

**CITY OF TAYLOR LANDING
COUNCIL**

**FINANCIAL STATEMENTS
TOGETHER WITH
AUDITORS' REPORT**

SEPTEMBER 30, 2022

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Taylor Landing, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Taylor Landing as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City of Taylor Landing'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, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Taylor Landing, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Taylor Landing, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Taylor Landing'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 Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the Texas Supplementary Information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Mitchell T. Fontenote CPA, Inc.

Port Neches, Texas

February 16, 2023

CITY OF TAYLOR LANDING
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

As management of the City of Taylor Landing, Texas, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with the independent auditor's report and the City's financial statements, which follow.

Financial Highlights

- The assets exceeded the liabilities as of September 30, 2022 by \$1,360,085 (net position).
- The City's total net position increased by \$144,011.
- The City has expenses totaling \$206,478 and total revenues were \$320,489 (excluding transfers).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of the City'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 City is improving or deteriorating.

The Statement of Activities presents information showing how the government'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 will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish function of the City that are principally supported by franchise fees and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees or charges (business-type activities). The governmental activities of the City include the general fund. The business-type activities of the City include the public works fund.

The government-wide financial statements can be found on pages 8-9 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 City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: Governmental Funds and Proprietary Funds.

CITY OF TAYLOR LANDING
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Governmental Funds

Governmental funds are used to account for essentially the same functions 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 governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for 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 financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains one governmental fund. Information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for this fund, which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 10-13 of this report.

Proprietary Funds

The city maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its public works operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the public works operations. The public works fund is considered a major enterprise fund of the City.

The basic proprietary fund financial statements can be found on pages 14-16.

Other Information

In addition to the basic financial statements and accompanying notes, required supplementary information presents a budgetary comparison schedule for the general fund and the public works fund to demonstrate compliance with a budget.

The required supplemental information can be found on pages 26-27.

CITY OF TAYLOR LANDING
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

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 City, assets exceeded liabilities by \$1,360,085 at the close of the most recent fiscal year.

	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
	2022	2022	2022	2021	2021	2021
<u>ASSETS</u>						
Current and Other Assets	\$ -	\$ 472,485	\$ 472,485	\$ -	\$ 473,747	\$ 473,747
Capital Assets	541,033	611,567	1,152,600	443,304	635,219	1,078,523
Total Assets	<u>541,033</u>	<u>1,084,052</u>	<u>1,625,085</u>	<u>443,304</u>	<u>1,108,966</u>	<u>1,552,270</u>
<u>LIABILITIES</u>						
Long-Term Debt	-	265,000	265,000	-	306,196	306,196
Total Liabilities	<u>-</u>	<u>265,000</u>	<u>265,000</u>	<u>-</u>	<u>306,196</u>	<u>306,196</u>
<u>NET POSITION</u>						
Net Investment						
in Capital Assets	541,033	346,567	887,600	443,304	330,219	773,523
Restricted	-	72,072	72,072	-	51,513	51,513
Unrestricted (Deficit)	-	400,413	400,413	-	421,038	421,038
Total Net Position	<u>\$ 541,033</u>	<u>\$ 819,052</u>	<u>\$ 1,360,085</u>	<u>\$ 443,304</u>	<u>\$ 802,770</u>	<u>\$ 1,246,074</u>

The largest portion of the City's net position (66%) reflects its investment in capital assets, net of related debt (e.g. land, treatment plant, sewer improvements and infrastructure). The City uses these capital assets to provide services to citizens; therefore, these assets are not available for future spending.

CITY OF TAYLOR LANDING
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

	Governmental Activities 2022	Business-Type Activities 2022	Total 2022	Governmental Activities 2021	Business-Type Activities 2021	Total 2021
Revenues						
Program Revenues						
Charges for Services	\$ -	\$ 137,619	\$ 137,619	\$ -	\$ 140,389	\$ 140,389
Grants & Contributions	-	93,187	93,187	-	36,995	36,995
General Revenues						
Franchise Fees	5,252	-	5,252	5,202	-	5,202
Property Tax Income	52,195	-	52,195	50,713	-	50,713
Grant Income	29,793	-	29,793	29,734	-	29,734
Miscellaneous Income	-	59	59	283	-	283
Interest Income	-	2,384	2,384	-	300	300
Transfers, Net	78,514	(78,514)	-	(54,193)	54,193	-
Total Revenues	165,754	154,735	320,489	31,739	231,877	263,616
Expenses						
Public Works	-	80,846	80,846	-	71,471	71,471
General Government	7,626	-	7,626	8,071	-	8,071
Road Maintenance	15,569	-	15,569	6,669	-	6,669
Depreciation	33,884	45,564	79,448	33,513	42,934	76,447
Utilities	4,155	-	4,155	4,040	-	4,040
Professional Fees	6,791	-	6,791	12,959	-	12,959
Interest Expense	-	12,043	12,043	-	13,583	13,583
Total Expenses	68,025	138,453	206,478	65,252	127,988	193,240
Increase (Decrease) in Net Position	97,729	16,282	114,011	(33,513)	103,889	70,376
Net Position, Beginning of Year	443,304	802,770	1,246,074	476,817	698,881	1,175,698
Net Position, End of Year	\$ 541,033	\$ 819,052	\$ 1,360,085	\$ 443,304	\$ 802,770	\$ 1,246,074

The City's total net position increased by \$114,011 during the current fiscal year. Governmental activities increased the City's net position by \$97,729. Business-type activities increased net position by \$16,282 in normal operations.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of September 30, 2022 the City's governmental fund reported an ending fund balance of \$0.

Proprietary Funds – The City's proprietary fund provides the same information found in the government-wide financial statements, but in more detail.

CITY OF TAYLOR LANDING
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022

Public Works Fund Budgetary Highlights

Total expenses exceeded budgeted expenses by \$49,912 primarily due to depreciation expense. Total revenues exceeded budgeted revenues by \$91,965 primarily due to grant income received.

Capital Asset and Debt Administration

Capital Assets – The City's investment in capital assets as of September 30, 2022, amounts to \$1,020,987 net of accumulated depreciation. This investment in capital assets includes land, road infrastructure, treatment plant, and sewer improvements. Capital assets decreased from prior year by \$57,536 primarily due to depreciation expense.

	Governmental Business-Type			Governmental Business-Type		
	Activities	Activities	Total	Activities	Activities	Total
	2022	2022	2022	2021	2021	2021
Land	\$ -	\$ 15,000	\$ 15,000	\$ -	\$ 15,000	\$ 15,000
Road Infrastructure	797,131	-	797,131	797,131	-	797,131
Treatment Plant	-	706,633	706,633	-	706,633	706,633
Sewer Improvements	-	322,808	322,808	-	300,896	300,896
Construction in Progress	-	-	-	-	-	-
Total Capital Assets	797,131	1,044,441	1,841,572	797,131	1,022,529	1,819,660
Less: Accumulated Depreciation	(387,711)	(432,874)	(820,585)	(353,827)	(387,310)	(741,137)
Capital Assets, Net of Depreciation	\$ 409,420	\$ 611,567	\$ 1,020,987	\$ 443,304	\$ 635,219	\$ 1,078,523

Additional information on City capital assets can be found in Note 4.

Long-Term Debt – As of September 30, 2022 the City has \$265,000 outstanding Series 2007 revenue bonds. These bonds were issued January 11, 2008. The bonds have differing maturities finally maturing in 2028. The remaining proceeds will be used to complete funding the retainage and contractor payable for the purchase and installation of the new sewage treatment plant and related line repairs. Additional information on the City's long-term debt can be found in Note 5.

Economic Factors and Next Year's Budgets and Rates

There are no changes in the economy or the financial situation in which the City finds itself which would have an adverse impact on the City's ability to operate and cash flow its operations. The rates the City has decided to charge for its public works activities will remain the same in 2023.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Mayor, 116 Country Club Drive, Taylor Landing, Texas, 77705.

BASIC FINANCIAL STATEMENTS

CITY OF TAYLOR LANDING
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash & Cash Equivalents	\$ -	\$ 372,818	\$ 372,818
Accounts Receivable, Net	-	9,937	9,937
Restricted Cash & Cash Equivalents:			
Debt Services	-	72,072	72,072
Utility System	-	17,658	17,658
Capital Assets:			
Land	-	15,000	15,000
Other Capital Assets, Net of Accumulated Depreciation	541,033	596,567	1,137,600
TOTAL ASSETS	541,033	1,084,052	1,625,085
LIABILITIES			
Accounts Payable	-	-	-
Long-Term Debt, Due Within One Year	-	40,000	40,000
Long-Term Debt, Due After One Year	-	225,000	225,000
TOTAL LIABILITIES	-	265,000	265,000
NET POSITION			
Net Investment in Capital Assets	541,033	346,567	887,600
Restricted	-	72,072	72,072
Unrestricted	-	400,413	400,413
TOTAL NET POSITION	\$ 541,033	\$ 819,052	\$ 1,360,085

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grant & Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:						
Governmental Activities:						
General Government	\$ 7,626	\$ -	\$ -	\$ (7,626)	\$ -	\$ (7,626)
Road Maintenance	15,569	-	-	(15,569)	-	(15,569)
Depreciation	33,884	-	-	(33,884)	-	(33,884)
Utilities	4,155	-	-	(4,155)	-	(4,155)
Interest	12,043	-	-	-	(12,043)	(12,043)
Professional Fees	6,791	-	-	(6,791)	-	(6,791)
Total Government Activities	<u>80,068</u>	<u>-</u>	<u>-</u>	<u>(68,025)</u>	<u>(12,043)</u>	<u>(80,068)</u>
Business-Type Activities:						
Public Works	<u>126,410</u>	<u>137,619</u>	<u>93,187</u>	<u>-</u>	<u>104,396</u>	<u>104,396</u>
Total Business-Type Activities	<u>126,410</u>	<u>137,619</u>	<u>93,187</u>	<u>-</u>	<u>104,396</u>	<u>104,396</u>
Total Primary Government	<u>206,478</u>	<u>137,619</u>	<u>93,187</u>	<u>(68,025)</u>	<u>92,353</u>	<u>24,328</u>
General Revenues:						
Franchise Fees				5,252	-	5,252
Property Tax Income				52,195	-	52,195
Grant Income				29,793	-	29,793
Miscellaneous Income				-	59	59
Interest Income				-	2,384	2,384
Transfers, Net				<u>78,514</u>	<u>(78,514)</u>	<u>-</u>
Total				<u>165,754</u>	<u>(76,071)</u>	<u>89,683</u>
Change in Net Position				<u>97,729</u>	<u>16,282</u>	<u>114,011</u>
Net Position, Beginning				<u>443,304</u>	<u>802,770</u>	<u>1,246,074</u>
Net Position, Ending				<u>\$ 541,033</u>	<u>\$ 819,052</u>	<u>\$ 1,360,085</u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING
BALANCE SHEET – GOVERNMENTAL FUND
SEPTEMBER 30, 2022

	<u>General Fund</u>
<u>ASSETS</u>	
Due from Public Works Fund	\$ -
TOTAL ASSETS	<u>-</u>
<u>LIABILITIES</u>	
Due to Public Works	-
TOTAL LIABILITIES	<u>-</u>
<u>FUND BALANCE</u>	
Unreserved:	
General Fund	-
TOTAL FUND BALANCE	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING

**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET POSITION FOR GOVERNMENTAL ACTIVITIES
SEPTEMBER 30, 2022**

Governmental fund balance as reported on the balance sheet for governmental fund. \$ -

When capital assets that are to be used in governmental funds are purchased, the costs of those assets are reported as expenditures in governmental funds. However, the Statement of Net Position includes those capital assets among the assets of the city as a whole. 541,033

Total net assets as reported on the Statement of Net Position for governmental activities. \$ 541,033

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>General Fund</u>
<u>REVENUES</u>	
Franchise Fee	\$ 5,252
Property Tax Income	52,195
Grant Income	29,793
Miscellaneous Income	-
TOTAL REVENUES	<u>87,240</u>
<u>EXPENDITURES</u>	
Current:	
General Government	7,626
Capital Outlay	131,613
Road Maintenance	15,569
Utilities	4,155
Professional Fees	6,791
TOTAL EXPENDITURES	<u>165,754</u>
<u>EXCESS OF REVENUES</u>	
<u>OVER (UNDER) EXPENDITURES</u>	<u>(78,514)</u>
<u>OTHER FINANCING SOURCES (USES)</u>	
Transfers In	-
Transfers Out	78,514
TOTAL OTHER FINANCING SOURCES (USES)	<u>78,514</u>
NET CHANGE IN FUND BALANCE	-
FUND BALANCE - OCTOBER 1	<u>-</u>
FUND BALANCE - SEPTEMBER 30	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING

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

Net change in fund balance for the governmental fund. \$ -

When capital assets that are to be used in governmental funds are purchased, those costs are reported as expenditures in the governmental funds. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. The net effect of the current year's depreciation and capital outlay is to decrease net position. 97,729

Change in net assets of governmental activities. \$ 97,729

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2022

	<u>Business-Type Activities Enterprise Fund Public Works Fund</u>	
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$	372,818
Accounts Receivable - Service Fees, Net		9,937
TOTAL CURRENT ASSETS		<u>382,755</u>
NONCURRENT ASSETS		
Restricted Cash and Cash Equivalents		
Debt Service		72,072
Utility System		17,658
Capital Assets:		
Land		15,000
Other Capital Assets, Net of Accumulated Depreciation		596,567
TOTAL NONCURRENT ASSETS		<u>701,297</u>
TOTAL ASSETS	\$	<u><u>1,084,052</u></u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Accounts Payable	\$	-
Long-Term Debt, Due Within One Year		40,000
TOTAL CURRENT LIABILITIES		40,000
LONG TERM DEBT		<u>225,000</u>
TOTAL LIABILITIES		<u>265,000</u>
NET POSITION		
Net Investment in Capital Assets		331,567
Restricted:		
Debt Service		72,072
Unrestricted		415,413
TOTAL NET POSITION	\$	<u><u>819,052</u></u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Public Works Fund</u>
<u>OPERATING REVENUES</u>	
Service Fees, Net	\$ 137,619
Miscellaneous	59
Grant Income	93,187
TOTAL OPERATING REVENUES	<u>230,865</u>
<u>OPERATING EXPENSE</u>	
Trash Collection	24,724
Sewer Plant Operations	40,739
Professional Fees	149
Recurring Expenses and Repairs	15,234
Depreciation and Amortization	45,564
TOTAL OPERATING EXPENSE	<u>126,410</u>
OPERATING INCOME	<u>104,455</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>	
Interest Income	2,384
Interest Expense	(12,043)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(9,659)</u>
NET INCOME BEFORE OPERATING TRANSFERS	<u>94,796</u>
<u>TRANSFERS</u>	
Transfers Out	(78,514)
Transfers In	-
NET TRANSFERS	<u>(78,514)</u>
CHANGE IN NET POSITION	<u>16,282</u>
NET POSITION - OCTOBER 1	<u>802,770</u>
NET POSITION - SEPTEMBER 30	<u>\$ 819,052</u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING**STATEMENT OF CASH FLOWS****PROPRIETARY FUND****FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Public Works Funds</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Cash received from customers	\$ 133,728
Cash received from miscellaneous income	2,443
Cash received from grants	93,187
Cash paid for operating expenses	(82,042)
Cash paid for interest expenses	(12,043)
Net Cash Provided by (Used By) Operating Activities	<u>135,273</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchase of capital assets	(21,912)
Net Cash Provided by (Used by) Investing Activities	<u>(21,912)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	
Bond Principal Payment	(40,000)
Transfers Out	(78,514)
Net Cash Provided by Investing Activities	<u>(118,514)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(5,153)
CASH AND CASH EQUIVALENTS - OCTOBER 1	<u>467,701</u>
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	<u>\$ 462,548</u>
<u>Reconciliation of Net Income to Net Cash Provided by Operating Activities</u>	
Net Income before Operating Transfers	\$ 94,796
Adjustments for non-cash expenses:	
Depreciation	45,564
Changes in Cash due to:	
(Increase) Decrease in accounts receivable	(3,891)
Increase (Decrease) in accounts payable	(1,196)
Net Cash Provided by (Used by) Operating Activities	<u>\$ 135,273</u>
<u>SUPPLEMENTAL INFORMATION</u>	
Cash paid for interest	<u>\$ 12,043</u>

The accompanying notes are an integral part of this financial statement.

CITY OF TAYLOR LANDING

NOTES TO THE FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Taylor Landing have been prepared in the conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The City of Taylor Landing, Texas, was incorporated on September 19, 2005 as a Type C general law municipality. The City acquired all of the assets, liabilities, and operations of the County Club Park Estates Utility Trust which ended business in September of 2006, with the City beginning operation of its assets on October 1, 2006.

The City provides wastewater services for business and domestic purposes to customers residing in the City. Currently, the residents of Taylor Landing obtain groundwater through individual private water wells for water supply and consumption. As such, the City of Taylor Landing, Texas, is not providing a public water supply.

The City has adopted Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity". In accordance with this statement, a financial reporting entity consists of the primary government, organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City is governed by a City Council consisting of a mayor and two commissioners who are residents of the City and are elected by voters within the City. As required by generally accepted accounting principles, these financial statements present the activities of the City 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.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net position and the Statement of Changes in Net position) report information on all of the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Government activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-like activities*, which rely to a significant extent on fees and charges for funding.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* included 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segments; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Franchise fees and other items not properly included among program revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual funds are reported as separate columns in the fund financial statements.

C. 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*, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the time of related cash flow. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resource, measurement focus, and the modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures are recorded only when payment is due. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City has the following major governmental funds:

General Fund – the general fund is the general operating fund of the City. It is used to account for all financial resources except those received to be accounted for in another fund.

The City has the following major proprietary funds:

Enterprise Funds – Enterprise Funds are used to account for the operations that are financed and operated in a manner similar to private business enterprises when the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed primarily through user charges. The predominant functions of the City's operations are maintained within the Public Works Fund. The Public Works Fund is accounted for as an enterprise activity.

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-like activities and Enterprise Funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all franchise fees.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer Enterprise Fund and the Sanitation Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads and similar items), are reported in the applicable governmental or business-type activities columns in the assets with an initial, individual cost of more than \$1,000 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.

The costs of normal maintenance repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure	30
Equipment	5-20
Treatment Plant	20
Improvements	15-50

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

E. Budgetary Data

Formal budgetary accounting procedures have been followed by the City. Annual operating budgets are adopted each fiscal year by approval of City Council and amended as required. The budget for the operating funds is prepared on the cash receipts and expenditures basis. Revenues are budgeted in the year receipt is expected; and expenditures are budgeted in the year that the applicable payment is expected.

Encumbrance accounting, under which purchase order, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City because encumbrance accounting is not at present considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

F. Cash and Investments

Cash includes amounts in demand and time deposit accounts. The City has no investments. For the purpose of the statement of cash flows, the City considers demand and time deposits to be cash equivalents.

G. Accounts Receivable

Accounts Receivable – service charges are recognized when earned.

H. Taxing Authority

The City assesses a 25 cent ad valorem tax.

I. Deferred Income

Deferred income represents service charges paid in advance representing a liability to perform services in the next year.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the City to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from those estimates.

K. Long-Term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type activities Statement of Net position.

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES Cont'd

L. New Accounting Pronouncements

The City implemented GASB 87 for reporting leases during this reporting period. A right-to-use lease is defined as a contract that conveys control of another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. To be accounted for as a lease, the lease must meet the definition of a "long-term" lease provided in GASB 87 and must meet the capitalization level set by the Board. The right-to-use lease liability is reported in the government wide statements and in proprietary fund statements. The lease liability is calculated as the present value of the reasonably certain expected payments to be made over the term of the lease and the interest included in the lease payment is recorded as an expense.

M. Fund Balance

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the District classifies governmental fund balances as follows:

- *Non-Spendable* – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The City has \$0 classified as Non-Spendable.
- *Restricted* – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation. The City has \$0 classified as Restricted.
- *Committed* – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. The City has \$0 classified as Committed.
- *Assigned* – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The City has \$0 classified as Assigned.
- *Unassigned* – includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances in other governmental funds. The City has \$0 classified as Unassigned.

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 2 – CASH AND INVESTMENTS

At year end, the City of Taylor Landing had \$180,402 in the bank and a reconciled balance of \$166,979 at Community Bank of Texas. The City has a collateralization agreement with Community Bank of Texas to protect excess deposits. The City has a balance of \$291,213 in the bank and a reconciled balance of \$291,213 at TexPool. The cash deposits held at financial institutions can be categorized according to three levels of risk. These three levels of risk are:

	<u>Reconciled Balance</u>	<u>Bank Balance</u>
Community Bank of Texas	\$ 171,335	\$ 180,402
TexPool	291,213	291,213
Total Cash and Cash Equivalents	<u>\$ 462,548</u>	<u>\$ 471,615</u>

- Category 1 Deposits which are insured or collateralized with securities held by the entity or by its agent in the City's name.
- Category 2 Deposits which are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name.
- Category 3 Deposits which are not collateralized or insured.

Based on these three levels of risk all the City's cash deposits are classified as Category 1 deposits as they are fully collateralized, and the bank balances were not exposed to custodial credit risk.

The City adhered to all requirements of Texas Government Code Chapter 2256: the Public Funds Investment Act (PFIA) during the fiscal year ended September 30, 2022.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at September 30, 2022:

	<u>General Fund</u>	<u>Public Works Fund</u>	<u>Total</u>
Accounts Receivable - Service Fees, Net	<u>\$ -</u>	<u>\$ 9,937</u>	<u>\$ 9,937</u>

Allowance for Uncollectible Receivables – The City's Proprietary Fund provides an allowance for uncollectible receivables of \$2,000.

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 4 – CAPITAL ASSETS

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

	Balance 10/01/2021	Additions	Deletions	Balance 09/30/2022
<u>Governmental Activities:</u>				
Capital Assets				
Road Infrastructure	\$ 797,131	\$ -	\$ -	\$ 797,131
Construction in Progress	-	131,613	-	131,613
Accumulated Depreciation	<u>(353,827)</u>	<u>(33,884)</u>	-	<u>(387,711)</u>
Governmental Activities Capital Assets, Net	<u>443,304</u>	<u>97,729</u>	-	<u>541,033</u>
<u>Business-Type Activities:</u>				
Capital Assets				
Land	15,000	-	-	15,000
Treatment Plant	706,633	-	-	706,633
Sewer Improvements	300,896	21,912	-	322,808
Construction in Progress	-	-	-	-
Total Capital Assets	<u>1,022,529</u>	<u>21,912</u>	-	<u>1,044,441</u>
Accumulated Depreciation	<u>(387,310)</u>	<u>(45,564)</u>	-	<u>(432,874)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 635,219</u>	<u>\$ (23,652)</u>	\$ -	<u>\$ 611,567</u>

Depreciation expense was charged to functions/programs of the City as follows:

Government Activities:	
Depreciation	33,884
Total Depreciation Expense - Governmental Activities	<u>\$ 33,884</u>
Business-Type Activities:	
Public Works	45,564
Total Depreciation Expense - Business-Type Activities	<u>\$ 45,564</u>

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 5 – CHANGES IN LONG-TERM DEBT

The City on January 11, 2008 issued \$710,000 in Utility System Revenue Bonds, Series 2007. The bonds were issued at par to the Texas Water Development Board. Some of the proceeds were used to fund the purchase and installation of the new sewage treatment plant and related line repairs. The City utilized the load proceeds to build a new .05 million gallon per day wastewater treatment plant at the existing plant site. The bonds are payable in annual principal installments ranging from \$25,000 to \$50,000 through September 30, 2028; interest rates ranging from 3.1% to 4.05% paid semi-annually.

The City's bonds are collateralized by certain revenues of the City and the various special funds established by the bond resolutions. The resolutions provide that certain revenues of the City are to be used first to pay the operating and maintenance expenses of the City, second to fund the Interest and Sinking Fund, third to fund the Reserve Fund, and any revenues left over may be used for any lawful purpose.

The bond resolutions specify that the City maintain pledged revenues in two different funds: Interest and Sinking Fund (the Bond Fund) which is to maintain a balance equal to the next scheduled interest payment and the next scheduled principal payment; the Reserve Fund which is to be funded at a rate of 1/60 of the average annual principal and interest requirement per month until the Reserve Fund contains funds equal to the average annual debt service.

The City was in compliance with its bond covenants.

The following is a summary of the bond transactions of the City for the fiscal year ended September 30, 2022:

	Balance October 1, 2021	Increases	Decreases	Balance September 30, 2022	Due in One Year
Business-Type Activities:					
Revenue Bond Payable	\$ 305,000	\$ -	\$ 40,000	\$ 265,000	\$ 40,000
	<u>\$ 305,000</u>	<u>\$ -</u>	<u>\$ 40,000</u>	<u>\$ 265,000</u>	<u>\$ 40,000</u>

The annual requirements to amortize all debt outstanding as of September 30, 2022, are as follows:

Fiscal Year Ending	Principal	Interest	Total
2023	40,000	10,503	50,503
2024	40,000	8,963	48,963
2025	45,000	7,403	52,403
2026	45,000	5,625	50,625
2027	45,000	3,825	48,825
2028	50,000	2,025	52,025
	<u>\$ 265,000</u>	<u>\$ 38,344</u>	<u>\$ 303,344</u>

CITY OF TAYLOR LANDING
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

NOTE 6 – INTERFUND TRANSFERS

The amounts for individual interfund transfers for the year ended September 30, 2022 were:

<u>Fund</u>	<u>Transfers Out</u>	<u>Transfers In</u>
General	\$ 78,514	\$ -
Public Works	-	(78,514)
Total	<u>\$ 78,514</u>	<u>-\$ 78,514</u>

Transfers are used to: 1) use unrestricted revenues collected in the public works fund to finance activities in the general fund; 2) move revenues reported in the general fund but collected in the public works fund bank account.

NOTE 8 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft, damage and destruction of assets, errors and omissions, and natural disasters. The risk of loss is handled through the purchase of commercial insurance for general liability claims and the purchase of casualty loss insurance for the sewage treatment plant.

NOTE 9 - SUBSEQUENT EVENTS

There were no material subsequent events as of February 16, 2023, the date at which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TAYLOR LANDING

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
REVENUES				
Franchise Fee	\$ 4,900	\$ 4,900	\$ 5,252	\$ 352
Property Tax Income	53,188	53,188	52,195	(993)
Grant Income	-	-	29,793	29,793
Miscellaneous Income	-	-	-	-
TOTAL REVENUES	58,088	58,088	87,240	29,152
EXPENDITURES				
Current:				
General Government	7,810	7,810	7,626	184
Capital Outlay	55,000	55,000	131,613	(76,613)
Road Maintenance	36,933	36,933	15,569	21,364
Utilities	4,700	4,700	4,155	545
Professional Fees	6,950	6,950	6,791	159
TOTAL EXPENDITURES	111,393	111,393	165,754	(54,361)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(53,305)	(53,305)	(78,514)	(25,209)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	78,514	78,514
TOTAL OTHER FINANCING SOURCES (USES)	-	-	78,514	78,514
NET CHANGE IN FUND BALANCE	(53,305)	(53,305)	-	103,723
FUND BALANCE - OCTOBER 1	-	-	-	-
FUND BALANCE - SEPTEMBER 30	\$ (53,305)	\$ (53,305)	\$ -	\$ 103,723

** The budget is prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.*

CITY OF TAYLOR LANDING

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL – PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
<u>OPERATING REVENUES</u>				
Service Fees, Net	\$ 138,600	\$ 138,600	\$ 137,619	\$ (981)
Miscellaneous	300	300	59	(241)
Grant Income	-	-	93,187	93,187
TOTAL OPERATING REVENUES	138,900	138,900	230,865	91,965
<u>OPERATING EXPENSE</u>				
Trash Collection	24,120	24,120	24,724	(604)
Sewer Plant Operations	42,188	42,188	40,739	1,449
Professional Fees	800	800	149	651
Recurring Expenses and Repairs	9,390	9,390	15,234	(5,844)
Depreciation and Amortization	-	-	45,564	(45,564)
TOTAL OPERATING EXPENSE	76,498	76,498	126,410	(49,912)
OPERATING INCOME	62,402	62,402	104,455	42,053
<u>NON-OPERATING REVENUES (EXPENSES)</u>				
Interest Income	-	-	2,384	2,384
Interest Expense	(12,043)	(12,043)	(12,043)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(12,043)	(12,043)	(9,659)	2,384
NET INCOME BEFORE OPERATING TRANSFERS	50,359	50,359	94,796	44,437
<u>TRANSFERS</u>				
Transfers In	-	-	(78,514)	(78,514)
NET TRANSFERS	-	-	(78,514)	(78,514)
CHANGE IN NET POSITION - BUDGET BASIS	50,359	50,359	16,282	(34,077)
NET POSITION - OCTOBER 1	802,770	802,770	802,770	-
NET POSITION - SEPTEMBER 30	\$ 853,129	\$ 853,129	\$ 819,052	(\$34,077)

** The budget is prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.*

TEXAS SUPPLEMENTARY INFORMATION

CITY OF TAYLOR LANDING
SCHEDULE OF SERVICES AND RATES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

1. Services provided by the City:

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

2. Retail Service Providers

a. Retail rates for a 5/8" meter (or equivalent):

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Wastewater:	<u> \$60 </u>	<u> </u>	<u> Y </u>	<u> </u>	<u> to </u>
Surcharge:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

City employs winter averaging for wastewater? Yes No X N/A

Total charges per 10,000 gallons usage Water: N/A Wastewater: N/A

b. Water and Wastewater Retail Connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC</u>
Unmetered	<u> </u>	<u> </u>	x 1.0	<u> </u>
≤ 3/4"	<u> </u>	<u> </u>	x 1.0	<u> </u>
1"	<u> </u>	<u> </u>	x 2.5	<u> </u>
1 1/2"	<u> </u>	<u> </u>	x 5.0	<u> </u>
3"	<u> </u>	<u> </u>	x 15.0	<u> </u>
4"	<u> </u>	<u> </u>	x 25.0	<u> </u>
6"	<u> </u>	<u> </u>	x 50.0	<u> </u>
8"	<u> </u>	<u> </u>	x 80.0	<u> </u>
10"	<u> </u>	<u> </u>	x 115.0	<u> </u>
Total Water	<u> </u>	<u> </u>		<u> </u>
Total Wastewater	<u> 101 </u>	<u> 101 </u>	x 1.0	<u> 101 </u>

CITY OF TAYLOR LANDING
PUBLIC WORKS FUND EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Professional Fees	\$	149
Contracted Services		
Trash Collection		24,724
Recurring Expenses and Repairs		15,234
Interest Expense		12,043
Other Operating Expenditures		40,739
Depreciation and Amortization		45,564
TOTAL EXPENSES	<u>\$</u>	<u>138,453</u>

Number of persons employed by the City:

 0 Full Time 0 Part Time

CITY OF TAYLOR LANDING
SCHEDULE OF TEMPORARY INVESTMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Cash includes amounts in demand and time deposit accounts. The City has no investments.

CITY OF TAYLOR LANDING**LONG-TERM DEBT SERVICE REQUIREMENTS – BY YEARS
SEPTEMBER 30, 2022**

<u>Due During Fiscal Year Ending</u>	<u>Principal Due 9/1</u>	<u>Series 2007 Interest Due 3/1 & 9/1</u>	<u>Total</u>
2023	40,000	10,503	50,503
2024	40,000	8,963	48,963
2025	45,000	7,403	52,403
2026	45,000	5,625	50,625
2027	45,000	3,825	48,825
2028	50,000	2,023	52,023
	<u>\$ 265,000</u>	<u>\$ 38,342</u>	<u>\$ 303,342</u>

CITY OF TAYLOR LANDING

INSURANCE COVERAGE

AS OF SEPTEMBER 30, 2022

Type of Coverage	Policy Period		Amount of Coverage	Insurer	Type of Corporate	Policy Clause Co-Insurance
	From	To				
John Durkay	5/20/2022	5/20/2023	\$ 3,000	Old Republic Surety	Stock	No
Kelly Weber	5/20/2022	5/20/2023	\$ 3,000	Old Republic Surety	Stock	No
Phil Owens	5/20/2022	5/20/2023	\$ 3,000	Old Republic Surety	Stock	No

Comprehensive General: \$ 2,000,000

Note 1: All liability coverage for these policies is written through Talon Insurance Agency, LTD.

CITY OF TAYLOR LANDING

**BOARD MEMBERS, KEY PERONNEL AND CONSULTANTS
SEPTEMBER 30, 2022**

COMPLETE CITY MAILING ADDRESS:

CITY OF TAYLOR LANDING, TEXAS
101 COUNTRY CLUB DRIVE
TAYLOR LANDING, TEXAS 77705

BOARD MEMBERS

<u>Name and Address</u>	<u>Term of Office</u>	<u>Fees & Reimbursements</u>	<u>Title</u>	<u>Resident of City</u>
John Durkay 116 Country Club Drive Taylor Landing, TX 77705	2022 - 2023	\$ -	Mayor	Yes
Phil Owens 100 Twin Pines Lane Taylor Landing, TX 77705	2022 - 2023	\$ -	Commissioner	Yes
Kelly Weber 100 Glenross Taylor Landing, TX 77705	2022 - 2023	\$ -	Commissioner	Yes

CITY OF TAYLOR LANDING
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Assessed Valuation	\$20,000,000
Ad Valorem Taxes	N/A
Debt, Long Term	\$265,000
Water Conservation Plan	Adopted June 22, 2008 in Compliance since inception