

BOLING MUNICIPAL
WATER DISTRICT

BOLING, TEXAS

FINANCIAL REPORT

June 30, 2022

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Independent Auditors' Report

Board of Directors
Boling Municipal Water District
Wharton County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Boling Municipal Water District (the "District") as of and for the year ended June 30, 2022, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Boling Municipal Water District as of June 30, 2022, 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 Auditor's 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.

Change in Accounting Principle

As discussed in Note 10. to the financial statements, in 2022 the District adopted new accounting guidance, Governmental Accounting Standards Board No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibility of Management for the Financial Statements

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

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

Auditor's Responsibility 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 fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 risk risks of material misstatement of the financial statements, whether due to fraud or error and perform audit procedures responsive to those risks. Such procedures including 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, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating 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.

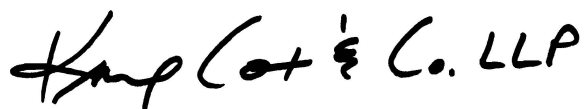
We are required to communicate with those charged with governance regarding, amount other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that identified during the audit.

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 on pages 3 through 8 and 34, respectively, 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 Supplementary Information (TSI) listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Sugar Land, Texas
September 29, 2022

Management's Discussion and Analysis

As management of Boling Municipal Water 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 year ended June 30, 2022.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1,132,540 (Net Position).
- As of June 30, 2022, the District's governmental funds reported an ending fund balance of \$240,137.
- The District's cash balance at June 30, 2022 was \$197,607, representing a decrease of \$6,614 from June 30, 2021.
- The District had revenues of \$398,382 and a change in net position of \$42,408 for the year ended June 30, 2022.
- At the end of the fiscal year, unrestricted and unassigned fund balance for the General Fund was \$223,307, or 58.5 percent of total General Fund expenditures.
- The District's total debt decreased by \$70,800 during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets and liabilities, with the difference between the two 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.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal 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. Thus, revenues and expenses are reported in this statement for some items that did not affect cash flows in this fiscal period (e.g., depreciation).

The government-wide financial statements present functions of the District that are provided from funding sources (governmental activities). The government-wide financial statements can be found on pages 10-11 of this report.

FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the District consist solely of governmental funds (the General Fund).

Governmental Funds - Governmental funds are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented in the governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide an adjustments column to facilitate this comparison between the governmental funds and *governmental activities*. The basic governmental fund financial statements can be found on pages 10-11 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 24 of this report.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found on page 25 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$1,132,540 as of June 30, 2022.

The largest portion of the District's net position reflects its net investment in capital assets (e.g. land, buildings and improvements, and infrastructure). The District uses these capital assets to provide services to the customers we serve; consequently, these assets are not available for future spending.

Additionally, a portion of the District's net position represents unrestricted financial resources available for future operations (\$250,646).

SUMMARY OF STATEMENT OF NET POSITION

	Governmental Activities	
	2022	2021*
Current and other assets	\$ 264,737	\$ 250,782
Capital assets, net	1,109,976	1,154,732
Total Assets	1,374,713	1,405,514
Long-term liabilities	228,082	298,882
Other liabilities	14,091	16,500
Total Liabilities	242,173	315,382
Net Position:		
Net investment in capital assets	881,894	855,849
Unrestricted	250,646	234,283
Total Net Position	\$ 1,132,540	\$ 1,090,132

* Restated for GASB 87, Leases

Net position of the District, all of which relate to governmental activities, increased by \$42,408. Key elements of the increase are as follows:

CHANGES IN NET POSITION

	Governmental Activities	
	2022	2021*
Revenues		
Water and sewer charges	\$ 283,823	\$ 341,146
Property taxes	96,048	86,342
Penalties and interest	12,562	10,058
Investment income and other	5,949	3,172
Total Revenues	<u>398,382</u>	<u>440,718</u>
Expenses		
Professional fees and contracted services	175,022	152,765
Repairs and maintenace	61,750	55,079
Utilities	15,612	15,717
Other operating expenses	35,035	32,082
interest and fiscal charges	11,049	23,213
Depreciation and amortization	57,506	57,326
Total Expenses	<u>355,974</u>	<u>336,182</u>
Change in Net Position	42,408	104,536
Net position, beginning *	<u>1,090,132</u>	<u>985,596</u>
Net Position, Ending	<u>\$ 1,132,540</u>	<u>\$ 1,090,132</u>

* Restated for GASB 87, Leases

Governmental Funds - The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, fund balances may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

As of June 30, 2022, the District's governmental funds, which consist of a general fund reported an ending fund balance of \$240,137 which is an increase of \$14,292 from last year's total of \$225,845. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 58.5 percent of total general fund expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The District's investment in capital assets as of June 30, 2022 amounts to \$1,109,976 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings and improvements and infrastructure.

CAPITAL ASSETS SCHEDULE (net of depreciation and amortization)

	Governmental Activities	
	<u>2022</u>	<u>2021*</u>
Capital assets not being depreciated:		
Land	\$ 105,162	\$ 105,162
	<u>105,162</u>	<u>105,162</u>
Capital assets being depreciated/amortized:		
Buildings, equipment and improvements	235,686	222,936
Right-to-use assets, leased meters	205,944	205,944
Infrastructure	2,346,144	2,346,144
	<u>2,787,774</u>	<u>2,775,024</u>
Less: accumulated amortization	(39,472)	(18,878)
Less: accumulated depreciation	(1,743,488)	(1,706,576)
Total depreciation and amortization	<u>(1,782,960)</u>	<u>(1,725,454)</u>
Net capital assets being depreciated and amortized	<u>1,004,814</u>	<u>1,049,570</u>
Total Capital Assets, Net	<u>\$ 1,109,976</u>	<u>\$ 1,154,732</u>

* Restated for GASB 87, Leases

Additional information on the District's capital assets can be found in Note 6 in the notes to financial statements.

Long-term Debt – As of June 30, 2022, the District has total debt outstanding of \$228,082. Interest and fiscal charges totaled \$11,049 for the 2022 fiscal year on this debt. The outstanding debt, which consists of a note payable and a lease liability have maturities ranging from 2023 to 2028.

LONG-TERM DEBT SCHEDULE

	Governmental Activities	
	2022	2021*
Lease liability	\$ 157,780	\$ 177,352
Note from direct borrowings	\$ 70,302	\$ 121,530
Total Long-term Debt	\$ 228,082	\$ 298,882

* Restated for GASB 87, Leases

Additional information on the District’s long-term debt can be found in Note 7 and Note 8 in the notes to the financial statements.

ECONOMIC FACTORS

- Unrestricted and unassigned fund balance in the General Fund decreased by \$2,538 to \$223,307. An increase of \$13,445 was projected.

In March 2020, the Governor of the State of Texas declared a State of Disaster in Texas due to the outbreak of a novel coronavirus (COVID-19). The District is continuing to provide services to customers and residents of the District while addressing the impact of the outbreak. The District is continuously evaluating their budget and operations.

RESTATEMENT

The District adopted a new accounting standard, GASB 87, *Leases* effective July 1, 2021. GASB 87 requires the net present value of the payment stream associated with a right-to-use asset to be included in the Statement of Net Position. As a result of the implementation of GASB 87, beginning Net Position was restated.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of Boling Municipal Water District’s finances for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Boling Municipal Water District, 7218 FM 442 Road, P.O. Box 307, Boling, Texas 77420-0307.

FINANCIAL STATEMENTS

Boling Municipal Water District

Exhibit B(1)

STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS

BALANCE SHEET

June 30, 2022

	<u>General</u>	<u>Adjustments (Note 2)</u>	<u>Statement of Net Position</u>
<u>Assets</u>			
Cash and cash equivalents	\$ 197,607	\$	\$ 197,607
Restricted cash - meters			
Investments			
Receivables:			
Property taxes	10,509		10,509
Customer service accounts, net	31,993		31,993
Due from other governments	398		398
Other	7,400		7,400
Prepaid Assets	16,830		16,830
Capital assets, net of accumulated depreciation and amortization:			
Land		105,162	105,162
Buildings, equipment and improvements		49,098	49,098
Right-of-use asset		166,472	166,472
Infrastructure		789,244	789,244
Total Assets	\$ 264,737	1,109,976	1,374,713
<u>Liabilities</u>			
Accounts payable and accrued liabilities	\$ 3,066		3,066
Customer deposits	11,025		11,025
Note payable:			
Due within one year		53,167	53,167
Due after one year		17,135	17,135
Lease liability:			
Due within one year		20,263	20,263
Due after one year		137,517	137,517
Total Liabilities	14,091	228,082	242,173
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	10,509	(10,509)	
<u>Fund Balances/Net Position</u>			
Fund Balances:			
Nonspendable	16,830	(16,830)	
Unrestricted and unassigned	223,307	(223,307)	
Total Fund Balances	240,137	(240,137)	
Total Liabilities, Deferred Inflows and Fund Balances			
	\$ 264,737		
Net Position:			
Net investment in capital assets		881,894	881,894
Unrestricted		250,646	250,646
Total Net Position		\$ 1,132,540	\$ 1,132,540

Boling Municipal Water District

Exhibit B(2)

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

Year Ended June 30, 2022

	General	Adjustments (Note 2)	Statement of Activities
Revenues			
Water and sewer service charges	\$ 283,823	\$	\$ 283,823
Property taxes	93,977	2,071	96,048
Penalties and interest	12,562		12,562
Tap connection and permit fees	5,565		5,565
Investment earnings	28		28
Other	356		356
Total Revenues	396,311	2,071	398,382
Expenditures/Expenses			
Current:			
Consumable materials and supplies	5,359		5,359
Administration	29,676		29,676
Utilities	15,612		15,612
Professional fees and contracted services	175,022		175,022
Repairs and maintenance	61,750		61,750
Capital outlay	12,750	(12,750)	
Debt Service			
Principal	70,801	(70,801)	
Interest and fiscal charges	11,049		11,049
Depreciation and amortization			
		57,506	57,506
Total Expenditures/Expenses	382,019	(26,045)	355,974
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,292	(14,292)	
Net Change in Fund Balance	14,292	(14,292)	
Change in Net Position		42,408	42,408
Fund Balances/Net Position - Beginning *	225,845	864,287	1,090,132
Fund Balances/Net Position - Ending	\$ 240,137	\$ 892,403	\$ 1,132,540

* Restated for GASB 87, Leases

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Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform with accounting principles generally accepted in the United States of America. The following is a summary of the most significant policies:

A. Reporting Entity

Boling Municipal Water District (District) was created in 1955, under the authority of the Texas Legislature and operates under Texas Water Code Chapter 51. The Board of Directors met for the first time in September, 1955, and the District sold its first bonds on May 1, 1956. The District provides fresh water and sanitary sewer services to residents, businesses and governmental offices which elect to utilize these services.

The District is a political subdivision of the State of Texas governed by an elected five member board and is considered a primary government. As required by generally accepted accounting principles, these general purpose financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the District's financial reporting entity. Based on these considerations, no other entities, organizations, or functions have been included in the District's financial reporting entity. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by accounting principles generally accepted in the United States of America. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining whether the District's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Although not considered significant in the District's reporting entity evaluation, other prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations 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.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities, and plants necessary for the supply of water, the collection, transportation, and treatment of wastewater; and the control and diversion of storm water.

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

Financial Statement Presentation

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

Government-wide Financial Statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities, but also capital assets and long-term liabilities (such as buildings and infrastructure and general obligation debt). Accrual accounting reports all of the revenues and costs of providing services each year, not just those received or paid in the current or soon thereafter, as is the case with the modified accrual basis of accounting. Governments report all capital assets, including infrastructure, in the government-wide Statement of Net Position and report related depreciation expense, the cost of "using up" capital assets, in the Statement of Activities. The net position of a government is broken down into three categories: 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Fund Financial Statements - These statements focus on the District's major funds and are prepared using the modified accrual basis of accounting.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units, as applicable. The effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. The District had no business-type activities or component units as of and for the year ended June 30, 2022.

The governmental funds financial statements consist of the balance sheet and statement of revenues, expenditures and changes in fund balance. These financial statements have been adjusted to arrive at the government-wide financial statement balances (statement of net position and statement of activities). Major individual governmental funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental funds financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if collected within 60 days of the end of the current fiscal period. Revenues accrued include interest earned on investments and income from District operations. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service requirements, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Governmental Accounting Standards Board has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB 54 requires the fund balance amounts to be properly reported within one of the following fund balance categories:

Nonspendable:

To indicate fund balance associated with inventories, prepaids, long-term loans and notes receivable and property held for resale (unless the proceeds are restricted, committed or assigned).

Restricted:

To indicate fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. When restricted and unrestricted fund balance exists for the same purpose, restricted fund balance will be used first.

Committed:

To indicate fund balance that can be used only for the specific purposes determined by a formal action of the Board of Directors (the District's highest level of decision-making authority). Commitments may be changed or lifted only by the Board of Directors taking the same formal action that imposed the constraint originally.

Assigned:

To indicate fund balance to be used for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned:

To indicate the residual classification of fund balance in the General Fund and includes all spendable amounts not contained in the other classifications.

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned and unassigned.

GASB 54 requires disclosure of any formally adopted minimum fund balance policies. The District does not currently have any such policies.

The accounting system is organized on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which comprise its assets, liabilities, fund equity or deficit, revenues and expenditures.

The District reports the following governmental fund:

General Fund

The General Fund is used to account for the operations of the District's water and sewer system and all other financial transactions not properly includable in other funds. The principal sources of revenue are related to water and sewer service operations. Expenditures include all costs associated with the daily operations of the District.

C. Deferred Inflows of Resources

Deferred inflows of resources represent 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. Deferred inflows of resources consist of unearned tax revenues.

D. Budget

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

E. Investments

The District classifies investments that have a remaining maturity of one year or less at the date of purchase as "money market investments" in accordance with Governmental Accounting Standards Board Statement No. 31, "Accounting and Reporting for Certain Investments and External Investment Pools" (Statement No. 31). Statement No. 31 defines "money market investments" as short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U.S. Treasury and agency obligations. The District values its "money market investments" at cost, which is considered to approximate market value. The District's certificates of deposit, if any, are recorded at cost in accordance with Statement No. 31.

In December 2015, GASB issued Statement No. 79 titled "Certain External Investment Pools and Pool Participants" in response to the Securities and Exchange Commission's

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

amendments in 2014 to regulations that apply to money market funds. Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. If the external investment pool meets the criteria in Statement No. 79 and measures all of its investments at amortized cost, the pool's participants also should measure their investments in that external investment pool at amortized cost for financial reporting purposes.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. At June 30, 2022, allowances for uncollectible water and sewer accounts and property taxes were not considered necessary.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the government-wide financial statements. Capital assets, other than infrastructure items, 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 one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Land	N/A
Buildings and improvements	5-40 years
Water system	20-50 years
Wastewater system	20-50 years

H. Right-To-Use Assets

The District has recorded right-to-use lease assets as a result of implementing GASB 87. Right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. Right-to-use assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

I. Reclassifications

Certain reclassifications to prior year balances have been made to conform to current year presentation. Such reclassifications have had no effect on the change in net position or change in fund balance.

J. Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, required management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Date of Management's Review

Subsequent events have been evaluated through September 29, 2021, which is the date the financial statements were available to be issued.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes an adjustments column to arrive at the government-wide statement of net position balances. Amounts reported in the statement of net position are different because:

Total fund balances - governmental funds	\$	240,137
Capital assets and deferred charges used in governmental activities are not financial resources and are not reported in the funds.		943,504
Right-of-use assets used in governmental activities are not financial resources and are not reported in the funds.		166,472
Property tax revenue recognition and other deferred inflows of resources are subject to availability of funds in the fund financial statements.		10,509
Long-term liabilities, including bonds, notes and finance lease liabilities, are not due and payable in the current period, and therefore are not reported in the funds		<u>(228,082)</u>
Net Position of Governmental Activities	\$	<u>1,132,540</u>

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes an adjustments column to arrive at changes in net position as reported in the government-wide statement of activities. Amounts reported in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	14,292
--	----	--------

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated lives and reported as depreciation and amortization expense. This is the amount by which depreciation and amortization expense exceeded capital outlay in the current period.

	(44,756)
--	----------

Repayment of bond, note principal and finance lease liability is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

	70,801
--	--------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents the net change in property tax receivable on the accrual basis of accounting.

	2,071
--	-------

Change in Net Position of Governmental Activities	\$	42,408
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Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH AND INVESTMENTS

Cash and cash equivalents consist of interest bearing checking and savings accounts. The carrying amounts for cash and cash equivalent balances, which approximate fair values, by fund at June 30, 2022, are as follows:

	<u>General Fund</u>
Cash and Cash Equivalents	
Checking and savings accounts	\$ 197,607
	<u>\$ 197,607</u>

Investment Policies

The District currently has adopted and written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code.

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. Balances in checking accounts in depository institutions were entirely guaranteed by federal depository insurance or security as provided by statutes and bond provisions at June 30, 2022.

Interest Rate Risk

In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than two years to meet cash requirements for ongoing operation.

Credit Risk - Investments

The District minimized credit risk losses due to default of a security issuer or backer, by limiting investments to the safest types of securities. At year end, the District was not significantly exposed to credit risk.

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

NOTE 4 - PROPERTY TAXES

All property values are determined by the Wharton County Appraisal District. A tax lien attaches to all properties within the District on January 1st of each year. Taxes are generally levied on October 1 and are due upon receipt of the tax bill by the property owner. Penalties and interest are charged if taxes are not paid by the succeeding January 31st. There is an additional twenty percent penalty charged on accounts delinquent after July 1st of each year which generally is payable to the District's delinquent tax attorney.

Property taxes are prorated between operations and debt service based on the respective rates adopted for the year of the levy. For the current year, the District levied a combined rate of \$0.31 per \$100 of assessed valuation of which all was allocated to operations. The resulting tax levy was \$96,048 on the adjusted taxable valuation of \$30,983,121 for the 2021 tax year. Property taxes receivable at June 30, 2022, consisted of the following:

	General Fund
2021 Levy	\$ 6,501
2020 Levy	2,082
2019 Levy	1,325
2018 Levy	601
Total Property Taxes Receivable	\$ 10,509

NOTE 5 - RECEIVABLES

Receivables as of year-end for the government's individual major funds are as follows:

	General Fund
Receivables:	
Taxes	\$ 10,509
Accounts, net	31,993
Other	7,798
Total Receivables	\$ 50,300

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of deferred inflows of resources reported in the governmental funds were as follows:

Delinquent property taxes receivable - general fund	<u>Unavailable</u> \$ 10,509
Total Deferred Inflows for Governmental Funds	<u>\$ 10,509</u>

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2022, follows:

	Balance * July 01, 2021	Increases	(Decreases)	Balance June 30, 2022
Governmental Activities:				
Non-depreciable Assets:				
Land	\$ 105,162	\$	\$	\$ 105,162
Construction in progress				
Total Non-depreciable Assets	<u>105,162</u>	<u></u>	<u></u>	<u>105,162</u>
Depreciable Assets:				
Buildings and equipment	222,936	12,750		235,686
Right-of-use assets, leased meters	205,944			205,944
Water and wastewater systems	<u>2,346,144</u>	<u></u>	<u></u>	<u>2,346,144</u>
Total Depreciable Assets	<u>2,775,024</u>	<u>12,750</u>	<u></u>	<u>2,787,774</u>
Less Accumulated Depreciation and Amortization	<u>(1,725,454)</u>	<u>(57,506)</u>	<u></u>	<u>(1,782,960)</u>
Totals	<u>\$ 1,154,732</u>	<u>\$ (44,756)</u>	<u>\$</u>	<u>\$ 1,109,976</u>

* Restated for GASB 87, Leases

Depreciation expense for the year ended June 30, 2022, totaled \$57,506

NOTE 7 - LEASES

In 2019, The District has entered into a lease agreement for financing the acquisition of 375 radio read meters. The lease term is for 10 years, has a discount rate of 3.5% and a bargain purchase price at the end of the lease of a \$1. There are no variable lease payment components within this lease. The lease liability has been recorded at the present value of payments expected to be made during the term of the lease.

As of June 30, 2022, the assets acquired through the lease are as follows:

	Governmental Activities
Asset:	
Meters	\$ 205,944
Less: Accumulated amortization	<u>(39,472)</u>
Total	<u>\$ 166,472</u>

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>
2023	\$ 25,609
2024	25,610
2025	25,610
2026	25,610
2027	25,610
2028-2029	51,216
Total minimum lease payments	179,265
Less: amount representing interest	(21,485)
Present value of minimum lease payments	<u>\$ 157,780</u>

NOTE 8 - LONG-TERM DEBT

Note Payable

On November 1, 2018 the District entered into a direct placement financing contract with the District's engineer in the amount of \$193,749 to finance the cost of repairs to the District's facilities. On May 24, 2019 the note was increased to \$225,935. Repayment of the note commenced in December 2018 and continues through November 2023. In fiscal 2019, the monthly note payments were \$3,929, increasing to \$4,687 in 2020 and thereafter. The note bears interest at 8.5% (prime plus 3%). Annual interest rate on matured, unpaid amounts is the lesser of 18% per annum or the maximum rate allowed by law.

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

<u>Fiscal Year</u>	<u>Note from Direct Borrowings</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2023	\$ 53,167	\$ 3,073	\$ 56,240
2024	17,135	225	17,360
	<u>\$ 70,302</u>	<u>\$ 3,298</u>	<u>\$ 73,600</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022, were as follows:

	<u>Balance *</u> <u>July 01, 2021</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Amounts</u> <u>Due within</u> <u>One Year</u>
Governmental Activities:					
Lease liability	\$ 177,352	\$	\$ (19,572)	\$ 157,780	\$ 20,263
Note from direct borrowings	121,530		(51,228)	70,302	53,167
Total Long-term Debt	<u>298,882</u>		<u>(70,800)</u>	<u>228,082</u>	<u>73,430</u>

* Restated for GASB 87, Leases

Boling Municipal Water District

Exhibit B(3)

NOTES TO FINANCIAL STATEMENTS

NOTE 9 - 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 commercial insurance. The District has not significantly reduced insurance coverage or had any settlements or claims for the past three fiscal years.

In 2020, the World Health Organization declared a pandemic following the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus (the "Pandemic"), which is currently affecting many parts of the world, including the United States and Texas. Federal, state and local governments have all taken actions to respond to the Pandemic, including disaster declarations by the Governor of Texas. Since the disaster declarations were made, the Pandemic has negatively affected travel, commerce, and financial markets locally, and is expected to continue negatively affecting economic growth and financial markets within Texas. While the potential impact of COVID-19 on the District can not be quantified at this time, the continued outbreak of COVID-19 could have a negative impact on the District's financial condition.

NOTE 10 - IMPLEMENTATION OF NEW STANDARDS

In 2022, the District implemented Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*. This Statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

As a result of the implementation, the Statement of Net Position includes the following balances as of June 30, 2022:

Noncurrent assets:		
Right-to-use assets, net of amortization	\$	166,472
Current liabilities:		
Lease Liability, due within one year	\$	20,263
Noncurrent liabilities		
Lease Liability, due after one year	\$	137,517

In addition, GASB 87 required net position as of June 30, 2021 to be restated as follows:

Net position, as previously stated	\$	1,114,564
Effect of GASB 87		<u>(24,432)</u>
Net position, as restated	\$	<u>1,090,132</u>

REQUIRED SUPPLEMENTARY INFORMATION

Boling Municipal Water District

Exhibit C(1)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND

Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Water and sewer service charges \$	300,000	\$ 300,000	\$ 283,823	\$ (16,177)
Property taxes	90,000	90,000	93,977	3,977
Penalties and interest	10,750	10,750	12,562	1,812
Tap connection and permit fees	1,500	1,500	5,565	4,065
Investment earnings	20	20	28	8
Other	1,000	1,000	356	(644)
Total Revenues	<u>403,270</u>	<u>403,270</u>	<u>396,311</u>	<u>(6,959)</u>
<u>Expenditures</u>				
Current:				
Consumable materials	9,000	8,000	5,359	2,641
Administration	27,440	28,240	29,676	(1,436)
Utilities	19,500	19,500	15,612	3,888
Professional and contracted	178,000	183,000	175,022	7,978
Repairs and maintenance	85,250	69,210	61,750	7,460
Capital Outlay			12,750	(12,750)
Debt Service				
Principal retirement	75,350	75,350	70,801	4,549
Interest and fiscal charges	6,525	6,525	11,049	(4,524)
Total Expenditures	<u>401,065</u>	<u>389,825</u>	<u>382,019</u>	<u>7,806</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	2,205	13,445	14,292	847
<u>Other Financing Source:</u>				
Loan proceeds				
Net change in Fund balance	2,205	13,445	14,292	847
Fund Balances - Beginning	225,845	225,845	225,845	
Fund Balances - Ending	<u>\$ 228,050</u>	<u>\$ 239,290</u>	<u>\$ 240,137</u>	<u>\$ 847</u>

Boling Municipal Water District

Exhibit C(2)

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Budgets and Budgetary Accounting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The budget was amended during the year by the Board.

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ADDITIONAL INFORMATION

Boling Municipal Water District

SCHEDULE OF SERVICES AND RATES

Year Ended June 30, 2022

1. Services provided by the District:

<input checked="" type="checkbox"/>	Retail Water	<input type="checkbox"/>	Wholesale Water	<input type="checkbox"/>	Drainage
<input checked="" type="checkbox"/>	Retail Sewer	<input type="checkbox"/>	Wholesale Sewer	<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 rates based on 5/8" meter

Retail rates not applicable

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

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons Over Minimum	Usage Levels
Water	\$ 17.06	2,000	N	\$ 4.44	2,001 to 35,000
				\$ 5.46	35,001 to 85,000
				\$ 5.81	85,001 to 135,000
				\$ 6.14	over 135,000
Waste	\$ 23.89	2,000	N	\$ 4.64	2,001 to 35,000
				\$ 4.99	35,001 to 85,000
				\$ 5.26	85,001 to 135,000
				\$ 5.53	over 135,000

Surcharge N/A Per 1,000 Groundwater Reduction Plan Fee
 District employs winter averaging for wastewater usage? Yes No
 Total water and sewer charges per 10,000 gallons usage (including surcharges) 113.59

3. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
< or = .75"	371	365	x 1.0	365
1"	1	1	x 2.5	3
1.5"			x 5.0	
2"	4	4	x 8.0	32
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
Total Water	376	370		400
Total Wastewater	370	370	x 1.0	370

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

Gallons pumped into system:	25,170,000
Gallons billed to customers:	21,476,933
Percent of gallons billed to pumped	85.3%

5. Standby Fees: Does the District assess standby fees? Yes ___ No X

For the most recent full fiscal year:

Debt Service:	Total levy	\$ _____
	Total collected	\$ _____
	Percentage collected	_____ %
Operation & Maintenance	Total levy	\$ _____
	Total collected	\$ _____
	Percentage collected	_____ %

Have standby fees been levied in accordance with Water Code Section 49.231, thereby constituting a lien on property? Yes ___ No ___

6. Location of District:

County in which District is located. Wharton

Is the District located entirely within one county? Yes X No ___

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

City in which District is located. _____

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

ETJ's in which District is located. _____

Is the general membership of the Board appointed by an office outside the District?
Yes ___ No X

If yes, by whom? _____

Boling Municipal Water District

TSI-2

SCHEDULE OF GENERAL FUND EXPENDITURES

Year Ended June 30, 2022

Current

Professional fees and Contracted Services

Auditing	9,186
Legal	2,165
Bookkeeping	38,246
Wharton CAD	1,600
Operations	123,825
	<u>\$ 175,022</u>

Consumable Materials and Supplies:

Supplies and Materials	4,096
Other	1,263
	<u>5,359</u>

Utilities

15,612

Repairs and Maintenance

61,750

Administration:

Insurance	10,035
Fees and fines	2,651
Office supplies	4,256
Other	12,734
	<u>29,676</u>

Capital Outlay

12,750

Debt Service

81,850

Total Expenditures

\$ 382,019

Number of employees employed by the District

0 Full-time
0 Part-time

Boling Municipal Water District

TSI-3

SCHEDULE TEMPORARY INVESTMENTS

Year Ended June 30, 2022

<u>Funds</u>	<u>Interest Rate (%)</u>	<u>Maturity Date</u>	<u>Balances at August 31, 2022</u>	<u>Accrued Interest</u>
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The District has no temporary investments at June 30, 2022.

Boling Municipal Water District

TSI-4

ANALYSIS OF TAXES LEVIED AND RECEIVABLE

Year Ended June 30, 2022

	General Fund
Taxes Receivable - July 01, 2021	\$ 8,438
Adjustments	
2021 Original Tax Roll	96,048
Additions and corrections-current year	
Adjusted tax roll	96,048
Total to be Accounted for	104,486
<u>Tax Collections</u>	
Current year	89,547
Prior years	4,430
Total Collections	93,977
Taxes Receivable - June 30, 2022	\$ 10,509
<u>Taxes Receivable - By Year</u>	
2021	\$ 5,283
2020	2,349
2019	806
Taxes Receivable - June 30, 2022	\$ 10,509

<u>Assessed</u>	2021	2020	2019	2018
<u>Property Valuations</u>				
Land, improvements and personal property	\$ 30,983,121	\$ 28,624,715	\$ 27,965,347	\$ 25,492,762
	\$ 30,983,121	\$ 28,624,715	\$ 27,965,347	\$ 25,492,762
<u>Tax Rates Per \$100 Valuations</u>				
General operations	\$ 0.31000	\$ 0.30772	\$ 0.32102	\$ 0.33000
Total Tax Rate per \$100 Valuation	\$ 0.31000	\$ 0.30772	\$ 0.32102	\$ 0.33000
Adjusted Tax Levy	\$ 96,048	\$ 88,084	\$ 89,774	\$ 84,126

Percent of taxes collected to taxes levied (as adjusted)	94.5%	97.3%	99.1%	100%
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Boling Municipal Water District
LONG-TERM DEBT SERVICE REQUIREMENTS BY YEARS
June 30, 2022

TSI-5

The District has no long-term bonded debt outstanding at June 30, 2022.

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Boling Municipal Water District
ANALYSIS OF CHANGES IN LONG-TERM DEBT
Year Ended June 30, 2022

TSI-6

The District has no long-term bonded debt outstanding at June 30, 2022.

Boling Municipal Water District

COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - GENERAL FUND

Last Five Fiscal Years

	Amounts				
	2022	2021	2020	2019	2018
<u>General Fund Revenues</u>					
Service revenue	\$ 283,823	\$ 341,146	\$ 291,959	\$ 255,261	\$ 270,526
Property taxes	93,977	85,820	86,688	82,765	74,303
Interest income	28	20	15	35	204
Other	18,483	13,210	16,932	35,196	350,266
Total Revenues	396,311	440,196	395,594	373,257	695,299
<u>General Fund Expenditures</u>					
Current	287,419	255,643	288,460	323,175	361,594
Capital outlay	12,750	1,517	116,970	332,948	419,138
Debt service	81,850	81,850	90,136	27,500	
Total Expenditures	382,019	339,010	495,566	683,623	780,732
Revenues Over (Under) Expenditures	\$ 14,292	\$ 101,186	\$ (99,972)	\$ (310,366)	\$ (85,433)
 Total Active Retail Water Connections	 370	 369	 367	 365	 325

Percent of Total Fund Revenues				
2022	2021	2020	2019	2018
71.6 %	77.5 %	73.8 %	68.4 %	38.9 %
23.7	19.5	21.9	22.2	10.7
4.7	3.0	4.3	9.4	50.4
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
72.5	58.1	72.9	86.6	52.0
3.2	0.3	29.6	89.2	60.3
20.7	18.6	22.8		
<u>96.4</u>	<u>77.0</u>	<u>125.3</u>	<u>175.8</u>	<u>112.3</u>
<u>3.6 %</u>	<u>23.0 %</u>	<u>(25.3) %</u>	<u>(75.8) %</u>	<u>(12.3) %</u>

Boling Municipal Water District

BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS

June 30, 2022

District's Mailing Address: 7218 Highway 442
P.O. Box 307
Boling, Texas 77420

District's Business Telephone Number: (979) 657-2106

Submission Date of the most recent District Registration From
(TWC Section 36.054 and 49.054): 3/10/2021

<u>Name and Address</u>	<u>Term</u>	<u>Fees</u>	<u>Expenses</u>	<u>Title</u>	<u>Resident of District?</u>
<u>Board Members</u>					
Brett Glenn	5/22- 5/26 Elected	\$	\$	President	Yes
Vacant	5/22- 5/26			Vice- President	Yes
Roger Pahmiyer	5/20- 5-24 Appointed			Secretary	Yes
Billy Morin	5/20- 5-24 Elected			Treasurer	Yes
Michael Rodriguez	5/22- 5/26 Elected			Director	Yes

<u>Name and Address</u>	<u>Term or Date Hire</u>	<u>Salaries and Fees</u>	<u>Title</u>	<u>Resident of District?</u>
<u>Consultants</u>				
Wharton County Appraisal District			Appraiser	No
John D. Mercer JD Mercer & Associates Inc.			Engineer	No
Cathy Ezell		14,933	Bookkeeper	Yes
Knox Cox & Company, LLP		9,186	Auditor	No
Johnson Petrov, LLP		3,277	Attorney	No
B&E Utilities		161,727	Operator	No

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