

TOWN OF WOODSBORO, TEXAS

FINANCIAL STATEMENTS

For the Year Ended July 31, 2023

TOWN OF WOODSBORO, TEXAS
FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

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FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

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INTRODUCTORY SECTION

TOWN OF WOODSBORO, TEXAS
LIST OF PRINCIPAL OFFICIALS
July 31, 2023

Mayor	Kay Roach
Mayor Pro-tem	(August – May) Rosemary Vega (June – July) Dahlia Smith
Council Members	Freddie Arriaga Johnny Cisneros Wayne Roberts John Schlabach (August - May) Dahlia Smith
City Attorney	Desiree Voth
City Engineer	Robert Viera (Ardurra Group, Inc. - Engineering)
Tax Assessor and Collector	Ida M. Turner
Municipal Police Officer	Ryan Gregory
City Secretary	Ruby H. DeLaGarza
City Clerk/Water Clerk	Viola Meza
Municipal Court Clerk/Office Clerk	John Rivera
Municipal Judge	Emi Riemenschneider
Public Works Director	Gabriel Thomas

FINANCIAL SECTION

Goldman, Hunt & Notz, L.L.P.

Certified Public Accountants

DONALD G. GOLDMAN, CPA
D. DALE HUNT, CPA
JAMIE K. NOTZ, CPA, CVA*

*CERTIFIED VALUATION ANALYST

MEMBERS OF:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

TEXAS SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

KEITH H. COX, CPA, CISA[†]
STEPHANIE S. KOCH, CPA

[†]CERTIFIED INFORMATION SYSTEMS AUDITOR

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the Town Council
Town of Woodsboro, Texas

Report on the Audit of the Financial Statements

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 Town of Woodsboro, Texas as of and for the year ended July 31, 2023, and the related notes to the financial statements, which collectively comprise the Town'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 Town of Woodsboro, Texas, as of July 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Town of Woodsboro, Texas 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 Town of Woodsboro, Texas'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 Town of Woodsboro, Texas'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 Town of Woodsboro, Texas'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, budgetary comparison information, and Texas Municipal Retirement System (TMRS) information on pages 5-12 and 56-63 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 Town of Woodsboro, Texas's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Individual Grant Information section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Goldman, Hunt & Notz, L.L.P.

January 2, 2024

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

This discussion and analysis is intended to be an easily readable analysis of Town of Woodsboro, Texas's (Town) financial activities based on currently known facts, decisions or conditions. This analysis focuses on current year activities and should be read in conjunction with the financial statements that follow.

Report Layout

In addition to the Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, notes to the financial statements required supplementary information and individual grant information. The first several statements are highly condensed and present a government-wide view of the Town's finances. Within this view, all Town operations are categorized and reported as either governmental or business-type activities. Governmental activities include basic services such as general government, public safety, municipal court, streets, animal control and recreation. The Town's business-type activity provides water, sewer and sanitation services to the citizens. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Town.

Basic Financial Statements

- The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the community owns, the liabilities it owes and the net difference. The net difference is further separated into amounts invested in capital assets net of related debt, restricted for specific purposes and unrestricted amounts.
- The Statement of Activities focuses gross and net costs of Town programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on major governmental funds and proprietary funds. Governmental fund statements follow the more traditional presentation of financial statements. The Town's major governmental funds are presented in their own columns. Statements for the Town's proprietary fund follow the governmental funds and include net position, revenue, expenses and changes in net position, and cash flow.
- The notes to the financial statements provide additional disclosure required by governmental accounting standards and provide information to assist the reader in understanding the Town's financial condition.

The discussion and analysis of Town of Woodsboro, Texas's financial performance provides an overall review of the Town's financial activities for the year ended July 31, 2023. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the Town's financial performance.

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Financial Highlights

- The assets of the Town of Woodsboro, Texas exceeded its liabilities at the close of the year ended July 31, 2023 by \$7,830,678. Of this amount, \$210,993 of unrestricted net assets is available to meet the Town's ongoing obligations to citizens and creditors.
- At July 31, 2023, the Town's governmental funds reported combined ending fund balances of \$587,733, of which \$223,095 is unassigned fund balance for the General Fund.
- At July 31, 2023, unassigned fund balance for the General Fund was \$223,095 or 16% of total General Fund expenditures.
- The total cost of all Town activities was \$2,383,155 for the year. Net revenue of all activities was (\$395,405).
- During the year, the Town's expenditures exceeded program revenue of the governmental activities by \$280,599 and the Town's expenses exceeded business-type activity revenue by \$114,806.

Town as a Whole

Government-Wide Financial Statements

A condensed version of the Statement of Net Assets at July 31, 2023 and 2022 follows:

Town of Woodsboro, Texas
Components of Net Position
July 31, 2023
With Comparative Totals for July 31, 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total Government		Amount Change	% Change
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022		
Cash	\$ 521	\$ 581	\$ 118	\$ 170	\$ 639	\$ 751	\$ (112)	-14.9%
Restricted assets	84	245	745	359	829	604	225	37.3%
Other assets	210	503	197	359	407	862	(455)	-52.8%
Capital assets	3,522	3,145	3,671	3,783	7,193	6,928	265	3.8%
Total assets	4,337	4,474	4,731	4,671	9,068	9,145	(77)	-0.8%
Deferred outflows of resources	42	7	51	5	93	12	81	675.0%
Current and other liabilities	157	560	570	256	727	816	(89)	-10.9%
Long term debt outstanding	6	14	571	646	577	660	(83)	-12.6%
Total liabilities	163	574	1,141	902	1,304	1,476	(172)	-11.7%
Deferred inflows of resources	12	44	15	36	27	80	(53)	-66.3%
Net investment in capital assets	3,510	3,122	3,009	3,023	6,519	6,145	374	6.1%
Restricted	75	247	1,026	288	1,101	535	566	105.8%
Unrestricted	619	494	(409)	427	210	921	(711)	-77.2%
Total net position	\$ 4,204	\$ 3,863	\$ 3,626	\$ 3,738	\$ 7,830	\$ 7,601	\$ 229	3.0%

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Financial Highlights (Continued)

During the year ended July 31, 2023, the net position of the Town increased approximately \$229,000. Cash (unrestricted and restricted) increased by \$113,000 primarily due to the Town increasing utility rates during the 2022 fiscal year and the receipt of COVID19 grant revenue. Net pension asset decreased by \$350,000, and other current assets decreased by \$105,000, primarily due to prior year receivables from grantor agencies received during the current year. New asset purchases were \$652,000, \$15,000 in asset disposals and depreciation expense was \$372,000. Deferred outflows of resources increased by \$81,000. Current and other liabilities decreased \$89,000, primarily due to accounts payable – grant decreased \$100,000, due to grantor agencies increased \$121,000, and accounts payable – trade decreased \$69,000. Accrued liabilities decreased, due to other funds and customer deposits payable decreased \$3,000. Long-term debt obligations due within one year decreased \$38,000. Long-term debt outstanding decreased \$83,000 due to the OPEB obligation decrease of \$12,000 and the long-term portion of the long-term debt outstanding decreased by \$71,000 due to the \$71,000 being classified as current as that is the amount due within one year. Deferred inflows of resources decreased \$53,000.

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Financial Highlights (Continued)

A condensed version of the Statement of Activities follows:

Town of Woodsboro, Texas
Condensed Statement of Activities
For the Year Ended July 31, 2023
With Comparative Totals for the Year Ended July 31, 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total Government		Amount Change	% Change
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022		
Revenues								
Program revenues								
Charges for services	\$ 358	\$ 465	\$ 1,105	\$ 1,092	\$ 1,463	\$ 1,557	\$ (94)	-6.0%
General revenues								
Taxes	598	590	-	-	598	590	8	1.4%
Interest	3	2	3	1	6	3	3	100.0%
Private grant/donation	-	3	-	-	-	3	(3)	-100.0%
Intergovernmental revenue	523	1,023	-	47	523	1,070	(547)	-51.1%
Total revenues	<u>1,482</u>	<u>2,083</u>	<u>1,108</u>	<u>1,140</u>	<u>2,590</u>	<u>3,223</u>	<u>(633)</u>	<u>-19.6%</u>
Expenses								
General government	744	707	-	-	744	707	37	5.2%
Public safety/municipal court	238	298	-	-	238	298	(60)	-20.1%
Streets	152	99	-	-	152	99	53	53.5%
Animal control	21	21	-	-	21	21	-	0.0%
Recreation	6	7	-	-	6	7	(1)	-14.3%
Water and sewer	-	-	952	807	952	807	145	18.0%
Sanitation	-	-	268	258	268	258	10	3.9%
Total expenses	<u>1,161</u>	<u>1,132</u>	<u>1,220</u>	<u>1,065</u>	<u>2,381</u>	<u>2,197</u>	<u>184</u>	<u>8.4%</u>
Excess (deficiency) before non operating expenses and transfers	321	951	(112)	75	209	1,026	(817)	-79.6%
Non operating revenue (expenses)	20	394	-	(5)	20	389	(369)	-94.9%
Change in net position	<u>341</u>	<u>1,345</u>	<u>(112)</u>	<u>70</u>	<u>229</u>	<u>1,415</u>	<u>(1,186)</u>	<u>-83.8%</u>
Beginning net position	<u>3,863</u>	<u>2,518</u>	<u>3,738</u>	<u>3,668</u>	<u>7,601</u>	<u>6,186</u>	<u>1,415</u>	<u>22.9%</u>
Ending net position	<u>\$ 4,204</u>	<u>\$ 3,863</u>	<u>\$ 3,626</u>	<u>\$ 3,738</u>	<u>\$ 7,830</u>	<u>\$ 7,601</u>	<u>\$ 229</u>	<u>3.0%</u>

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Financial Highlights (Concluded)

Governmental Activities

Revenues

Revenues decreased by \$601,000, primarily due to a \$499,000 decrease in intergovernmental revenue as the Town had received Community Development Block Grant funds in 2022 for streets and drainage infrastructure improvements. Program revenues decreased \$107,000. General government revenues, including licenses, permits and fees, decreased \$27,000, public safety/municipal court revenues decreased \$111,000 and miscellaneous revenues increased 31,000. General revenues increased by \$8,000. Ad valorem taxes increased \$24,000, sales taxes decreased \$13,000, franchise fees decreased \$4,000, and interest income increased \$1,000. Private grant/donations decreased \$3,000 due to the Town receiving private grant funds in the amount of \$3,000 during 2022.

Expenditures

Expenditures decreased by \$29,000. General government expenditures increased by \$37,000. The increase is due primarily to a \$135,000 increase in pension and OPEB expenses related to net pension asset and a \$14,000 increase in professional fees. Other general government expenditures in salaries, general government, contract labor, insurance and supplies collectively decreased \$112,000. Public safety and municipal court expenditures decreased by \$60,000 primarily due to a \$46,000 decrease in state court fees, a \$4,000 decrease in uniform expense, and a \$10,000 decrease in depreciation expense as the Public Safety's capital assets are becoming fully depreciated. Street expenditures increased \$53,000 due to the increase in depreciation expense of \$53,000 due the completion of repair/reconstruction of streets and drainage infrastructure during 2023. Animal Control stayed consistent with prior year. Recreation expenditures decreased \$1,000.

Non-operating revenues and expenditures decreased \$374,000 due to the FEMA Community Disaster Loan in the amount of \$396,000 was canceled by Congress and thus recognized as revenue during 2022. The Town received proceeds of \$22,000 during 2023 for the sale of vehicles.

Business-type Activities

Revenues

Revenues decreased by \$32,000. Program revenues increased by \$13,000. Interest income increased by \$2,000. Intergovernmental revenue decreased \$47,000 as water and sewer improvements funded by Community Development Block Grant programs began winding down.

Expenses

Expenses increased by \$162,000 due to an increase in salaries and liability insurance expense. During 2023, the Town increased the retirement matching contribution from 1.85% to 7.49%. Non-operating expenses increased \$5,000 due to the Town disposing of capital assets not fully depreciated in the prior year.

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Capital Assets

At July 31, 2023 the Town had \$7,193,000 invested in capital assets, including police, fire equipment, park and recreation facilities, buildings, roads, and water and sewer lines. This amount represents a net increase (additions, deletions, and depreciation) of \$265,000 or 3.8% compared to last year, due to an influx of new assets primarily to grant activities for street infrastructure improvements in the governmental activities.

Town of Woodsboro, Texas
Capital Assets
July 31, 2023
With Comparative Totals for July 31, 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total Government		Amount Change	% Change
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022		
Construction in progress	\$ -	\$ 1,227	\$ -	\$ -	\$ -	\$ 1,227	\$ (1,227)	-100.0%
Land	82	82	-	-	82	82	-	0.0%
Buildings and improvements	1,306	1,306	-	-	1,306	1,306	-	0.0%
Machinery and equipment	598	566	6,346	6,270	6,944	6,836	108	1.6%
Streets	2,348	635	-	-	2,348	635	1,713	269.8%
Subtotal	4,334	3,816	6,346	6,270	10,680	10,086	594	5.9%
Accumulated depreciation	(812)	(671)	(2,675)	(2,487)	(3,487)	(3,158)	(329)	10.4%
Capital assets, net	<u>\$ 3,522</u>	<u>\$ 3,145</u>	<u>\$ 3,671</u>	<u>\$ 3,783</u>	<u>\$ 7,193</u>	<u>\$ 6,928</u>	<u>\$ 265</u>	<u>3.8%</u>

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

Budgetary Highlights

The Town did not revise its budget for the General Fund during the fiscal year ended July 31, 2023. Actual revenues in the General Fund were higher than budgeted revenues by approximately \$397,000, primarily due to grant revenue not being budgeted. Actual General Fund expenditures were higher than budgeted amounts by approximately \$327,000, primarily due to a significant amount of capital outlay (street infrastructure improvements) during the fiscal year.

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Debt Administration

At year-end, the Town had \$689,000 in Long-Term Debt, including a \$15,000 OPEB obligation, and Certificates of Obligation outstanding versus \$809,000 in Long-Term Debt, including a \$26,000 OPEB obligation, and Certificates of Obligation last year. The Town paid \$70,000 in principal reductions for Refunding Bonds obligation and \$39,000 for other long-term debt. The OPEB obligation decreased \$11,000.

Town of Woodsboro, Texas
Debt Outstanding
July 31, 2023
With Comparative Totals for July 31, 2022
(in thousands)

	Governmental Activities		Business-type Activities		Total Government		Amount Change	% Change
	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022	July 31, 2023	July 31, 2022		
Long-term debt	\$ 19	\$ 38	\$ 36	\$ 67	\$ 55	\$ 105	\$ (50)	-47.6%
Refunding bonds	-	-	634	704	634	704	(70)	-9.9%
Total	\$ 19	\$ 38	\$ 670	\$ 771	\$ 689	\$ 809	\$ (120)	-14.8%

More detailed information on the Town's long-term debt is presented in the notes to the financial statements.

TOWN OF WOODSBORO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
July 31, 2023

Economic Factors and Next Year's Budgets and Rates

- Anticipate that the Town's effective tax rate will approximate the 2023/2024 rate of .7384/\$100 valuation, which is a \$0.1104 decrease from 2022/2023. The total taxable valuation is \$58,885,622 that should produce a tax of \$434,811.
- Anticipate the Town's water and sewer rates will be studied to ensure that rates keep up with expenses and inflation.
- The budget for the fiscal year ending July 31, 2024 will be as follows:

FUND	REVENUE	EXPENDITURE/EXPENSES
General Fund	\$1,076,320	\$1,076,320
Enterprise Fund - Water	\$ 540,177	\$ 540,177
Enterprise Fund - Sewer	\$ 332,150	\$ 332,150
Enterprise Fund - Sanitation	\$ 295,000	\$ 295,000

Financial Contact

The Town's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the Town's finances and to demonstrate the Town's accountability. If you have questions about the report or need additional financial information, please contact the City Secretary at 121 N. Wood Avenue, Woodsboro, Texas 78393.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWN OF WOODSBORO, TEXAS
STATEMENT OF NET POSITION
July 31, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 521,389	\$ 118,408	\$ 639,797
Receivables			
Sales tax	10,298	-	10,298
Service accounts	-	149,698	149,698
Franchise tax	9,303	-	9,303
Ad valorem taxes	89,446	-	89,446
Prepaid expenses	27,583	4,108	31,691
Due from other fund	2,800	17,392	20,192
Due from grant agency	60,262	-	60,262
Inventory	10,252	26,024	36,276
Restricted cash	84,042	744,506	828,548
Net pension asset	242	295	537
Capital assets, net of depreciation	<u>3,522,479</u>	<u>3,670,777</u>	<u>7,193,256</u>
Total assets	<u>4,338,096</u>	<u>4,731,208</u>	<u>9,069,304</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred contributions	10,557	12,903	23,460
Changes in assumptions - net pension	479	586	1,065
Difference in investment returns - net pension	<u>30,616</u>	<u>37,419</u>	<u>68,035</u>
Total deferred outflows of resources	<u>41,652</u>	<u>50,908</u>	<u>92,560</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF NET POSITION (CONTINUED)
July 31, 2023

	Primary Government		
	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Accounts payable - trade	11,966	31,838	43,804
Accounts payable - grants	52,228	-	52,228
Accrued expenses	6,750	2,138	8,888
Accrued interest	-	4,732	4,732
Accrued vacation	3,237	5,162	8,399
Accrued salaries	3,235	3,578	6,813
Due to grant agencies	46,582	352,554	399,136
Due to other fund	20,192	-	20,192
Customer deposits payable	-	71,425	71,425
Noncurrent liabilities:			
Net OPEB obligation	6,597	8,062	14,659
Note payable - due within one year	12,210	27,822	40,032
Bonds payable - due within one year	-	71,000	71,000
Bonds payable - due in more than one year	-	563,000	563,000
Total liabilities	<u>162,997</u>	<u>1,141,311</u>	<u>1,304,308</u>
DEFERRED INFLOWS OF RESOURCES			
Difference in experience - net pension	8,217	10,043	18,260
Difference in assumptions - OPEB	1,252	1,531	2,783
Difference in experience - OPEB	2,626	3,209	5,835
Total deferred inflows of resources	<u>12,095</u>	<u>14,783</u>	<u>26,878</u>
NET POSITION			
Net investment in capital assets	3,510,269	3,008,955	6,519,224
Restricted for:			
Street improvements	20	-	20
Law enforcement	10,497	-	10,497
Municipal court building security	25,428	-	25,428
Municipal court technology fund	38,881	-	38,881
Utility replacement	-	1,025,635	1,025,635
Unrestricted	<u>619,561</u>	<u>(408,568)</u>	<u>210,993</u>
Total net position	<u>\$ 4,204,656</u>	<u>\$ 3,626,022</u>	<u>\$ 7,830,678</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended July 31, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Capital Grants and Contributions	Primary Government		
				Governmental Activities	Business-type Activities	Total
Primary Government						
Governmental activities:						
General government	\$ 744,040	\$ 61,208	\$ 524,432	\$ (158,400)	\$ -	\$ (158,400)
Public safety/municipal court	238,824	297,056	-	58,232	-	58,232
Streets	151,953	-	-	(151,953)	-	(151,953)
Animal control	21,301	-	-	(21,301)	-	(21,301)
Recreation	6,142	-	-	(6,142)	-	(6,142)
Interest expense	1,035	-	-	(1,035)	-	(1,035)
Total governmental activities	<u>1,163,295</u>	<u>358,264</u>	<u>524,432</u>	<u>(280,599)</u>	<u>-</u>	<u>(280,599)</u>
Business-type activities:						
Water and sewer	952,206	830,508	-	-	(121,698)	(121,698)
Sanitation	267,654	274,546	-	-	6,892	6,892
Total business-type activities	<u>1,219,860</u>	<u>1,105,054</u>	<u>-</u>	<u>-</u>	<u>(114,806)</u>	<u>(114,806)</u>
Total primary government	<u>\$ 2,383,155</u>	<u>\$ 1,463,318</u>	<u>\$ 524,432</u>	<u>(280,599)</u>	<u>(114,806)</u>	<u>(395,405)</u>
General revenues:						
Taxes:						
Property taxes, levied for general purposes			427,081	-		427,081
Franchise taxes			58,602	-		58,602
Sales taxes			112,828	-		112,828
Interest income			3,186	2,532		5,718
Sale of asset			14,000	-		14,000
Sale of seized vehicle			6,885	-		6,885
Total general revenues and transfers			<u>622,582</u>	<u>2,532</u>	<u></u>	<u>625,114</u>
Change in net position			341,983	(112,274)		229,709
Net position - beginning			3,862,673	3,738,296		7,600,969
Net position - ending			<u>\$ 4,204,656</u>	<u>\$ 3,626,022</u>	<u>\$</u>	<u>7,830,678</u>

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

FUND FINANCIAL STATEMENTS

TOWN OF WOODSBORO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
July 31, 2023

	General Fund	Police Department Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash - unrestricted	\$ 521,389	\$ -	\$ -	\$ 521,389
Receivables:				
Sales tax	10,298	-	-	10,298
Franchise tax	9,303	-	-	9,303
Ad valorem taxes	89,446	-	-	89,446
Restricted cash	14,036	8,497	61,509	84,042
Prepaid expenses	27,583	-	-	27,583
Due from other government funds	-	-	2,800	2,800
Due from grant agency	60,262	-	-	60,262
Inventory	8,252	2,000	-	10,252
Total assets	<u>\$ 740,569</u>	<u>\$ 10,497</u>	<u>\$ 64,309</u>	<u>\$ 815,375</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable - trade	\$ 11,966	\$ -	\$ -	\$ 11,966
Accounts payable - grants	52,228	-	-	52,228
Accrued expenses	6,750	-	-	6,750
Accrued vacation	3,237	-	-	3,237
Accrued salaries	3,235	-	-	3,235
Due to grants agencies	46,582	-	-	46,582
Due to other fund	20,192	-	-	20,192
Total liabilities	<u>144,190</u>	<u>-</u>	<u>-</u>	<u>144,190</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	83,452	-	-	83,452
Total deferred inflows of resources	<u>83,452</u>	<u>-</u>	<u>-</u>	<u>83,452</u>
Fund balances:				
Non-spendable	35,835	-	-	35,835
Restricted	14,036	10,497	64,309	88,842
Committed	239,961	-	-	239,961
Unassigned	223,095	-	-	223,095
Total fund balances	<u>512,927</u>	<u>10,497</u>	<u>64,309</u>	<u>587,733</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 740,569</u>	<u>\$ 10,497</u>	<u>\$ 64,309</u>	<u>\$ 815,375</u>

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

TOWN OF WOODSBORO, TEXAS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
July 31, 2023

Total governmental fund balances (page 16)	\$ 587,733
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	3,522,479
Noncurrent assets are not available to pay for current period expenditures and, therefore, are not reported in the funds. These assets are comprised of the following:	
Net pension asset	242
Deferred outflows related to pensions:	
Deferred contributions	10,557
Difference in investment returns	30,616
Changes in assumptions	479
Other assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	83,452
Deferred inflows related to pensions:	
Difference in experience	(8,217)
Deferred inflows related to OPEB:	
Changes in assumptions	(1,252)
Difference in experience	(2,626)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities are comprised of the following:	
Net OPEB obligation	(6,597)
Long-term debt	<u>(12,210)</u>
Net position of governmental activities	<u><u>\$ 4,204,656</u></u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended July 31, 2023

	General Fund	Police Department Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Ad valorem taxes, penalty and interest	\$ 419,919	\$ -	\$ -	\$ 419,919
City sales tax	112,828	-	-	112,828
Franchise taxes	58,602	-	-	58,602
Licenses, permits and fees	6,596	-	-	6,596
Fines and forfeitures	297,056	-	-	297,056
Interest income	3,012	25	149	3,186
Intergovernmental - grant revenue	524,432	-	-	524,432
Sale of asset	14,000	-	-	14,000
Sale of seized vehicle	6,885	-	-	6,885
Miscellaneous	46,226	65	8,321	54,612
Total revenues	1,489,556	90	8,470	1,498,116
EXPENDITURES				
Current:				
General government	560,061	-	-	560,061
Public safety	78,411	2,946	-	81,357
Streets	60,128	-	-	60,128
Animal control	21,301	-	-	21,301
Municipal court	106,667	-	-	106,667
Parks	3,295	-	-	3,295
Capital outlay	555,394	-	-	555,394
Grant expenditures	32,746	-	-	32,746
Total expenditures	1,418,003	2,946	-	1,420,949
Excess (deficiency) of revenues over (under) expenditures	71,553	(2,856)	8,470	77,167
OTHER FINANCING SOURCES (USES)				
Principal payment on loan	(11,800)	-	-	(11,800)
Interest expense	(1,035)	-	-	(1,035)
Transfers in	3,039	-	-	3,039
Transfers out	-	-	(3,039)	(3,039)
Total other financing sources (uses)	(9,796)	-	(3,039)	(12,835)
Net change in fund balances	61,757	(2,856)	5,431	64,332
Fund balances - beginning	451,170	13,353	58,878	523,401
Fund balances - ending	\$ 512,927	\$ 10,497	\$ 64,309	\$ 587,733

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

TOWN OF WOODSBORO, TEXAS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended July 31, 2023

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

Net change in fund balances - total governmental funds (page 18)	\$ 64,332
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	555,394
Depreciation expense on capital assets reported in the government-wide statement of activities and changes in net assets does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.	(178,605)
Some property taxes will not be collected for several months after the Town's fiscal year end, and are not considered "available" revenues in the governmental funds.	7,162
Expenditures are recognized in the governmental funds when paid are due for items not normally paid with available financial resources. However, the statement of activities is presented on an accrual basis and expenses reported when incurred.	(118,100)
Principal payments on long-term debt are recorded as expenses in the governmental funds.	11,800
Change in net assets of governmental activities	\$ 341,983

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND
July 31, 2023

	Business-type Activities - Enterprise Fund	
	Water, Sewer and Sanitation Fund	Total Enterprise Fund
ASSETS		
Current assets		
Cash and cash equivalents	\$ 118,408	\$ 118,408
Accounts receivable - customers, net	149,698	149,698
Prepaid expenses	4,108	4,108
Due from other fund	17,392	17,392
Inventory	26,024	26,024
Total current assets	<u>315,630</u>	<u>315,630</u>
Restricted assets		
Cash and cash equivalents	<u>744,506</u>	<u>744,506</u>
Total restricted assets	<u>744,506</u>	<u>744,506</u>
Noncurrent assets		
Capital assets		
Property, plant and equipment	6,346,090	6,346,090
Less: accumulated depreciation	<u>(2,675,313)</u>	<u>(2,675,313)</u>
Total capital assets, net of accumulated depreciation	3,670,777	3,670,777
Net pension asset	295	295
Total noncurrent assets	<u>3,671,072</u>	<u>3,671,072</u>
Total assets	<u>4,731,208</u>	<u>4,731,208</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred contributions	12,903	12,903
Changes in assumptions - net pension	586	586
Difference in investment returns	<u>37,419</u>	<u>37,419</u>
Total deferred outflows of resources	<u>50,908</u>	<u>50,908</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUND (CONTINUED)
July 31, 2023

	Business-type Activities - Enterprise Fund	
	Water, Sewer and Sanitation Fund	Total Enterprise Fund
LIABILITIES		
Current liabilities		
Accounts payable - trade	31,838	31,838
Accrued expenses	2,138	2,138
Accrued interest	4,732	4,732
Accrued vacation	5,162	5,162
Accrued salaries	3,578	3,578
Due to grant agencies	352,554	352,554
Customer deposits payable	71,425	71,425
Note payable - current portion	27,822	27,822
Bonds payable - current portion	71,000	71,000
Total current liabilities	<u>570,249</u>	<u>570,249</u>
Noncurrent liabilities		
Net OPEB obligation	8,062	8,062
Bonds payable	<u>563,000</u>	<u>563,000</u>
Total noncurrent liabilities	<u>571,062</u>	<u>571,062</u>
Total liabilities	<u>1,141,311</u>	<u>1,141,311</u>
DEFERRED INFLOWS OF RESOURCES		
Difference in experience - net pension	10,043	10,043
Changes in assumptions - OPEB	1,531	1,531
Difference in experience - OPEB	<u>3,209</u>	<u>3,209</u>
Total deferred inflows of resources	<u>14,783</u>	<u>14,783</u>
NET POSITION		
Invested in capital assets, net of related debt	3,008,955	3,008,955
Restricted for utility replacement	1,025,635	1,025,635
Unrestricted	<u>(408,568)</u>	<u>(408,568)</u>
Total net position	<u>\$ 3,626,022</u>	<u>\$ 3,626,022</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
PROPRIETARY FUND
For the Year Ended July 31, 2023

	Business-type Activities - Enterprise Fund	
	Water, Sewer and Sanitation Fund	Total Enterprise Fund
OPERATING REVENUES		
Charges for services:		
Water sales	\$ 469,129	\$ 469,129
Sewer	307,223	307,223
Sanitation	274,546	274,546
Late charges	33,275	33,275
Reconnect fees	1,490	1,490
Transfer and other fees	6,435	6,435
Miscellaneous	12,956	12,956
Total operating revenues	<u>1,105,054</u>	<u>1,105,054</u>
OPERATING EXPENSES		
Salaries	308,936	308,936
Sanitation charges	267,654	267,654
Repairs and maintenance	29,569	29,569
Materials, asphalt and caliche	23,662	23,662
Truck expenses	20,169	20,169
Sewer plant	27,083	27,083
Postage, office supplies and fees	50,362	50,362
Professional fees	41,599	41,599
Insurance	84,963	84,963
Utilities and telephone	32,068	32,068
Uniforms	1,717	1,717
Payroll taxes	23,585	23,585
Depreciation	193,863	193,863
Retirement	<u>103,627</u>	<u>103,627</u>
Total operating expenses	<u>1,208,857</u>	<u>1,208,857</u>
Operating income (loss)	<u>(103,803)</u>	<u>(103,803)</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION
PROPRIETARY FUND (CONTINUED)
For the Year Ended July 31, 2023

	Business-type Activities - Enterprise Fund	
	Water, Sewer and Sanitation Fund	Total Enterprise Fund
NON OPERATING REVENUES (EXPENSES)		
Interest income	2,532	2,532
Interest expense	(11,003)	(11,003)
Total non operating revenues (expenses)	<u>(8,471)</u>	<u>(8,471)</u>
Income (loss) before transfers	(112,274)	(112,274)
Transfers in	-	-
Transfers out	-	-
Change in fund net position	<u>(112,274)</u>	<u>(112,274)</u>
Total net position, beginning	<u>3,738,296</u>	<u>3,738,296</u>
Total net position, ending	<u>\$ 3,626,022</u>	<u>\$ 3,626,022</u>

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

**TOWN OF WOODSBORO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Year Ended July 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 1,108,475
Cash paid to suppliers for goods and services	(247,041)
Cash paid to employees for services	<u>(325,012)</u>
Net cash provided (used) by operating activities	<u>536,422</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchase of fixed assets	(96,604)
Principal payments on note payable	(27,533)
Principal payments on 2020 refunding bonds	(70,000)
Interest paid	<u>(11,003)</u>
Net cash provided (used) by capital and related financing activities	<u>(205,140)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>2,532</u>
Net cash provided (used) by investing activities	<u>2,532</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

333,814

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

529,100

CASH AND CASH EQUIVALENTS AT END OF YEAR

\$ 862,914

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND (CONTINUED)
For the Year Ended July 31, 2023

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
 PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	\$ <u>(103,803)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	193,863
Abandonment of CIP	14,360
Change in Pension	84,123
Change in OPEB	3,131
(Increase) decrease in accounts receivable - trade	430
Increase (decrease) in allowance account	2,991
(Increase) decrease in prepaid expenses	36
(Increase) decrease in inventory	1,439
Increase (decrease) in accounts payable - trade	(5,491)
Increase (decrease) in accrued expenses	(573)
Increase (decrease) in accrued interest payable	(2,403)
Increase (decrease) in accrued vacation payable	1,438
Increase (decrease) in accrued salaries payable	(1,141)
Increase (decrease) in due to grant agencies	350,069
Increase (decrease) in meter deposits payable	<u>(2,047)</u>
Total adjustments	<u>640,225</u>
Net cash provided (used) by operating activities	<u>\$ 536,422</u>

RECONCILIATION OF TOTAL CASH AND CASH EQUIVALENTS

Cash and cash equivalents	\$ 118,408
Restricted cash and cash equivalents	<u>744,506</u>
Total cash and cash equivalents	<u>\$ 862,914</u>

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
July 31, 2023

	Custodial Fund	Total
ASSETS		
Inventory - seized vehicles	\$ -	\$ -
Total assets	\$ -	\$ -
LIABILITIES		
Due to others	\$ -	\$ -
Total liabilities	\$ -	\$ -

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

TOWN OF WOODSBORO, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
July 31, 2023

	Custodial Fund	Total
ADDITIONS		
Inventory - seized vehicles	\$ -	\$ -
Total additions	<hr/> -	<hr/> -
DEDUCTIONS		
Inventory - seized vehicles	8,600	8,600
Total liabilities	<hr/> 8,600	<hr/> 8,600
Change in net position	(8,600)	(8,600)
Net position, beginning	<hr/> 8,600	<hr/> 8,600
Net position, ending	<hr/> \$ -	<hr/> \$ -

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

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Woodsboro, Texas (Town) was incorporated in 1928 and provides the following services: general government, public safety/municipal court, streets, animal control, recreation, and water, sewer and sanitation services.

Basis of Accounting/Measurement Focus

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflow of resources, fund balance/net position, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The accounting and reporting policies of the Town relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units*, and by the Financial Accounting Standards Board (when applicable). As allowed in GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Town has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee of Accounting Procedure issued after November 30, 1989. The more significant accounting policies of the Town are described below.

A. Government-Wide Financial Statements

The Town Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the Town accompanied by a total column.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Town's assets and liabilities, including capital assets as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The types of transactions reported as program revenues for the Town are reported in two categories: 1) charges for services, 2) capital grants and contributions.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net assets and changes in net assets presented in the Government-Wide financial statements. The Town has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the Town, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The following are the Town’s Governmental Fund types:

General Fund

The General Fund is the general operating fund of the Town. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund.

Special Revenue Funds

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

C. Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows for each major proprietary fund.

Proprietary funds are accounted for using the “economic resources measurement focus and the accrual basis of accounting.” Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Change in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Proprietary Fund Financial Statements (Concluded)

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The Town reports the following major proprietary fund:

Water, Sewer and Sanitation

The Water, Sewer and Sanitation Fund accounts for the activities necessary to provide water, wastewater and sanitation services to the residents of the Town. These activities include administration, water and wastewater system operations and maintenance, collection of waste, new construction, financing and related debt service.

D. Fiduciary Fund

Custodial Fund

Custodial funds are one of four types of fiduciary funds. Custodial funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

E. Budget

The Town Council follows these procedures in establishing the Town budget:

1. Thirty to sixty days prior to the beginning of each fiscal year, the department supervisors submit to the Town Council a proposed budget for the fiscal year beginning on the following fiscal year. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at which comments concerning the budget are heard.
3. The budget is legally enacted by the Town Council prior to the beginning of the fiscal year.
4. The City Secretary is authorized to transfer budgeted amounts between the departments within any fund, however any revisions that alter the total expenditures of any fund must be approved by the Town Council. The budget was not amended during this fiscal year.

F. Inventory

The General and Enterprise Funds inventories are valued at actual cost. Material and supplies, which constitute the bulk of the inventory, are charged to expense when used. Inventory on hand at the balance sheet date is appropriately adjusted and recorded as a current asset in the General and Enterprise Funds.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Vacation and Sick Leave

Vacation is accumulated after the first year of employment and can be used thereafter. Employees shall receive one week of vacation time after one year of employment; two weeks of vacation time two to fourteen years of employment and three weeks of vacation time fifteen years and over. Earned vacation time must be used by December 15 of each year; however, the Town will reimburse employees for a maximum of five unused vacation days accrued during the current year. The Town allows employees twelve sick days each calendar year. Up to thirty-six days of sick leave can be accumulated. Employees can sell back up to five days of sick leave each year. Sick leave is paid only upon illness while in the employment of the Town. Employees leaving the services of the Town shall not be paid for accumulated sick leave.

H. Restricted Resources

The Town applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

I. Classification of Fund Balances

In accordance with *Government Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions*, the Town 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.

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.

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.

Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Town Council.

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.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Classification of Fund Balances (Concluded)

	General Fund	Police Department Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES:				
Non-spendable:				
Inventory	\$ 8,252	\$ -	\$ -	\$ 8,252
Prepaid expenses	27,583	-	-	27,583
Restricted for:				
Street improvements	20	-	-	20
Law enforcement purposes	14,016	10,497	-	24,513
Municipal court building security	-	-	25,428	25,428
Municipal court technical fund	-	-	38,881	38,881
Committed to:				
Law enforcement purposes	6,893	-	-	6,893
Street maintenance	233,068	-	-	233,068
Unassigned	<u>223,095</u>	<u>-</u>	<u>-</u>	<u>223,095</u>
Total fund balances	<u><u>\$ 512,927</u></u>	<u><u>\$ 10,497</u></u>	<u><u>\$ 64,309</u></u>	<u><u>\$ 587,733</u></u>

The Town uses *restricted/committed* amounts to be spent first when both restricted and unrestricted fund balance are available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar spending. Additionally, the Government would first use *committed*, then *assigned*, and lastly *unassigned* amounts of unrestricted fund balance when expenditures are made.

J. Property Tax

Taxes are levied on October 1 and are due and payable on or before January 31 of the following year. All unpaid taxes become delinquent February 1 and attach as an enforceable lien on the property as of July 1 of the following year. The Refugio County Tax Assessor Collector bills and collects taxes for the Town. Property taxes not collected within 60 days are deemed not to be material to the financial statements, so no allowance for doubtful accounts has been established.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Property Tax (concluded)

The Town reports deferred inflow of resources on its General Fund balance sheet. Deferred inflow of resources arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflow of resources also arises when the Town receives resources before it has legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred inflow of resources is removed from the combined balance sheet and revenue is recognized.

During the year ended July 31, 2023, the Town levied an ad valorem tax for maintenance and operations at a rate of .8488 per \$100 of assessed value. A total tax levy of \$412,094 resulted, based on a net taxable valuation of \$48,550,186 for the 2022 tax year.

K. Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date donated. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Buildings	10 – 40 years
Equipment	5 – 10 years
Other improvements	7 – 15 years
Streets	10 years
Software	3 – 5 years
Vehicles	5 – 20 years
Water and sewer assets	5 – 50 years

L. Excess of Expenditures over Revenues in Governmental Funds

An excess of \$2,856 of expenditures over revenues occurred in the Police Fund in the year ended July 31, 2023.

M. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks. The Town also considers all highly liquid investments with maturity of twelve months or less when purchased to be cash equivalents. Carrying values of cash and cash equivalents approximate fair value due to the short-term nature of the instruments.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Restricted Assets

Certain resources of the Town have been set aside in the Enterprise Fund and General Fund for bond requirements, infrastructure and equipment repair or replacement, and law enforcement. These resources are classified as restricted on the Statement of Net Position because their use is limited by applicable bond covenants or other restrictions.

O. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has two items that qualify for reporting in this category. One is related to the deferred future pension expense related to the net pension liability and the other is related to the deferred future OPEB expense related to the total OPEB liability. Deferred future pension expense results from the difference in projected and actual experience on pension plan investments, difference in expected and actual experience, difference in assumption changes, and pension contributions remitted after the measurement date. Deferred future OPEB expense results from the difference in expected and actual experience, difference in assumption changes, and OPEB contributions remitted after the measurement date. All differences are based on actuarial gains or losses. These amounts are deferred and amortized over their respective remaining recognition period.

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has two items that qualify for reporting in this category. One is related to the deferred future pension expense related to the net pension liability and the other is related to unearned revenue. Deferred future pension income results from the difference in projected and actual experience on pension plan investments, difference in expected and actual experience and difference in assumption changes. The second type arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

P. Pensions

For purposes of measuring the Net Pension Liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concluded)

Q. Other postemployment benefits (OPEB)

The fiduciary net position of the TMRS Supplemental Death Benefits Plan (SDBP) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the total OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities and additions to/deductions from SDBP's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

NOTE 2: CASH

The Town maintains cash that is available for use by all funds, except as restricted. Each fund types' portion of these monies is displayed on the fund balance sheets with the description of "cash" under each fund's caption.

Deposits

State statutes require that all deposits in financial institutions be fully collateralized by U.S. Government obligations or obligations of Texas and its agencies that have a market value of not less than the principal amount of the deposits. The Town's deposits were fully collateralized at July 31, 2023. As of July 31, 2023, the carrying amount of the Town's deposits was \$1,467,724, and the bank balance was \$1,501,017. The entire bank balance was covered by federal depository insurance and Letter of Credit in the amount of \$3,000,000 issued by the Federal Home Loan Bank Dallas.

Texas Government Code authorizes the Town of Woodsboro, Texas to invest in the following eligible securities:

1. A surety bond;
2. An investment security;
3. An ownership or beneficial interest in an investment security, other than an option contract to purchase or sell an investment security;
4. A fixed-rate collateralized mortgage obligation that has an expected weighted average life of ten years or less and does not constitute a high-risk mortgage security;
5. A floating-rate collateralized mortgage obligation that does not constitute a high-risk mortgage security;
6. A letter of credit issued by a federal home loan bank.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 2: CASH (Concluded)

Investment securities are defined as:

1. An obligation that in the opinion of the Attorney General of the United States is a general obligation of the United States and backed by its full faith and credit;
2. A general or special obligation issued by a public agency that is payable from taxes, revenues, or a combination of taxes and revenues;
3. A security in which a public entity may invest under Subchapter A, Chapter 2256 of Texas Statutes.

Investment Risks

As the Town does not have investments, it is not exposed to Credit Risk, Concentration of Credit Risk, or Interest Rate Risk.

NOTE 3: ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

At July 31, 2023, accounts receivable – customers for business-type activities were:

	<u>Amount</u>
Total accounts receivable - customers	\$ 167,714
Less: allowance for doubtful accounts	<u>(18,016)</u>
Accounts receivable - customers	<u><u>\$ 149,698</u></u>

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 4: CHANGES IN CAPITAL ASSETS

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 82,341	\$ -	\$ -	\$ 82,341
Construction in progress	1,227,190	- -	(1,227,190)	-
Total capital assets not being depreciated	<u>1,309,531</u>	<u>- -</u>	<u>(1,227,190)</u>	<u>82,341</u>
Other capital assets				
Buildings and improvements	1,306,040	- -	- -	1,306,040
Machinery and equipment	565,852	69,983	(37,689)	598,146
Streets	635,058	1,712,601	- -	2,347,659
Total other capital assets at historical cost	<u>2,506,950</u>	<u>1,782,584</u>	<u>(37,689)</u>	<u>4,251,845</u>
Less accumulated depreciation for:				
Buildings and improvements	(93,873)	(39,632)	- -	(133,505)
Machinery and equipment	(446,935)	(55,168)	37,689	(464,414)
Streets	(129,983)	(83,805)	- -	(213,788)
Total accumulated depreciation	<u>(670,791)</u>	<u>(178,605)</u>	<u>37,689</u>	<u>(811,707)</u>
Other capital assets, net	1,836,159	1,603,979	- -	3,440,138
Governmental activities capital assets, net	<u><u>\$ 3,145,690</u></u>	<u><u>\$ 1,603,979</u></u>	<u><u>\$ (1,227,190)</u></u>	<u><u>\$ 3,522,479</u></u>
 Business-type activities:				
Capital assets not being depreciated				
Land	\$ - -	\$ - -	\$ - -	\$ - -
Construction in progress	- -	- -	- -	- -
Total capital assets not being depreciated	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>
Other capital assets				
Buildings and improvements	- -	- -	- -	- -
Machinery and equipment	6,269,827	96,604	(20,341)	6,346,090
Total other capital assets at historical cost	<u>6,269,827</u>	<u>96,604</u>	<u>(20,341)</u>	<u>6,346,090</u>
Less accumulated depreciation for:				
Buildings and improvements	- -	- -	- -	- -
Machinery and equipment	(2,487,430)	(193,863)	5,980	(2,675,313)
Total accumulated depreciation	<u>(2,487,430)</u>	<u>(193,863)</u>	<u>5,980</u>	<u>(2,675,313)</u>
Other capital assets, net	3,782,397	(97,259)	(14,361)	3,670,777
Business-type activities capital assets, net	<u><u>\$ 3,782,397</u></u>	<u><u>\$ (97,259)</u></u>	<u><u>\$ (14,361)</u></u>	<u><u>\$ 3,670,777</u></u>

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 4: CHANGES IN CAPITAL ASSETS (Concluded)

Depreciation expense was charged to functions as follows:

	<u>Amount</u>
Governmental activities	
General government	\$ 33,133
Public safety	50,800
Streets	91,825
Parks	2,847
Total governmental activities depreciation expense	<u>\$ 178,605</u>
Business-type activities	
Water and sewer	\$ 193,863
Total business-type activities depreciation expense	<u>\$ 193,863</u>

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 5: LONG-TERM DEBT

A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended July 31, 2023 was as follows:

Description and Purpose	Amount of Original Issue	Maturity Date	Interest Rate	Balance 07/31/22	Issued During Year	Increases (Decreases) During Year	Balance 07/31/23	Due Within One Year
<u>Governmental-type activities</u>								
General Fund:								
OPEB liability	\$ -	various	various	\$ 14,287	\$ -	\$ (7,690)	\$ 6,597	\$ -
Direct borrowing	\$ 57,670	9/28/2023	4.29%	24,010	-	(11,800)	12,210	12,210
<u>Business-type activities</u>								
Water, Sewer, and Sanitation Fund:								
OPEB liability	\$ -	various	various	11,690	-	(3,628)	8,062	-
Refunding bonds	\$ 848,000	3/1/2037	1.57%	704,000	-	(70,000)	634,000	71,000
Direct borrowing	\$ 131,584	9/28/2023	4.29%	55,355	-	(27,533)	27,822	27,822
Total long-term debt				\$ 809,342	\$ -	\$ (120,651)	\$ 688,691	\$ 111,032

The interest paid for governmental activities was \$1,035 for equipment loan debt for the year ended July 31, 2023. The interest paid for business-type activities was \$11,003 for bonds and equipment loan debt for the year ended July 31, 2023 and is charged to interest expense in the water, sewer and sanitation funds.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 5: LONG-TERM DEBT (Continued)

B. Long-Term Debt – Governmental Activities

On October 2, 2018, the Town of Woodsboro, Texas entered into a five-year debt agreement with Government Capital Corporation to finance the acquisition of equipment. The loan is secured by the Town's ad valorem tax revenues. The asset and liability under the debt have been recorded at the fair value of the assets, which is equal to the present value of the minimal payments at the inception of the debt agreement. The total amount financed was \$189,254 with interest rate fixed at 4.292%. Principal and interest are due on September 28 on an annual basis. The final debt payment is due September 28, 2023. This direct borrowing debt contains (1) a provision that if the Town is unable to make payment, outstanding amounts are due immediately and (2) a provision that in the event of default, the timing of repayment of outstanding amounts become due within a period of 20 days after notice of default if a default of performance or debt covenant violation occurs. This direct borrowing debt also contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that a material adverse change occurs. This debt is split with Business-type activities due to the proprietary fund assessing ownership of several equipment items with \$57,670 obligated from the governmental fund and \$131,584 obligated from the proprietary fund. The Town was not in compliance with all debt covenants of this debt at July 31, 2023. Therefore, debt will be considered current at July 31, 2023.

As of July 31, 2023, the remaining annual payments are as follows:

<u>Year Ended July 31,</u>	<u>Loan Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2024	\$ 12,210	\$ 528	\$ 12,738
	\$ 12,210	\$ 528	\$ 12,738

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 5: LONG-TERM DEBT (Continued)

C. Long-Term Debt – Business-type Activities

On October 2, 2018, the Town of Woodsboro, Texas entered into a five-year debt agreement with Government Capital Corporation to finance the acquisition of equipment. The loan is secured by the Town's ad valorem tax revenues. The asset and liability under the debt have been recorded at the fair value of the assets, which is equal to the present value of the minimal payments at the inception of the debt agreement. The total amount financed was \$189,254 with interest rate fixed at 4.292%. Principal and interest are due on September 28 on an annual basis. The final debt payment is due September 28, 2023. This direct borrowing debt contains (1) a provision that if the Town is unable to make payment, outstanding amounts are due immediately and (2) a provision that in the event of default, the timing of repayment of outstanding amounts become due within a period of 20 days after notice of default if a default of performance or debt covenant violation occurs. This direct borrowing debt also contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that a material adverse change occurs. This debt is split with Business-type activities due to the proprietary fund assessing ownership of several equipment items with \$57,670 obligated from the governmental fund and \$131,584 obligated from the proprietary fund. The Town was not in compliance with all debt covenants of this debt at July 31, 2023. Therefore, debt will be considered current at July 31, 2023.

As of July 31, 2023, the remaining annual payments are as follows:

Year Ended July 31,	Loan Principal	Interest	Total Requirements
2024	\$ 27,822	\$ 1,231	\$ 29,053
	\$ 27,822	\$ 1,231	\$ 29,053

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 5: LONG-TERM DEBT (Continued)

D. Limited Tax Refunding Bonds – Business-type Activities

On May 7, 2020 the Town of Woodsboro issued Limited Tax Refunding Bonds, Series 2020 of \$848,000 with an interest rate of 1.57% and a final maturity of March 1, 2035. Proceeds from the bond sale was used to refund Combination Tax and Combined Waterworks and Sanitary Sewer System Revenue Certificates of Obligation Series 2000 and Series 2000A and Combination Tax and Combined Waterworks and Sanitary Sewer System Revenue Certificates of Obligation, Series 2008 in order to lower the overall debt service requirements of the Town. As a result of refunding, the Town reduced its debt service payments by \$182,443 and obtained an economic gain (difference between present value of debt service payment of old and new debt) of \$138,645. Interest on the Certificates of Obligation is payable March 1 and September 1. Principal payments are due annually on March 1 and continue until March 1, 2035. The interest rate is fixed at 1.57% per annum.

Annual requirements to retire the Limited Tax Refunding Bonds are as follows:

<u>Year Ended</u> <u>July 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2024	\$ 71,000	\$ 9,954	\$ 80,954
2025	75,000	8,839	83,839
2026	75,000	7,662	82,662
2027	75,000	6,484	81,484
2028	69,000	5,307	74,307
2029-2033	189,000	15,260	204,260
2034-2035	80,000	1,884	81,884
	<u>\$ 634,000</u>	<u>\$ 55,390</u>	<u>\$ 689,390</u>

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 5: LONG-TERM DEBT (Concluded)

E. Five Year Schedules

Annual debt service requirements to maturity for all long-term debt are as follows:

Year Ended July 31,	Governmental Activities	
	Notes from Direct Borrowings	
	Principal	Interest
2024	\$ 12,210	\$ 528
	<u>\$ 12,210</u>	<u>\$ 528</u>

Year Ended July 31,	Business-Type Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2024	\$ 71,000	\$ 9,954	\$ 27,822	\$ 1,231
2025	75,000	8,839	-	-
2026	75,000	7,662	-	-
2027	75,000	6,484	-	-
2028	69,000	5,307	-	-
2029-2033	189,000	15,260	-	-
2034-2035	80,000	1,884	-	-
	<u>\$ 634,000</u>	<u>\$ 55,390</u>	<u>\$ 27,822</u>	<u>\$ 1,231</u>

F. Other Post Employment Benefits Obligation

The other post employment benefits obligation represents a liability for the amount of the actuarially required contribution for the retiree portion of the supplemental death benefits in excess of the actual contributions made.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 6: PENSION PLAN

A. Plan Description

The Town participates as one of 919 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code, Title 8 (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at www.tmrs.com.

All eligible employees of the Town are required to participate in TMRS.

B. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS.

At retirement, the member's benefit is calculated as if the sum of the member's contributions, with interest, and the city-financed monetary credits with interest. The retiring member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total member's contributions and interest.

Plan provisions for the Town were as follows:

	Plan Year 2022
Employee deposit rate	5.0%
Matching ratio (city to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility (expressed as age / years of service)	60/5, 0/25
Updated Service Credit	100% Repeating
Annuity Increase (to retirees)	70% of CPI Repeating

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	4
Inactive employees entitled to but not yet receiving benefits	4
Active employees	12
Total	20

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 6: PENSION PLAN (Continued)

C. Contributions

Member contribution rates in TMRS are either 5%, 6%, or 7% of member's total compensation, and the Town matching percentages are either 100%, 150% or 200% both as adopted by the governing body of the Town. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The Town's contribution rate is based on the liabilities created from the benefit plan options selected by the Town and any changes in benefits or actual experience over time.

Employees for the Town were required to contribute 5% of their annual compensation during the fiscal year 2023. The contribution rates for the Town were 7.49% and 1.94% in calendar years 2022 and 2023, respectively. The Town's contributions to TMRS for the year ended 2023 were \$28,275, and were equal to the required contributions.

D. Net Pension Asset

The Town's Net Pension Asset (NPA) was measured as of December 31, 2022, and the Total Pension Asset (TPA) used to calculate the Net Pension Asset was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Asset in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subjected to the floor.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 6: PENSION PLAN (Continued)

D. Net Pension Asset (Continued)

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 through December 31, 2018. The assumptions were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.0%	7.7%
Core Fixed Income	6.0%	4.9%
Non-Core Fixed Income	20.0%	8.7%
Other Public and Private Markets	12.0%	8.1%
Real Estate	12.0%	5.8%
Hedge Funds	5.0%	6.9%
Private Equity	10.0%	11.8%
Total	100.0%	

Discount Rate

The discount rate used to measure the Total Pension Asset was 6.75%. The projection of cash flows used to determine the discount rate assumed that member and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Asset.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 6: PENSION PLAN (Continued)

D. Net Pension Asset (Concluded)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability(Asset) (a) - (b)
Balance at 12/31/2021	\$ 710,280	\$ 1,060,433	\$ (350,153)
Changes for the year:			
Service cost	72,859	-	72,859
Interest	62,114	-	62,114
Change in benefit terms including substantively automatic status	183,781	-	183,781
Difference between expected and actual experience	(7,732)	-	(7,732)
Contributions - employer	-	10,782	(10,782)
Contributions - employee	-	27,788	(27,788)
Net investment income	-	(77,292)	77,292
Benefit payments, including refunds of employee contributions	(20,574)	(20,574)	-
Administrative expense	-	(670)	670
Other changes	-	798	(798)
Net changes	290,448	(59,168)	349,616
Balance at 12/31/2022	\$ 1,000,728	\$ 1,001,265	\$ (537)

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the Net Pension Asset of the Town, calculated using the discount rate of 6.75%, as well as what the Town's Net Pension Asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Town's Net Pension Asset	\$146,006	\$(537)	\$(121,778)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained at www.tmrs.com.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 6: PENSION PLAN (Concluded)

E. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended July 31, 2023, the Town recognized pension income of \$231,845.

At July 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$18,260
Changes in actuarial assumptions	1,065	-
Difference between projected and actual investment earnings	68,035	-
Contributions subsequent to the measurement date December 31, 2022	23,460	-
Total	\$92,560	\$18,260

\$23,460 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Asset for the year ending July 31, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	Net deferred outflows (inflows) of resources
2023	\$ (3,474)
2024	11,210
2025	15,008
2026	28,257
2027	(162)
Thereafter	-
Total	\$50,839

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description

The Town also participates in the TMRS' administered defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). The Town elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The Town may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

B. Benefits

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an "other postemployment benefit" (OPEB) and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

Employees covered by benefit terms

At the December 31, 2022 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	2
Inactive employees entitled to but not yet receiving benefits	0
Active employees	12
Total	14

C. Contributions

The Town contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographic specific to the workforce of the Town. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. As such, contributions fund the covered active employee and retiree deaths on a pay-as-you-go basis.

The Town's contributions to the TMRS SDBF for the fiscal year ended July 31, 2023 were \$1,261, which equaled the required contributions each year.

D. Total OPEB Liability

The Town's total OPEB liability of \$14,659 was measured as of December 31, 2022, and was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50% per year
Salary increases	3.50% to 11.50% including inflation
Discount rate	4.05%
Retirees' share of benefit-related costs	\$0

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. Total OPEB Liability (Concluded)

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2022.

Salary increases were based on a graduated service-based scale. Mortality rates for service retirees were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Mortality rates for disabled retirees were based on the 2019 Municipal Retirees of Texas Mortality Tables with a 4 year set-forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period of December 31, 2014 to December 31, 2018.

E. Changes in the Total OPEB Liability

	<u>Amount</u>
Balance at 12/31/2021	<u>\$ 25,977</u>
Changes for the year:	
Service cost	2,668
Interest on total OPEB liability	500
Differences between expected and actual experience	(6,732)
Changes in assumptions and other inputs	(7,532)
Benefit payments	(222)
Net changes	(11,318)
Balance at 12/31/2022	<u>\$ 14,659</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 1.84 percent as of December 31, 2021 to 4.05 percent as of December 31, 2022.

Sensitivity of the total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town, calculated using the discount rate of 4.05%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.05%) or 1-percentage-point higher (5.05%) than the current rate:

	1% Decrease in Discount Rate (3.05%)	Discount Rate (4.05%)	1% Increase in Discount Rate (5.05%)
Total OPEB liability	\$17,586	\$14,659	\$12,266

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 7: OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Concluded)

F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended July 31, 2023, the Town recognized OPEB expense of \$2,006.

At July 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ -	\$5,835
Changes in assumptions and other inputs	-	2,783
Contributions made subsequent to measurement date	N/A	-
Total (excluding contributions made subsequent to measurement date)	\$ -	\$8,618

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will not be recognized as a reduction of the total OPEB liability for the year ended July 31, 2023 due to immateriality. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	Net deferred outflows (inflows) of resources
2023	(\$1,162)
2024	(1,162)
2025	(1,162)
2026	(1,256)
2027	(1,726)
Thereafter	(2,150)
Total	(\$8,618)

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 8: INTERFUND ASSETS/LIABILITIES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds."

Interfund assets/liabilities for the year ended July 31, 2023 are as follows:

Fund	Due From Other Funds	Due To Other Funds
General	\$ -	\$ (20,192)
MC Security	928	-
MC Technology	1,872	-
Enterprise	17,392	-
Total Due From/Due To	<u>\$ 20,192</u>	<u>\$ (20,192)</u>

NOTE 9: SPECIAL AGENCY FUND - CONFISCATED FUNDS

A local agreement was made and entered into by and between Town of Woodsboro, Texas Police Department and the District Attorney of the 24th Judicial District of Texas for Refugio County, Texas in accordance with Article 59.06 of Chapter 59 of the Texas Code of Criminal Procedure regarding the effect of the disposition of contraband forfeited to the State of Texas.

In consideration for the services associated with the forfeiture of contraband, Town of Woodsboro, Texas Police Department agrees that forty percent of all money forfeited and forty percent of the final sum received from the sale of real estate shall be retained by the prosecuting attorney to be used for the official purposes of the office. The prosecuting attorney is further entitled to forty percent of the final sum received from the sale of vehicles seized. If the vehicle is retained by the Police Department, the Police Department agrees to pay the prosecuting attorney forty percent of the vehicle's suggested "Blue Book" value.

The prosecuting attorney agrees that remaining contraband, after retention of the above stated portion for the prosecuting attorney, will be retained by Town of Woodsboro, Texas Police Department for law enforcement purposes.

In the event that the office of the prosecuting attorney, or any other law enforcement agency is required to expend significant time and effort in pre-seizure planning of a seizure and/or arrest, the case will be developed as a joint investigation with the percentage apportioned between the parties commensurate with the time and effort required by each of said parties, and an addendum to the agreement will be executed by the parties as it pertains to the particular seizure and/or arrest.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 9: SPECIAL AGENCY FUND - CONFISCATED FUNDS (Concluded)

This agreement will apply to money or property seized and forfeited to Town of Woodsboro, Texas Police Department on or after January 1, 2008. Money and property will be considered forfeited to the State once a judgment of forfeiture has become final, and no motion for new trial or notice of appeal has been taken. Payments to the prosecuting attorney will be made quarterly based on a calendar year. The prosecuting attorney will also be paid interest earned on each quarterly payment from the date of forfeiture until the end of the quarter. All costs of court proceedings will be paid by Town of Woodsboro, Texas Police Department including the cost of titles searched and title policies issued.

The term of this agreement is for a period of one year from January 1, 2008. The agreement will automatically be renewed on a yearly basis after the initial one year term. The agreement may be terminated by either party upon thirty days prior written notice thereof to the other of its intention to terminate upon the date specified in such notice. Any pending forfeitures under this agreement filed prior to the termination date, however, will not be affected by such notices.

NOTE 10: RISK MANAGEMENT

The Town is exposed to various risks of loss due to torts, theft of, damage to and destruction of assets, errors and omissions, the health of and injuries to employees and natural disasters. The Town uses commercial insurance to manage these risks. Claims have not exceeded its insurance coverage.

Hurricanes can cause flooding, particularly in coastal regions such as the area where the Town is located. Hurricanes can also cause windstorm and other damage and hurricane induced flooding can submerge roadways, thus preventing evacuation of people and/or property. If a hurricane (or any other natural disaster) destroyed all or part of the Town, the assessed value of property within the Town could be substantially reduced, with a corresponding decrease in tax revenues or increase in the tax rate. Further, there can be no assurance that a casualty loss will be covered by insurance (certain casualties, including flood and windstorm, are usually excluded unless specific insurance is purchased), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged Town property. Even if insurance proceeds are available and the Town is rebuilt, there could be a lengthy period in which assessed values within the Town could be adversely affected. The Gulf Coast region in which the Town is located is subject to occasional destructive weather. There can be no assurance the Town will not endure damage from future meteorological events.

The Town operates in an industry regulated by Texas Commission on Environmental Quality (TCEQ). As a result, various lawsuits, claims, and legal and regulatory proceedings can be instituted or asserted against the Town.

During fiscal year ended July 31, 2017, the Town became a defendant in a lawsuit arising in the normal course of business. Plaintiff, Timothy Lee Dickey purchased a license to operate amusement redemption machines in the Town of Woodsboro, Texas. Mr. Dickey voluntarily paid for these permits and purchased 12 permits in 2016 and 28 permits in 2017, totaling \$84,000. These are permit fees which are the same or similar as charged by other cities and counties in the South Texas area. This case is being vigorously contested by the Town of Woodsboro. In the opinion of Counsel, based on current facts, the outcome is unknown; however, TML has advised Cities and Towns that any charge in excess of \$15.00 per machine is not authorized by statute.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 11: COMMITMENTS AND CONTINGENCIES

As of July 31, 2023, the Town had outstanding Federal grant awards of \$259,156 for critical facility generators at the water and wastewater treatment plants on approved projects by the U.S. Department of Treasury, Federal Emergency Management Agency (FEMA) in which the grant is administered through the Texas Department of Emergency Management (TDEM). The Federal grant funds are not available to the Town until expenses are incurred and therefore, are not recorded as receivables. The grant expenses are subject to audit by the TDEM, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management.

As of July 31, 2023, the Town had outstanding Federal grant awards of \$350,068 to respond to the COVID-19 emergency or its negative economic impacts, provide premium pay for essential workers, replace lost public sector revenue, and invest in water, sewer, and broadband infrastructure on approved projects by the U.S. Department of Treasury, in which the grant is administered through the Texas Division of Emergency Management (TDEM). The Federal grant funds are not available to the Town until expenses are incurred and therefore, are not recorded as receivables. The grant expenses are subject to audit by the TDEM, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management.

As of July 31, 2023, the Town had outstanding Federal grant awards of \$520,863 for sundry repair and replacement projects related to Hurricane Harvey damages on approved projects by the U.S. Department of Treasury, Federal Emergency Management Agency (FEMA), in which the grant is administered through the TDEM. For large project, the Federal grant funds are not available to the Town until expenses are incurred and therefore, are not recorded as receivables. The grant expenses are subject to audit by TDEM, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material by management. Amounts received or receivable for small projects are subject to audit and adjustment by FEMA. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by FEMA cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

NOTE 12: GRANTS

Refugio County, Texas entered into a grant agreement with the Texas Department of Agriculture to rehabilitate the existing lift station and to enclose it. The Town's local match commitment is \$54,960. As of July 31, 2023, the local match has not been made. Upon satisfactory fulfillment of the grant agreement, the asset will be transferred to the Town of Woodsboro, Texas. As of July 31, 2023, this grant was still in process, therefore, no transfer occurred.

TOWN OF WOODSBORO, TEXAS
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended July 31, 2023

NOTE 13: SUBSEQUENT EVENTS

On August 17, 2023, the Town entered into an \$112,230 debt obligation with Government Capital Corporation for the purchase of a vehicle and equipment. The terms of the loan are three annual payments of principal and interest commencing on October 21, 2024 at a fixed interest rate of 6.217%.

In preparing these financial statements, events and transactions have been evaluated for potential recognition or disclosure through January 2, 2024, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WOODSBORO, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND
For the Year Ended July 31, 2023

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes:			
Property taxes	\$ 396,000	\$ 419,919	\$ 23,919
City sales tax revenue	130,000	112,828	(17,172)
Franchise fees	61,500	58,602	(2,898)
Municipal court	385,600	297,056	(88,544)
Animal control	150	525	375
Licenses, permits and fees	7,000	6,071	(929)
Interest income	1,200	3,012	1,812
Intergovernmental - grant revenue	110,000	524,432	414,432
Sale of asset	-	14,000	14,000
Sale of seized vehicle	-	6,885	6,885
Miscellaneous	-	46,226	46,226
Total revenues	<u>1,091,450</u>	<u>1,489,556</u>	<u>398,106</u>
EXPENDITURES			
General government	365,767	281,302	84,465
Street	109,730	645,837	(536,107)
Public safety	373,353	318,683	54,670
Municipal court	242,600	172,181	70,419
Total expenditures	<u>1,091,450</u>	<u>1,418,003</u>	<u>(326,553)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>71,553</u>	<u>71,553</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	3,039	3,039
Principal payment on loan	(11,801)	(11,800)	(1)
Interest expense	(1,035)	(1,035)	-
Total other financing sources (uses)	<u>(12,836)</u>	<u>(9,796)</u>	<u>3,040</u>
Net change in fund balances	<u>\$ (12,836)</u>	<u>61,757</u>	<u>\$ 74,593</u>
Fund balances - beginning		451,170	
Fund balances - ending		<u>\$ 512,927</u>	

TOWN OF WOODSBORO, TEXAS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended July 31, 2023

NOTE 1: BUDGETS

The budget for the Governmental Fund adopted during the fiscal year by the Town Council was prepared using the modified accrual basis of accounting in accordance with generally accepted accounting principles. The General Fund has a legally adopted budget. The Special Revenue Fund budgetary comparisons are not displayed because this budget was not legally adopted during the current fiscal year.

TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (unaudited)
For the Year Ended July 31, 2023

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022
Total pension liability									
Service cost	\$ 28,152	\$ 38,084	\$ 39,754	\$ 46,271	\$ 41,106	\$ 39,661	\$ 44,647	\$ 43,952	\$ 72,859
Interest (on the total pension liability)	26,117	24,744	27,898	31,448	35,490	37,903	41,737	44,615	62,114
Changes of benefit terms	-	-	-	-	-	-	-	-	183,781
Difference between expected and actual experience	(58,879)	3,564	(3,254)	9,501	(12,245)	(7,655)	(17,216)	168	(7,732)
Change of assumptions	-	4,814	-	-	-	3,205	-	-	-
Benefit payments, including refunds of employee contributions	(31,727)	(8,221)	(16,237)	(13,887)	(35,623)	(20,125)	(17,486)	(34,889)	(20,574)
Net change in total pension liability	(36,337)	62,985	48,161	73,333	28,728	52,989	51,682	53,846	290,448
Total pension liability - beginning	374,893	338,556	401,541	449,702	523,035	551,763	604,752	656,434	710,280
Total pension liability - ending (a)	\$ 338,556	\$ 401,541	\$ 449,702	\$ 523,035	\$ 551,763	\$ 604,752	\$ 656,434	\$ 710,280	\$ 1,000,728
Plan fiduciary net position									
Contributions - employer	\$ 3,673	\$ 928	\$ -	\$ 1,726	\$ 3,162	\$ 4,892	\$ 3,873	\$ 8,291	\$ 10,782
Contributions - employee	18,084	23,194	23,357	26,965	23,954	23,193	26,171	24,973	27,788
Net investment income	33,129	888	41,782	92,405	(23,174)	114,344	65,352	122,386	(77,292)
Benefit payments, including refunds of employee contributions	(31,727)	(8,221)	(16,237)	(13,887)	(35,623)	(20,125)	(17,486)	(34,889)	(20,574)
Administrative expense	(346)	(541)	(472)	(479)	(448)	(647)	(424)	(567)	(670)
Other	(28)	(27)	(25)	(25)	(22)	(19)	(17)	4	798
Net change in plan fiduciary net position	22,785	16,221	48,405	106,705	(32,151)	121,638	77,469	120,198	(59,168)
Plan fiduciary net position - beginning	579,163	601,948	618,169	666,574	773,279	741,128	862,766	940,235	1,060,433
Plan fiduciary net position - ending (b)	\$ 601,948	\$ 618,169	\$ 666,574	\$ 773,279	\$ 741,128	\$ 862,766	\$ 940,235	\$ 1,060,433	\$ 1,001,265

TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (unaudited) (CONTINUED)
For the Year Ended July 31, 2023

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022
Net pension liability (asset) - ending (a) - (b)	\$ (263,392)	\$ (216,628)	\$ (216,872)	\$ (250,244)	\$ (189,365)	\$ (258,014)	\$ (283,801)	\$ (350,153)	\$ (537)
Plan fiduciary net position as a percentage of total pension liability (asset)	177.80 %	153.95 %	148.23 %	147.84 %	134.32 %	142.66 %	143.23 %	149.30 %	100.05 %
Covered employee payroll	\$ 361,677	\$ 463,872	\$ 467,148	\$ 539,294	\$ 479,085	\$ 463,869	\$ 523,414	\$ 499,458	\$ 555,750
Net pension liability (asset) as a percentage of covered employee payroll	(72.83) %	(46.70) %	(46.42) %	(46.40) %	(39.53) %	(55.62) %	(54.22) %	(70.11) %	(0.10) %

TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS (unaudited)
For the Year Ended July 31, 2023

	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Actuarially determined contribution	\$ 2,953	\$ 436	\$ 1,274	\$ 3,205	\$ 4,122	\$ 4,426	\$ 6,525	\$ 9,286	\$ 28,275
Contributions in relation to the actuarially determined contribution	<u>3,264</u>	<u>436</u>	<u>971</u>	<u>2,559</u>	<u>4,122</u>	<u>5,341</u>	<u>7,360</u>	<u>9,286</u>	<u>28,275</u>
Contribution deficiency (excess)	<u>\$ (311)</u>	<u>\$ -</u>	<u>\$ 303</u>	<u>\$ 646</u>	<u>\$ -</u>	<u>\$ (915)</u>	<u>\$ (835)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 303,484	\$ 485,011	\$ 503,403	\$ 509,279	\$ 469,038	\$ 514,044	\$ 509,394	\$ 507,528	\$ 561,411
Contributions as a percentage of covered employee payroll	1.08 %	0.09 %	0.19 %	0.50 %	0.88 %	1.04 %	1.44 %	1.83 %	5.04 %

TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
NOTES TO SCHEDULE OF CONTRIBUTIONS (unaudited)
For the Year Ended July 31, 2023

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level of percent of payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the Town's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) Mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes Increased Town matching ratio from 1 - 1 to 2 - 1.
Increased statutory max to 11.50% due to plan changes.

TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (unaudited)
For the Year Ended July 31, 2023

	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021	Measurement Year 2022
Total OPEB liability						
Service cost	\$ 1,402	\$ 1,437	\$ 1,392	\$ 2,198	\$ 2,697	\$ 2,668
Interest on Total OPEB liability	342	386	509	515	453	500
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	-	1,357	(677)	(1,651)	922	(6,732)
Change of assumptions and other inputs	896	(1,054)	3,441	2,718	713	(7,532)
Benefit payments	(54)	(48)	(46)	(52)	(200)	(222)
Net change in total pension liability	2,586	2,078	4,619	3,728	4,585	(11,318)
Total OPEB liability - beginning	<u>8,381</u>	<u>10,967</u>	<u>13,045</u>	<u>17,664</u>	<u>21,392</u>	<u>25,977</u>
Total OPEB liability - ending	<u>\$ 10,967</u>	<u>\$ 13,045</u>	<u>\$ 17,664</u>	<u>\$ 21,392</u>	<u>\$ 25,977</u>	<u>\$ 14,659</u>
Covered employee payroll	\$ 539,294	\$ 479,085	\$ 463,869	\$ 523,414	\$ 499,458	\$ 555,750
Total OPEB liability as a percentage of covered employee payroll	2.03 %	2.72 %	3.81 %	4.09 %	5.20 %	2.64 %

**TOWN OF WOODSBORO, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM**

**NOTES TO SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (unaudited)
For the Year Ended July 31, 2023**

NOTE 1: CHANGE OF ASSUMPTIONS

Changes of assumptions and other inputs reflect the effect of change in the discount rate from 1.84 percent as of December 31, 2021 to 4.05 percent as of December 31, 2022.

NOTE 2: OTHER INFORMATION

The Supplemental Death Benefit Fund (SDBF) covers both active and retiree benefits with no segregation of assets, therefore does not meet the definition of a trust under GASB Statement No. 75, paragraph 4b.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF WOODSBORO, TEXAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
July 31, 2023

	Municipal Court Security	Municipal Court Technology	Total Non- Major Govern- mental Funds
ASSETS			
Cash - restricted	\$ 24,500	\$ 37,009	\$ 61,509
Due from other government funds	928	<u>1,872</u>	<u>2,800</u>
Total assets	<u><u>\$ 25,428</u></u>	<u><u>\$ 38,881</u></u>	<u><u>\$ 64,309</u></u>
LIABILITIES			
Total liabilities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
FUND BALANCES			
Restricted:			
Municipal court building security	25,428	-	25,428
Municipal court technology fund	<u>-</u>	<u>38,881</u>	<u>38,881</u>
Total fund balances	<u><u>25,428</u></u>	<u><u>38,881</u></u>	<u><u>64,309</u></u>
Total liabilities and fund balances	<u><u>\$ 25,428</u></u>	<u><u>\$ 38,881</u></u>	<u><u>\$ 64,309</u></u>

TOWN OF WOODSBORO, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended July 31, 2023

	<u>Municipal Court Security</u>	<u>Municipal Court Technology</u>	Total Non- Major Govern- mental Funds
REVENUES			
Interest income	\$ 61	\$ 88	\$ 149
Miscellaneous income	<u>4,393</u>	<u>3,928</u>	<u>8,321</u>
Total revenues	<u>4,454</u>	<u>4,016</u>	<u>8,470</u>
EXPENDITURES			
Miscellaneous expenditures	-	-	-
Total expenditures	-	-	-
Excess (deficit) of revenues over expenditures	4,454	4,016	8,470
OTHER FINANCING SOURCES (USES)			
Transfer in	-	-	-
Transfer out	<u>(3,039)</u>	<u>-</u>	<u>(3,039)</u>
Total other financing sources (uses)	<u>(3,039)</u>	<u>-</u>	<u>(3,039)</u>
Net change in fund balances	1,415	4,016	5,431
FUND BALANCES, beginning of year	24,013	34,865	58,878
FUND BALANCES, end of year	<u>\$ 25,428</u>	<u>\$ 38,881</u>	<u>\$ 64,309</u>

INDIVIDUAL GRANT INFORMATION

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Operation Stonegarden Grant Program

Federal Grantor: Department of Homeland Security, Bureau of Customs and Border Protection

Pass Through Grantor: Texas Department of Public Safety

CFDA Number: 97.067

Grant Number: HS 3194206

Contract Period: March 1, 2021 to February 28, 2022

	Original Budget	Amended Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:						
Federal/State	\$ 130,000	\$ 98,219	\$ 85,831	\$ 12,388	\$ 98,219	\$ -
Total revenue	130,000	98,219	85,831	12,388	98,219	-
Expenditures:						
Federal/State						
Personnel	88,719	44,550	44,550	-	44,550	-
Equipment	41,281	53,669	53,669	-	53,669	-
Total expenditures	130,000	98,219	98,219	-	98,219	-
Excess revenue over expenditures	\$ -	\$ -	\$ (12,388)	\$ 12,388	\$ -	\$ -

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Operation Stonegarden Grant Program

Federal Grantor: Department of Homeland Security, Bureau of Customs and Border Protection

Pass Through Grantor: Texas Department of Public Safety

CFDA Number: 97.067

Grant Number: HS 3194207

Contract Period: March 1, 2022 to February 28, 2023

	Original Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:					
Federal/State	\$ 80,000	\$ 9,678	\$ 19,749	\$ 29,427	\$ 50,573
Total revenue	<u>80,000</u>	<u>9,678</u>	<u>19,749</u>	<u>29,427</u>	<u>50,573</u>
Expenditures:					
Federal/State					
Personnel - augmentees	59,999	8,273	13,823	22,096	37,903
Personnel - overtime	<u>20,001</u>	<u>1,405</u>	<u>5,926</u>	<u>7,331</u>	<u>12,670</u>
Total expenditures	<u>80,000</u>	<u>9,678</u>	<u>19,749</u>	<u>29,427</u>	<u>50,573</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Operation Stonegarden Grant Program

Federal Grantor: Department of Homeland Security, Bureau of Customs and Border Protection

Pass Through Grantor: Texas Department of Public Safety

CFDA Number: 97.067

Grant Number: HS 3194208

Contract Period: March 1, 2023 to February 29, 2024

	Original Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:					
Federal/State	\$ 120,000	\$ -	\$ 8,034	\$ 8,034	\$ 111,966
Total revenue	<u>120,000</u>	<u>-</u>	<u>8,034</u>	<u>8,034</u>	<u>111,966</u>
Expenditures:					
Federal/State					
Equipment	18,680	-	-	-	18,680
Personnel	89,320	-	6,138	6,138	83,182
Supplies - DOE	<u>12,000</u>	<u>-</u>	<u>1,896</u>	<u>1,896</u>	<u>10,104</u>
Total expenditures	<u>120,000</u>	<u>-</u>	<u>8,034</u>	<u>8,034</u>	<u>111,966</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

SH-Bullet Resistant Shield Grant Program
 State Grantor: Texas Office of the Governor – Criminal Justice Division
 Grant Number: 4587801
 Contract Period: September 1, 2022 to August 31, 2023

	<u>Original Budget</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>	<u>Remaining Budget</u>
Revenue:					
Federal/State	\$ 13,006	\$ -	\$ 13,006	\$ 13,006	\$ -
Total revenue	<u>13,006</u>	<u>-</u>	<u>13,006</u>	<u>13,006</u>	<u>-</u>
 Expenditures:					
Federal/State					
Equipment	<u>13,006</u>	<u>-</u>	<u>13,006</u>	<u>13,006</u>	<u>-</u>
Total expenditures	<u>13,006</u>	<u>-</u>	<u>13,006</u>	<u>13,006</u>	<u>-</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Hazard Mitigation Grant Program

Critical Facility Generators

Federal Grantor: Federal Emergency Management Agency

Pass Through Grantor: Texas Division of Emergency Management

CFDA Number: 97.039

Contract Number: DR-4332-060

Contract Period: April 29, 2019 to May 22, 2022

	<u>Budget</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>	<u>Remaining Budget</u>
Revenue:					
Federal/State	\$ 434,267	\$ 175,111	\$ -	\$ 175,111	\$ 259,156
Local match - TDEM	103,397	41,338	-	41,338	62,059
Local match - Town	41,359	14,032	-	14,032	27,327
Total revenue	<u>579,023</u>	<u>230,481</u>	<u>-</u>	<u>230,481</u>	<u>348,542</u>
 Expenditures:					
Federal/State					
Project costs	364,087	115,852	-	115,852	248,235
Engineering	49,500	49,500	-	49,500	-
Administration	20,680	9,759	-	9,759	10,921
Local match - TDEM					
Project costs	91,022	28,963	-	28,963	62,059
Engineering	12,375	12,375	-	12,375	-
Local match - Town					
Project costs	30,341	9,654	-	9,654	20,687
Engineering	4,125	4,125	-	4,125	-
Administration	6,893	253	-	253	6,640
Total expenditures	<u>579,023</u>	<u>230,481</u>	<u>-</u>	<u>230,481</u>	<u>348,542</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Federal Grantor: U.S. Department of Treasury
 Pass Through Grantor: Texas Division of Emergency Management
 American Rescue Plan
 Coronavirus State and Local Fiscal Recovery Funds
 AL Number: 97.039
 Contract Period: March 3, 2021 to December 31, 2026

	Original Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:					
Federal/State	\$ 350,068	\$ 175,034	\$ 175,034	\$ 350,068	\$ -
Total revenue	<u>350,068</u>	<u>175,034</u>	<u>175,034</u>	<u>350,068</u>	<u>-</u>
Expenditures:					
Federal/State					
Covid-related expenses	<u>350,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,068</u>
Total expenditures	<u>350,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>350,068</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ 175,034</u>	<u>\$ 175,034</u>	<u>\$ 350,068</u>	<u>\$ (350,068)</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Community Development Block Grant – Disaster Recovery
 Street Improvement Project
 Federal Grantor: Department of Housing and Urban Development
 Pass Through Grantor: Texas General Land Office
 CFDA Number: 14.228
 Contract Number: 20-065-070-C196
 Contract Period: February 9, 2018 to April 30, 2022 – Amended October 30, 2022

	Original Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:					
Federal/State	\$ 1,245,322	\$ 1,151,847	\$ 93,475	\$ 1,245,322	\$ -
Total revenue	1,245,322	1,151,847	93,475	1,245,322	-
Expenditures:					
Federal/State					
Construction/reconstruction of streets	1,245,322	1,151,847	93,475	1,245,322	-
Total expenditures	1,245,322	1,151,847	93,475	1,245,322	-
Excess revenue over expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Community Development Block Grant – Community Development Fund 2021

Street Improvement Project

Federal Grantor: Department of Housing and Urban Development

Pass Through Grantor: Texas General Land Office

CFDA Number: 14.228

Contract Number: CDV21-0029

Contract Period: March 1, 2022 to February 29, 2024

	Budget	Prior Year	Current Year	Total	Remaining Budget
Revenue:					
Federal/State	\$ 332,500	\$ 13,500	\$ 319,000	\$ 332,500	\$ -
Local match - Town	17,500	-	17,500	17,500	-
Total revenue	<u>350,000</u>	<u>13,500</u>	<u>336,500</u>	<u>350,000</u>	<u>-</u>
 Expenditures:					
Federal/State					
Street improvements	247,000	-	247,000	247,000	-
Engineering	52,250	3,000	49,250	52,250	-
Administration	33,250	10,500	22,750	33,250	-
Local match - Town					
Street improvements	13,000	-	13,000	13,000	-
Engineering	2,750	-	2,750	2,750	-
Administration	1,750	-	1,750	1,750	-
Total expenditures	<u>350,000</u>	<u>13,500</u>	<u>336,500</u>	<u>350,000</u>	<u>-</u>
Excess revenue over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE
For the Year Ended July 31, 2023

Public Assistance Grant Program

Federal Grantor: Federal Emergency Management Agency

Pass Through Grantor: Texas Division of Emergency Management

CFDA Number: 97.036

Grant Number: 4332-DR, Texas Hurricane Harvey

Contract Period: August 25, 2017 to February 25, 2019, various extensions through August 25, 2021

	<u>Budget</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
Revenue:				
Federal	\$ 1,161,946	\$ 520,863	\$ -	\$ 520,863
Local match - State	26,346	26,346	-	26,346
Local match - Town	<u>96,154</u>	<u>59,435</u>	<u>-</u>	<u>59,435</u>
Total revenue	<u>1,284,446</u>	<u>606,644</u>	<u>-</u>	<u>606,644</u>
Expenditures:				
Federal				
Emergency protective measures	59,447	59,477	-	59,477
Lift station fence	3,812	1,327	-	1,327
Backhoe barn storage building	17,993	17,993	-	17,993
Wastewater treatment plant	73,488	73,488	-	73,488
City building	20,129	3,705	-	3,705
Town square	9,874	9,874	-	9,874
Stockpile yard fence	12,450	12,450	-	12,450
Elevated water storage tank	8,757	8,757	-	8,757
Baseball field/concession stand	53,679	30,009	-	30,009
WWTP contents	11,546	11,546	-	11,546
WTP contents	5,369	5,369	-	5,369
Ditches/city wide	99,075	99,077	-	99,077
Fire house	436,271	436,271	-	436,271
Water treatment plant	154,720	14,360	-	14,360
Street signs/city wide	140,288	64,404	-	64,404
PAAP-DAC	<u>55,048</u>	<u>44,355</u>	<u>-</u>	<u>44,355</u>
Total Federal expenditures	<u>1,161,946</u>	<u>892,462</u>	<u>-</u>	<u>892,462</u>

TOWN OF WOODSBORO, TEXAS
GRANT REVENUE AND EXPENSE SCHEDULE (CONTINUED)
For the Year Ended July 31, 2023

	<u>Budget</u>	<u>Prior Year</u>	<u>Current Year</u>	<u>Total</u>
Expenditures (continued)				
Local match - State				
Emergency protective measures	-	-	-	-
Lift station fence	318	-	-	-
Backhoe barn storage building	1,499	1,499	-	1,499
Wastewater treatment plant	6,124	6,124	-	6,124
City building	1,677	-	-	-
Town square	823	486	-	486
Stockpile yard fence	1,037	1,037	-	1,037
Elevated water storage tank	730	730	-	730
Baseball field/concession stand	4,473	-	-	-
WWTP contents	962	8	-	8
WTP contents	447	447	-	447
Ditches/city wide	8,256	8,256	-	8,256
Fire house	-	-	-	-
Water treatment plant	-	-	-	-
Street signs/city wide	-	-	-	-
PAAP-DAC	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total local match-State expenditures	<hr/> 26,346	<hr/> 18,587	<hr/> -	<hr/> 18,587
Local match - Town				
Emergency protective measures	-	-	-	-
Lift station fence	106	-	-	-
Backhoe barn storage building	500	500	-	500
Wastewater treatment plant	2,041	2,041	-	2,041
City building	560	-	-	-
Town square	274	-	-	-
Stockpile yard fence	346	346	-	346
Elevated water storage tank	243	243	-	243
Baseball field/concession stand	1,491	-	-	-
WWTP contents	321	-	-	-
WTP contents	150	150	-	150
Ditches/city wide	2,752	2,752	-	2,752
Fire house	48,475	48,475	-	48,475
Water treatment plant	17,191	-	-	-
Street signs/city wide	15,588	-	-	-
PAAP-DAC	6,116	4,928	-	4,928
	<hr/>	<hr/>	<hr/>	<hr/>
Total local match-Town expenditures	<hr/> 96,154	<hr/> 59,435	<hr/> -	<hr/> 59,435
Total expenditures	<hr/> 1,284,446	<hr/> 970,484	<hr/> -	<hr/> 970,484
Excess revenue over expenditures	<hr/> \$ -	<hr/> \$ (363,840)	<hr/> \$ -	<hr/> \$ (363,840)