)	(465,000)	-	(3,054,725)
<u>\$ 5,005,000</u>	<u>\$ 1,847,275</u>	<u>\$ 15,350,000</u>	<u>\$ 19,075,000</u>	<u>\$ 27,150,000</u>	<u>\$ 104,058,104</u>
<u>\$ 95,663</u>	<u>\$ 33,683</u>	<u>\$ 337,774</u>	<u>\$ 419,795</u>	<u>\$ 1,289,290</u>	<u>\$ 2,737,476</u>

Green Valley Special Utility District

TSI-7 COMPARATIVE SCHEDULE OF REVENUES AND EXPENSES

Last Five Years

	Amounts				
	2023	2022	2021	2020	2019
<u>Operating Revenues</u>					
Water Service	\$ 16,373,048	\$ 14,508,874	\$ 12,123,288	\$ 12,052,945	\$ 9,424,382
Meter installations	844,551	822,003	865,681	621,750	620,237
Penalties, fees, and other charges	4,807,831	3,897,445	2,540,465	673,714	483,227
Total Operating Revenues	22,025,430	19,228,322	15,529,434	13,348,409	10,527,846
<u>Operating Expenses</u>					
Water purchases	10,721,301	8,921,234	7,636,923	6,518,354	5,368,902
Salaries and related costs	4,322,763	3,929,769	3,087,732	2,454,061	1,863,582
Edwards' Aquifer fees	153,998	153,998.00	167,298	147,698	153,998
Materials and supplies	920,066	1,128,570	866,124	377,042	460,153
Utilities	277,817	331,361	528,445	244,942	201,693
Repairs and maintenance	818,798	1,584,738	1,182,575	1,404,146	336,932
Office and operations	486,019	484,395	576,857	351,801	546,953
Professional fees	983,741	1,122,826	1,208,549	2,722,453	1,806,510
Depreciation	2,876,350	2,216,050	1,684,865	1,094,206	992,788
Total Operating Expenses	21,560,853	19,872,941	16,939,368	15,314,703	11,731,511
Operating Income (Loss)	\$ 464,577	\$ (644,619)	\$ (1,409,934)	\$ (1,966,294)	\$ (1,203,665)
<u>Nonoperating Revenues (Expenses)</u>					
Interest revenue	2,148,314	257,152	63,839	153,961	181,324
Antenna service	695	96,035	94,210	98,058	85,098
Capital recovery revenue	2,976,098	3,807,590	5,026,088	4,468,451	2,725,982
Water acquisition	2,150,500	2,247,000	2,902,757	1,666,894	1,639,444
Developer contribution	3,251,379	-	-	-	-
Intergovernmental revenue	-	1,230,725	1,129,867	-	-
Interest expense	(2,596,209)	(3,048,443)	(635,254)	(383,500)	(415,082)
Total Nonoperating Revenues	7,930,777	4,590,059	8,581,507	6,003,864	4,216,766
Change in Net Position	\$ 8,395,354	\$ 3,945,440	\$ 7,171,573	\$ 4,037,570	\$ 3,013,101

Percent of Total Fund Revenues

2023	2022	2021	2020	2019
74.3 %	75.5 %	78.1 %	90.3 %	89.5 %
3.8	4.3	5.6	4.7	5.9
21.8	20.3	16.4	5.0	4.6
100.0	100.0	100.0	100.0	100.0
48.7	46.4	49.2	48.8	51.0
19.6	20.4	19.9	18.4	17.7
0.70	0.8	1.1	1.1	1.5
4.2	5.9	5.6	2.8	4.4
1.3	1.7	3.4	1.8	1.9
3.7	8.2	7.6	10.5	3.2
2	2.5	3.7	2.6	5.2
4.5	5.8	7.8	20.4	17.2
13.1	11.5	10.8	8.2	9.4
97.9	103.4	109.1	114.7	111.4
2.1 %	(3.4) %	(9.1) %	(14.7) %	(11.4) %
9.8	1.3	0.4	1.2	1.7
0.0	0.5	0.6	0.7	0.8
13.5	19.8	32.4	33.5	25.9
9.8	11.7	18.7	12.5	15.6
14.8	0.0	0.0	0.0	0.0
0.0	6.4	7.3	0.0	0.0
(11.8)	(15.9)	(4.1)	(2.9)	(3.9)
36.0	23.9	55.3	45.0	40.1
38.1 %	20.5 %	46.2 %	30.2 %	28.6 %

Green Valley Special Utility District

TSI-8 BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS

For the Year Ended September 30, 2023

District's Mailing Address: Green Valley Special Utility District
P.O. Box 99
Marion, TX 78124

District's Business Telephone Number: (830) 914-2330

<u>Board Members</u>	<u>Term</u>	<u>Fees</u>	<u>Expenses</u>	<u>Title</u>
Brit King	11/22 - 11/25	\$ 1,350	\$ -	Director
David Strauss	11/19 - 11/22	\$ 450	\$ -	Director
Christina Miller	11/20 - 11/23	\$ 3,900	\$ -	Director CRWA Represntative
Nicholas Sherman	11/23 - 11/24	\$ 2,250	\$ -	Director
James Poage	5/19 - 11/21	\$ -	\$ -	Remove
James Harden Jr	11/19 - 6/22	\$ -	\$ -	Remoce
Robert Roberson	11/23 - 11/24	\$ 2,250	\$ -	Director
Steve Cooper	11/21 - 11/24	\$ 3,900	\$ -	President CRWA Represntative
John Frias	7/22 - 11/225	\$ 2,100	\$ -	Vice President
James Hendrix	11/21 - 11/24	\$ 2,250	\$ -	Secretary/Treasurer

Submission date of the most recent District registration form: January 2020

Limit on fees of office that a director may receive during a fiscal year: \$6,000

Name	Date Hired	Fees and Expenses	Title
<u>Key Administrative Personnel</u>			
David P. Allen	10/06	N/A	General Manager
Philip Defrancesco	7/21	N/A	Assistant Gen Manager
Tracy Rappmund	10/12	N/A	Human Resources
Pamela Manchack	8/99	N/A	Bookkeeper
Heidi Schnell	9/21	N/A	Staff Accountant
<u>Consultants</u>			
Terrill & Waldrop	2018	\$ 467,384	Attorney
Trac-N-Trol	2013	\$ 26,635	Engineering
Tri - Hydro	2017	\$ 605,399	Engineering
Utility Engineering Group	2017	\$ 1,170,278	Engineering
Belt Harris Pechacek LLP	2010	\$ 71,702	Auditor
Texas Solution Grouo	2019	\$ 84,500	Government Affairs
<u>Investment Officers</u>			
David P. Allen			
Robert Roberson			
Steven Cooper			
Christina Miller			
Heidi Schnell			
Pamela Manchack			

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