




Barker-Cypress Municipal Utility District Harris County, Texas

Independent Auditor's Report and Financial Statements

March 31, 2024



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Independent Auditor's Report

Board of Directors
Barker-Cypress Municipal Utility District
Harris County, Texas

Opinions

We have audited the financial statements of the governmental activities and each major fund of Barker-Cypress Municipal Utility District (the District), as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of March 31, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents 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. Such information 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 it.

Forvis Mazars, LLP

**Houston, Texas
August 12, 2024**

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets, liabilities, and deferred inflows and outflows of resources of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net position, essentially the same thing.

Fund Financial Statements

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

**Barker-Cypress Municipal Utility District
Management’s Discussion and Analysis (Continued)
March 31, 2024**

Governmental Funds

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund’s assets, liabilities, and deferred inflows and outflows of resources is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year’s activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position, as reported in the governmental activities column in the statement of activities.

Notes to Financial Statements

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

Financial Analysis of the District as a Whole

The District’s overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

Summary of Net Position

	2024	2023
Current and other assets	\$ 26,890,290	\$ 24,678,289
Capital assets	13,102,387	12,633,621
Total assets	39,992,677	37,311,910
Deferred outflows of resources	415,004	472,994
Total assets and deferred outflows of resources	\$ 40,407,681	\$ 37,784,904
Long-term liabilities	\$ 25,793,418	\$ 27,001,423
Other liabilities	1,068,686	839,936
Total liabilities	26,862,104	27,841,359

**Barker-Cypress Municipal Utility District
Management's Discussion and Analysis (Continued)
March 31, 2024**

Summary of Net Position (Continued)

	<u>2024</u>	<u>2023</u>
Net position:		
Net investment in capital assets	\$ (635,262)	\$ (1,479,417)
Restricted	2,627,438	1,933,620
Unrestricted	<u>11,553,401</u>	<u>9,489,342</u>
Total net position	<u>\$ 13,545,577</u>	<u>\$ 9,943,545</u>

The total net position of the District increased by \$3,602,032, or about 36%. The majority of the increase in net position is related to tax revenues intended to pay principal on the District's bonded indebtedness, which is shown as long-term liabilities in the government-wide financial statements and maintenance taxes and service revenues in excess of service operation expenses. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Changes in Net Position

	<u>2024</u>	<u>2023</u>
Revenues:		
Property taxes	\$ 3,877,159	\$ 3,561,303
Charges for services	3,364,782	3,129,574
Other revenues	<u>1,989,520</u>	<u>681,078</u>
Total revenues	<u>9,231,461</u>	<u>7,371,955</u>
Expenses:		
Services	4,023,516	3,632,818
Depreciation	513,128	549,975
Debt service	<u>1,092,785</u>	<u>1,433,367</u>
Total expenses	<u>5,629,429</u>	<u>5,616,160</u>
Change in net position	3,602,032	1,755,795
Net position, beginning of year	<u>9,943,545</u>	<u>8,187,750</u>
Net position, end of year	<u>\$ 13,545,577</u>	<u>\$ 9,943,545</u>

Financial Analysis of the District's Funds

The District's combined fund balances as of the end of the fiscal year ended March 31, 2024, were \$24,631,132, an increase of \$1,497,836 from the prior year.

The general fund's fund balance increased by \$1,337,132. This increase was primarily due to property taxes and service revenues exceeding service operation and capital outlay expenditures. In addition, tap connection and inspection fee revenues exceeded related tap connection expenditures.

The debt service fund's fund balance decreased by \$47,454, primarily due to bond principal and interest requirements exceeding property tax revenues.

**Barker-Cypress Municipal Utility District
Management’s Discussion and Analysis (Continued)
March 31, 2024**

The capital projects fund’s fund balance increased by \$208,158, primarily due to investment income exceeding capital outlay expenditures.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax revenues, water service revenues, tap connection and inspection fees revenues and investment income, as well as contracted services expenditures and tap connections expenditures being greater than anticipated and sewer service revenues, and purchased services expenditures, regional water fee expenditures, repairs and maintenance expenditures and capital outlay expenditures being less than anticipated. The fund balance as of March 31, 2024, was expected to be \$7,150,939, and the actual end-of-year fund balance was \$10,209,366.

Capital Assets and Related Debt

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized below:

Capital Assets (Net of Accumulated Depreciation)

	<u>2024</u>	<u>2023</u>
Land	\$ 2,054,957	\$ 2,054,957
Construction in progress	1,222,756	578,880
Water facilities	3,427,033	3,479,463
Wastewater facilities	6,385,681	6,507,031
Land improvements	<u>11,960</u>	<u>13,290</u>
Total capital assets	<u>\$ 13,102,387</u>	<u>\$ 12,633,621</u>

During the current year, additions to capital assets were as follows:

Construction in progress related to the water plant No.2 expansion, SCADA system improvements, water well No.3 rework, solids dewatering improvements and wastewater treatment plant grit removal and disinfection	\$ 886,998
Water plant improvements	42,379
Flood wall	<u>52,517</u>
Total additions to capital assets	<u>\$ 981,894</u>

Debt

The changes in the debt position of the District during the fiscal year ended March 31, 2024, are summarized as follows:

Long-term debt payable, beginning of year	\$ 27,001,423
Decreases in long-term debt	<u>(1,208,005)</u>
Long-term debt payable, end of year	<u>\$ 25,793,418</u>

**Barker-Cypress Municipal Utility District
Management’s Discussion and Analysis (Continued)
March 31, 2024**

At March 31, 2024, the District had \$14,435,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District.

The District’s bonds carry an underlying rating of “A” from Standard & Poor’s. The Series 2015 refunding, 2019 refunding and 2023 bonds carry a “AA” rating from Standard & Poor’s by virtue of bond insurance issued by Build America Mutual Assurance Company. The Series 2018 and 2022 refunding bonds carry a “AA” rating from Standard & Poor’s by virtue of bond insurance issued by Assured Guaranty Municipal Corp.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (the City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City for full purposes without the District’s consent, except as set forth below.

Strategic Partnership Agreement

In 2011, the District entered into a Strategic Partnership Agreement (the Agreement) with the City, which annexed certain portions of the District into the City for “limited purposes,” as described therein. Under the terms of the Agreement, the City has agreed it will not annex the District as a whole for full purposes for 30 years following the date of the Agreement, at which time the City has the option to annex the District if it chooses to do so.

Barker-Cypress Municipal Utility District
Statement of Net Position and Governmental Funds Balance Sheet
March 31, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	\$ 505,697	\$ 419,415	\$ 13,420	\$ 938,532	\$ -	\$ 938,532
Certificates of deposit	240,000	-	-	240,000	-	240,000
Short-term investments	10,048,845	1,284,756	12,610,961	23,944,562	-	23,944,562
Receivables:						
Property taxes	80,554	107,485	-	188,039	-	188,039
Service accounts	244,659	-	-	244,659	-	244,659
Tax rebates	3,935	-	-	3,935	-	3,935
Accrued penalty and interest	-	-	-	-	30,041	30,041
Accrued interest	10,704	-	-	10,704	-	10,704
Interfund receivables	61,405	-	187,290	248,695	(248,695)	-
Due from others	-	-	-	-	972,392	972,392
Prepaid expenditures	20,370	-	-	20,370	-	20,370
Operating deposits	297,056	-	-	297,056	-	297,056
Capital assets (net of accumulated depreciation):						
Land	-	-	-	-	2,054,957	2,054,957
Construction in progress	-	-	-	-	1,222,756	1,222,756
Infrastructure	-	-	-	-	9,812,714	9,812,714
Land improvements	-	-	-	-	11,960	11,960
Total assets	11,513,225	1,811,656	12,811,671	26,136,552	13,856,125	39,992,677
Deferred Outflows of Resources						
Deferred amount on debt refundings	-	-	-	-	415,004	415,004
Total assets and deferred outflows of resources	\$ 11,513,225	\$ 1,811,656	\$ 12,811,671	\$ 26,136,552	\$ 14,271,129	\$ 40,407,681

Barker-Cypress Municipal Utility District
Statement of Net Position and Governmental Funds Balance Sheet (Continued)
March 31, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Liabilities						
Accounts payable	\$ 582,369	\$ 16,612	\$ 16,059	\$ 615,040	\$ -	\$ 615,040
Customer deposits	382,042	-	-	382,042	-	382,042
Due to others	5,438	-	-	5,438	-	5,438
Unearned tap connection fees	37,169	-	-	37,169	-	37,169
Interfund payables	187,290	60,437	968	248,695	(248,695)	-
Retainage payable	28,997	-	-	28,997	-	28,997
Long-term liabilities:						
Due within one year	-	-	-	-	1,175,000	1,175,000
Due after one year	-	-	-	-	24,618,418	24,618,418
Total liabilities	1,223,305	77,049	17,027	1,317,381	25,544,723	26,862,104
Deferred Inflows of Resources						
Deferred property tax revenues	80,554	107,485	-	188,039	(188,039)	-
Fund Balances/Net Position						
Fund balances:						
Nonspendable, prepaid expenditures	20,370	-	-	20,370	(20,370)	-
Restricted:						
Unlimited tax bonds	-	1,627,122	-	1,627,122	(1,627,122)	-
Water, sewer and drainage	-	-	12,794,644	12,794,644	(12,794,644)	-
Assigned:						
Future capital expenditures	1,493,397	-	-	1,493,397	(1,493,397)	-
Operating deposits	297,056	-	-	297,056	(297,056)	-
Unassigned	8,398,543	-	-	8,398,543	(8,398,543)	-
Total fund balances	10,209,366	1,627,122	12,794,644	24,631,132	(24,631,132)	-
Total liabilities, deferred inflows of resources and fund balances	\$ 11,513,225	\$ 1,811,656	\$ 12,811,671	\$ 26,136,552		
Net position:						
Net investment in capital assets					(635,262)	(635,262)
Restricted for debt service					1,764,648	1,764,648
Restricted for capital projects					862,790	862,790
Unrestricted					11,553,401	11,553,401
Total net position					\$ 13,545,577	\$ 13,545,577

Barker-Cypress Municipal Utility District
Statement of Activities and Governmental Funds Revenues,
Expenditures and Changes in Fund Balances
Year Ended March 31, 2024

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	\$ 1,636,538	\$ 2,174,844	\$ -	\$ 3,811,382	\$ 65,777	\$ 3,877,159
Tax rebates	16,303	-	-	16,303	-	16,303
Water service	917,255	-	-	917,255	-	917,255
Sewer service	1,239,765	-	-	1,239,765	-	1,239,765
Regional water fee	1,207,762	-	-	1,207,762	-	1,207,762
Penalty and interest	89,460	24,144	-	113,604	7,029	120,633
Tap connection and inspection fees	582,958	-	-	582,958	-	582,958
Investment income	499,096	85,749	683,403	1,268,248	-	1,268,248
Other income	-	1,378	-	1,378	-	1,378
Total revenues	6,189,137	2,286,115	683,403	9,158,655	72,806	9,231,461
Expenditures/Expenses						
Service operations:						
Purchased services	1,589,008	-	-	1,589,008	-	1,589,008
Regional water fee	123,781	-	-	123,781	-	123,781
Professional fees	390,172	9,142	-	399,314	2,596	401,910
Contracted services	803,502	69,936	-	873,438	-	873,438
Utilities	32,601	-	-	32,601	-	32,601
Repairs and maintenance	630,100	-	-	630,100	-	630,100
Other expenditures	129,917	12,759	740	143,416	-	143,416
Tap connections	229,262	-	-	229,262	-	229,262
Capital outlay	923,662	-	473,437	1,397,099	(1,397,099)	-
Depreciation	-	-	-	-	513,128	513,128
Debt service:						
Principal retirement	-	1,170,000	-	1,170,000	(1,170,000)	-
Interest and fees	-	1,071,732	-	1,071,732	19,985	1,091,717
Debt issuance costs	-	-	1,068	1,068	-	1,068
Total expenditures/expenses	4,852,005	2,333,569	475,245	7,660,819	(2,031,390)	5,629,429
Excess (Deficiency) of Revenues Over Expenditures	1,337,132	(47,454)	208,158	1,497,836	(1,497,836)	
Change in Net Position					3,602,032	3,602,032
Fund Balances/Net Position						
Beginning of year	8,872,234	1,674,576	12,586,486	23,133,296	-	9,943,545
End of year	<u>\$ 10,209,366</u>	<u>\$ 1,627,122</u>	<u>\$ 12,794,644</u>	<u>\$ 24,631,132</u>	<u>\$ 3,602,032</u>	<u>\$ 13,545,577</u>

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Barker-Cypress Municipal Utility District (the District) was created by an order of the Texas Water Rights Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective February 20, 1974, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own and operate waterworks, wastewater and drainage facilities and to provide such facilities and services to the customers of the District.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

Reporting Entity

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

The District is a participant in two regional wastewater treatment plants, as further described in Note 8. The facilities are governed by the Board of Directors of Jackrabbit Road Public Utility District (Jackrabbit) and Langham Creek Utility District (Langham), respectively. The respective Boards of Directors of those districts have the responsibility of approving budgets, setting rates and determining the day-to-day operations. The District retains an ongoing financial interest and responsibility. The District's operating transactions with the facilities are reported in the general fund. Further financial information for the facilities may be obtained from Schwartz, Page & Harding, L.L.P., 1300 Post Oak Boulevard, Suite 2400, Houston, Texas 77056.

Government-Wide and Fund Financial Statements

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

The District presents the following major governmental funds.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

General Fund – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

Debt Service Fund – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

Capital Projects Fund – The capital projects fund is used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays.

Fund Balances – Governmental Funds

The fund balances for the District’s governmental funds can be displayed in up to five components:

Nonspendable – Amounts that are not in a spendable form or are required to be maintained intact.

Restricted – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District’s Board.

Assigned – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

Interfund Transactions

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

Pension Costs

The District does not participate in a pension plan and, therefore, has no pension costs.

Use of Estimates

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

Investments and Investment Income

Investments in certificates of deposit, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at fair value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

Property Taxes

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended March 31, 2024, include collections during the current period or within 60 days of year-end related to the 2023 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended March 31, 2024, the 2023 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an individual cost of \$5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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

Capital assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Water production and distribution facilities	10-45
Wastewater collection and treatment facilities	10-45
Land improvements	10-45

Deferred Amount on Debt Refundings

In the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt in a debt refunding is deferred and amortized to interest expense using the effective interest rate method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Such amounts are classified as deferred outflows or inflows of resources.

Debt Issuance Costs

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/ expenditure in the period incurred.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize premiums and discounts on bonds during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

Net Position/Fund Balances

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or are imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, generally, it is the District's policy to use restricted resources first.

Reconciliation of Government-Wide and Fund Financial Statements

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements.	\$ 13,102,387
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	188,039
Amounts due from others are not financial resources and are not recorded in the fund financial statements.	972,392
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the fund financial statements.	415,004
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the fund financial statements.	30,041
Long-term debt obligations are not due and payable in the current period and are not reported in the fund financial statements.	<u>(25,793,418)</u>
Adjustment to fund balances to arrive at net position.	<u><u>\$ (11,085,555)</u></u>

Amounts reported for change in net position of governmental activities in the statement of activities are different from change in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	\$ 1,497,836
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense and noncapitalized costs in the current year.	881,375

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

Principal payments on debt are recorded as expenditures. These transactions, however, do not have any effect on net position.	\$ 1,170,000
Revenues that do not provide current financial resources are not reported as revenues for the funds but are reported as revenues in the statement of activities.	72,806
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(19,985)</u>
Change in net position of governmental activities.	<u>\$ 3,602,032</u>

Note 2. Deposits, Investments and Investment Income

Deposits

Custodial credit risk is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. The District’s deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

At March 31, 2024, none of the District’s bank balances were exposed to custodial credit risk.

Investments

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than “A,” insured or collateralized certificates of deposit, and certain bankers’ acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District’s investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investment in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The District’s investments in Texas CLASS are reported at net asset value.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

At March 31, 2024, the District has the following investments and maturities:

<u>Type</u>	<u>Fair Value</u>	<u>Maturities in Years</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
Texas CLASS	<u>\$ 23,944,562</u>	<u>\$ 23,944,562</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District’s investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At March 31, 2024, the District’s investments in Texas CLASS were rated “AAAm” by Standard & Poor’s.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet at March 31, 2024, as follows:

Carrying value:	
Deposits	\$ 1,178,532
Investments	<u>23,944,562</u>
Total	<u>\$ 25,123,094</u>

Included in the following statement of net position captions:

Cash	\$ 938,532
Certificates of deposit	240,000
Short-term investments	<u>23,944,562</u>
Total	<u>\$ 25,123,094</u>

Investment Income

Investment income of \$1,268,248 for the year ended March 31, 2024, consisted of interest income.

Fair Value Measurements

The District has the following recurring fair value measurements as of March 31, 2024:

- Pooled investments of \$23,944,562 are valued at fair value per share of the pool’s underlying portfolio.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

Note 3. Capital Assets

A summary of changes in capital assets for the year ended March 31, 2024, is presented below:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Additions</u>	<u>Reclassi- fications</u>	<u>Balances, End of Year</u>
Capital assets, non-depreciable:				
Land	\$ 2,054,957	\$ -	\$ -	\$ 2,054,957
Construction in progress	578,880	886,998	(243,122)	1,222,756
Total capital assets, non-depreciable	<u>2,633,837</u>	<u>886,998</u>	<u>(243,122)</u>	<u>3,277,713</u>
Capital assets, depreciable:				
Water production and distribution facilities	7,639,266	42,379	97,059	7,778,704
Wastewater collection and treatment facilities	11,613,811	52,517	146,063	11,812,391
Land improvements	19,934	-	-	19,934
Total capital assets, depreciable	<u>19,273,011</u>	<u>94,896</u>	<u>243,122</u>	<u>19,611,029</u>
Less accumulated depreciation:				
Water production and distribution facilities	(4,159,803)	(191,868)	-	(4,351,671)
Wastewater collection and treatment facilities	(5,106,780)	(319,930)	-	(5,426,710)
Land improvements	(6,644)	(1,330)	-	(7,974)
Total accumulated depreciation	<u>(9,273,227)</u>	<u>(513,128)</u>	<u>-</u>	<u>(9,786,355)</u>
Total governmental activities, net	<u>\$ 12,633,621</u>	<u>\$ 468,766</u>	<u>\$ -</u>	<u>\$ 13,102,387</u>

Note 4. Long-Term Liabilities

Changes in long-term liabilities for the year ended March 31, 2024, were as follows:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Decreases</u>	<u>Balances, End of Year</u>	<u>Amounts Due in One Year</u>
Bonds payable:				
General obligation bonds	\$ 26,980,000	\$ 1,170,000	\$ 25,810,000	\$ 1,175,000
Less discounts on bonds	317,888	3,823	314,065	-
Add premiums on bonds	339,311	41,828	297,483	-
Total governmental activities long-term liabilities	<u>\$ 27,001,423</u>	<u>\$ 1,208,005</u>	<u>\$ 25,793,418</u>	<u>\$ 1,175,000</u>

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

General Obligation Bonds

	Refunding Series 2015	Series 2018
Amounts outstanding, March 31, 2024	\$5,540,000	\$2,415,000
Interest rates	3.00% to 4.00%	3.50% to 4.00%
Maturity dates, serially beginning/ending	April 1, 2025/2030	April 1, 2030/2040
Interest payment dates	October 1/ April 1	October 1/ April 1
Callable dates*	April 1, 2023	April 1, 2024
	Refunding Series 2019	Refunding Series 2022
Amounts outstanding, March 31, 2024	\$2,030,000	\$2,675,000
Interest rates	3.00% to 4.00%	2.00% to 3.00%
Maturity dates, serially beginning/ending	April 1, 2025/2031	April 1, 2025/2035
Interest payment dates	October 1/ April 1	October 1/ April 1
Callable dates*	April 1, 2025	April 1, 2027
		Series 2023
Amount outstanding, March 31, 2024		\$13,150,000
Interest rate		4.00%
Maturity dates, serially beginning/ending		April 1, 2031/2048
Interest payment dates		October 1/ April 1
Callable date*		April 1, 2029

*Or any date thereafter; callable at par plus accrued interest to the date of redemption.

Annual Debt Service Requirements

The District has been paying the amount due April 1 within the fiscal year preceding this due date, and the following schedule has been prepared assuming that this practice will be followed in future years. The schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at March 31, 2024.

Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,175,000	\$ 959,300	\$ 2,134,300
2026	1,225,000	912,750	2,137,750
2027	1,265,000	867,300	2,132,300
2028	1,330,000	819,450	2,149,450
2029	1,405,000	768,850	2,173,850
2030-2034	6,395,000	3,144,175	9,539,175
2035-2039	5,155,000	2,155,888	7,310,888
2040-2044	4,115,000	1,231,512	5,346,512
2045-2048	3,745,000	383,400	4,128,400
Total	<u>\$ 25,810,000</u>	<u>\$ 11,242,625</u>	<u>\$ 37,052,625</u>

The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation, without limitation as to rate or amount.

Bonds voted	\$ 59,885,000
Bonds sold	45,450,000
Refunding bonds voted	32,477,340
Refunding bonds sold and applied against voted authorization	3,057,340

Note 5. Significant Bond Order and Commission Requirements

The Bond Orders require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended March 31, 2024, the District levied an ad valorem debt service tax at the rate of \$0.4000 per \$100 of assessed valuation, which resulted in a tax levy of \$2,224,756 on the taxable valuation of \$556,190,621 for the 2023 tax year. The interest and principal requirements to be paid from the tax revenues are \$2,150,625 of which \$1,670,975 has been paid and \$479,650 is due October 1, 2024.

Note 6. Maintenance Taxes

At an election held November 4, 2014, voters authorized a maintenance tax not to exceed \$0.75 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended March 31, 2024, the District levied an ad valorem maintenance tax at the rate of \$0.30134 per \$100 of assessed valuation, which resulted in a tax levy of \$1,676,020 on the taxable valuation of \$556,190,621 for the 2023 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Note 7. Regional Water Authority

The District is within the boundaries of the West Harris County Regional Water Authority (the Authority), which was created by the Texas Legislature. The Authority was created to provide a regional entity to acquire surface water and build the necessary facilities to convert from groundwater to surface water in order to meet conversion requirements mandated by the Harris-Galveston Subsidence District, which regulates groundwater withdrawal. As of March 31, 2024, the Authority was billing the District \$3.95 per 1,000 gallons of water pumped from its wells and \$4.35 per 1,000 gallons of surface water received. These amounts are subject to future increases.

Note 8. Contracts With Other Districts

Regional Wastewater Treatment Facilities

The District entered into an agreement on April 11, 1978 (last amended November 13, 2007), with Jackrabbit for construction and operational cost sharing of wastewater treatment facilities located within Jackrabbit, whereby Jackrabbit agreed to provide, or cause to be provided, wastewater treatment and disposal services for the District and other participating districts. Jackrabbit has oversight responsibilities and holds title for the benefit of the participating districts. Construction costs were shared based on a pro rata share of capacity acquired. The District has contributed approximately \$980,000 for its ownership of 1,115,000 gallons-per-day (gpd) capacity or 21.86% of the facilities' 5,100,000 gpd capacity.

Jackrabbit operates the regional facilities. Operational cost sharing is based on each district's ownership of capacity in the facility. The District's share of operational costs for the year was \$449,570. The District has contributed \$152,373 to Jackrabbit as its share of an operating reserve.

The following is condensed audited financial information of the joint facilities as of and for the year ended July 31, 2023:

	Plant General Fund
	<u> </u>
Total assets	\$ 778,339
Total liabilities	\$ 388,385
Total fund balance	<u>389,954</u>
Total liabilities and fund balance	<u>\$ 778,339</u>
Total revenues	\$ 2,903,482
Total expenditures	<u>2,903,482</u>
Excess of revenues over expenditures	<u>\$ -</u>

Joint Wastewater Treatment Facilities

On July 19, 1982, the District entered into a 40-year contract with Langham for the expansion and operation of a wastewater treatment plant owned by Langham. Construction costs of the plant expansion were shared based on pro rata shares of capacity acquired. The District paid approximately \$825,000 for its ownership of 650,000 gpd capacity.

The agreement was amended June 12, 1986, to redefine operational cost sharing. Subsequent to the amendment, the cost of power, insurance, laboratory testing, permit fees, bookkeeping, auditing and extraordinary repairs are shared based on ownership capacity. All other costs are shared based on plant usage. The District's share of operational costs for the year was \$202,861. The District has contributed \$144,683 to Langham as its share of operating reserve.

On October 8, 1997, the districts entered into a second amendment, pursuant to which the District sold Langham 12,000 gpd.

**Barker-Cypress Municipal Utility District
Notes to Financial Statements
March 31, 2024**

On December 11, 2001, the districts entered into a third amendment, which provided that the District would sell Langham 332,000 gpd for \$830,000. The sale occurred during a prior year and the District's current share of fixed operating costs is 15.3%.

Note 9. Strategic Partnership Agreement

In 2011, the District and the City of Houston (the City) entered into a Strategic Partnership Agreement (the Agreement) under which the City annexed a tract of land (the tract) within the boundaries of the District for limited purposes. The District continues to exercise all powers and functions of a municipal utility district as provided by law. As consideration for the District providing services as detailed in the Agreement, the City agrees to remit one-half of all City sales and use tax revenues generated within the boundaries of the tract. As consideration for the sales tax payments by the City, the District agrees to continue to provide and develop water, sewer and drainage services within the District in lieu of full-purpose annexation. The City agrees it will not annex the District for full purposes or commence any action to annex the District during the term of the Agreement, which is 30 years. During the current year, the District recorded \$16,303 in revenues related to the Agreement.

Note 10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

Required Supplementary Information

**Barker-Cypress Municipal Utility District
 Budgetary Comparison Schedule – General Fund
 Year Ended March 31, 2024**

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 1,300,000	\$ 1,636,538	\$ 336,538
Tax rebates	18,000	16,303	(1,697)
Water service	528,000	917,255	389,255
Sewer service	1,904,800	1,239,765	(665,035)
Regional water fee	1,188,000	1,207,762	19,762
Penalty and interest	87,600	89,460	1,860
Tap connection and inspection fees	2,310	582,958	580,648
Investment income	390,000	499,096	109,096
	<u>5,418,710</u>	<u>6,189,137</u>	<u>770,427</u>
Expenditures			
Service operations:			
Purchased services	2,276,400	1,589,008	687,392
Regional water fee	228,000	123,781	104,219
Professional fees	383,000	390,172	(7,172)
Contracted services	701,749	803,502	(101,753)
Utilities	39,600	32,601	6,999
Repairs and maintenance	915,600	630,100	285,500
Other expenditures	160,656	129,917	30,739
Tap connections	-	229,262	(229,262)
Capital outlay	2,435,000	923,662	1,511,338
	<u>7,140,005</u>	<u>4,852,005</u>	<u>2,288,000</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,721,295)	1,337,132	3,058,427
Fund Balance, Beginning of Year	<u>8,872,234</u>	<u>8,872,234</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 7,150,939</u>	<u>\$ 10,209,366</u>	<u>\$ 3,058,427</u>

**Barker-Cypress Municipal Utility District
Notes to Required Supplementary Information
March 31, 2024**

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during fiscal 2024.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Supplementary Information

Barker-Cypress Municipal Utility District
Other Schedules Included Within This Report
March 31, 2024

(Schedules included are checked or explanatory notes provided for omitted schedules.)

- [X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 12-23
- [X] Schedule of Services and Rates
- [X] Schedule of General Fund Expenditures
- [X] Schedule of Temporary Investments
- [X] Analysis of Taxes Levied and Receivable
- [X] Schedule of Long-Term Debt Service Requirements by Years
- [X] Changes in Long-Term Bonded Debt
- [X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund –
Five Years
- [X] Board Members, Key Personnel and Consultants

**Barker-Cypress Municipal Utility District
 Schedule of Services and Rates
 Year Ended March 31, 2024**

1. Services provided by the District:

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

2. Retail service providers

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

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	\$ 6.50	3,000	N	\$ 3.00	3,001 to 7,000
				\$ 4.00	7,001 to 12,000
				\$ 4.50	12,001 to 20,000
				\$ 5.25	20,001 to No limit
Wastewater:	\$ 25.00 *	0	Y		
Regional water fee:	\$ 5.00	1	N	\$ 5.00	1 to No Limit
Does the District employ winter averaging for wastewater usage?					Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Total charges per 10,000 gallons usage (including fees):				Water \$ 80.50	Wastewater \$ 25.00

b. Water and wastewater retail connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC**</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	2,096	2,080	x1.0	2,080
1"	13	13	x2.5	33
1 1/2"	7	7	x5.0	35
2"	38	37	x8.0	296
3"	3	3	x15.0	45
4"	5	5	x25.0	125
6"	3	3	x50.0	150
8"	4	4	x80.0	320
10"	-	-	x115.0	-
Total water	2,169	2,152		3,084
Total wastewater	2,131	2,116	x1.0	2,116

3. Total water consumption (in thousands) during the fiscal year:

Gallons pumped into the system:	267,426
Gallons billed to customers:	256,296
Water accountability ratio (gallons billed/gallons pumped):	95.84%

*Residents of Lakes of Pine Forest, Pine Forest Green, Pine Forest Landing, Brookhollow Crossing, Brookhollow Court and Glencairn are charged \$43.43, which includes solid waste disposal. Solid waste disposal is not currently provided by the District within its other subdivisions but is rather provided through the respective homeowner's associations.

**"ESFC" means equivalent single-family connections

**Barker-Cypress Municipal Utility District
Schedule of General Fund Expenditures
Year Ended March 31, 2024**

Personnel (including benefits)		\$ -
Professional Fees		
Auditing	\$ 26,800	
Legal	152,397	
Engineering	210,975	
Financial advisor	-	390,172
Purchased Services for Resale		
Bulk water and wastewater service purchases		1,589,008
Regional Water Fee		123,781
Contracted Services		
Bookkeeping	37,190	
General manager	-	
Appraisal district	-	
Tax collector	-	
Security	238,620	
Other contracted services	185,532	461,342
Utilities		32,601
Repairs and Maintenance		630,100
Administrative Expenditures		
Directors' fees	20,467	
Office supplies	22,773	
Insurance	27,902	
Other administrative expenditures	58,775	129,917
Capital Outlay		
Capitalized assets	455,598	
Expenditures not capitalized	468,064	923,662
Tap Connection Expenditures		229,262
Solid Waste Disposal		342,160
Fire Fighting		-
Parks and Recreation		-
Other Expenditures		-
Total expenditures		<u>\$ 4,852,005</u>

**Barker-Cypress Municipal Utility District
Schedule of Temporary Investments
March 31, 2024**

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Face Amount</u>	<u>Accrued Interest Receivable</u>
General Fund				
Certificate of Deposit				
No. 9009004333	5.04%	05/13/24	\$ 240,000	\$ 1,557
Texas CLASS	5.46%	Demand	10,036,290	-
Texas CLASS	5.46%	Demand	<u>12,555</u>	<u>-</u>
			<u>10,288,845</u>	<u>1,557</u>
Debt Service Fund				
Texas CLASS	5.46%	Demand	<u>1,284,756</u>	<u>-</u>
Capital Projects Fund				
Texas CLASS	5.46%	Demand	369,908	-
Texas CLASS	5.46%	Demand	<u>12,241,053</u>	<u>-</u>
			<u>12,610,961</u>	<u>-</u>
Totals			<u><u>\$ 24,184,562</u></u>	<u><u>\$ 1,557</u></u>

**Barker-Cypress Municipal Utility District
Analysis of Taxes Levied and Receivable
Year Ended March 31, 2024**

	Maintenance Taxes	Debt Service Taxes
Receivable, Beginning of Year	\$ 50,575	\$ 71,687
Additions and corrections to prior years' taxes	(9,503)	(14,114)
Adjusted receivable, beginning of year	<u>41,072</u>	<u>57,573</u>
2023 Original Tax Levy	1,636,780	2,172,668
Additions and corrections	39,240	52,088
Adjusted tax levy	<u>1,676,020</u>	<u>2,224,756</u>
Total to be accounted for	1,717,092	2,282,329
Tax collections: Current year	(1,608,905)	(2,135,667)
Prior years	(27,633)	(39,177)
Receivable, end of year	<u>\$ 80,554</u>	<u>\$ 107,485</u>
Receivable, by Years		
2023	\$ 67,115	\$ 89,089
2022	5,081	7,579
2021	1,442	1,559
2020	2,025	2,354
2019	1,446	1,759
2018	1,050	1,482
2017	1,557	2,076
2016	838	1,587
Receivable, end of year	<u>\$ 80,554</u>	<u>\$ 107,485</u>

**Barker-Cypress Municipal Utility District
 Analysis of Taxes Levied and Receivable (Continued)
 Year Ended March 31, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Property Valuations				
Land	\$ 169,789,178	\$ 139,385,495	\$ 139,265,152	\$ 117,133,251
Improvements	514,048,004	462,302,400	387,421,817	375,571,329
Personal property	9,846,580	9,960,291	7,141,169	6,192,656
Exemptions	<u>(137,493,141)</u>	<u>(121,335,347)</u>	<u>(110,539,620)</u>	<u>(106,902,161)</u>
Total property valuations	<u>\$ 556,190,621</u>	<u>\$ 490,312,839</u>	<u>\$ 423,288,518</u>	<u>\$ 391,995,075</u>
Tax Rates per \$100 Valuation				
Debt service tax rates	\$ 0.40000	\$ 0.44000	\$ 0.40000	\$ 0.43000
Maintenance tax rates*	<u>0.30134</u>	<u>0.29500</u>	<u>0.37000</u>	<u>0.37000</u>
Total tax rates per \$100 valuation	<u>\$ 0.70134</u>	<u>\$ 0.73500</u>	<u>\$ 0.77000</u>	<u>\$ 0.80000</u>
Tax Levy	<u>\$ 3,900,776</u>	<u>\$ 3,603,789</u>	<u>\$ 3,259,310</u>	<u>\$ 3,135,950</u>
Percent of Taxes Collected to Taxes Levied**	<u>96%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

*Maximum tax rate approved by voters: \$0.75 on November 4, 2014

**Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

**Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years
March 31, 2024**

<u>Due During Fiscal Years Ending March 31</u>	<u>Refunding Series 2015</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2025	\$ 820,000	\$ 221,600	\$ 1,041,600
2026	870,000	188,800	1,058,800
2027	915,000	154,000	1,069,000
2028	1,125,000	117,400	1,242,400
2029	1,200,000	72,400	1,272,400
2030	610,000	24,400	634,400
Totals	<u>\$ 5,540,000</u>	<u>\$ 778,600</u>	<u>\$ 6,318,600</u>

The District pays the amount due April 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

**Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years (Continued)
March 31, 2024**

<u>Due During Fiscal Years Ending March 31</u>	<u>Series 2018</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2025	\$ -	\$ 92,000	\$ 92,000
2026	-	92,000	92,000
2027	-	92,000	92,000
2028	-	92,000	92,000
2029	-	92,000	92,000
2030	115,000	92,000	207,000
2031	230,000	87,400	317,400
2032	230,000	78,200	308,200
2033	230,000	70,150	300,150
2034	230,000	61,525	291,525
2035	230,000	52,900	282,900
2036	230,000	44,275	274,275
2037	230,000	35,650	265,650
2038	230,000	26,738	256,738
2039	230,000	17,825	247,825
2040	230,000	8,912	238,912
Totals	<u>\$ 2,415,000</u>	<u>\$ 1,035,575</u>	<u>\$ 3,450,575</u>

The District pays the amount due April 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years (Continued)
March 31, 2024

<u>Due During Fiscal Years Ending March 31</u>	<u>Refunding Series 2019</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2025	\$ 310,000	\$ 64,750	\$ 374,750
2026	305,000	52,350	357,350
2027	300,000	43,200	343,200
2028	150,000	33,450	183,450
2029	150,000	28,950	178,950
2030	330,000	24,450	354,450
2031	485,000	14,550	499,550
Totals	<u>\$ 2,030,000</u>	<u>\$ 261,700</u>	<u>\$ 2,291,700</u>

The District pays the amount due April 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

**Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years (Continued)
March 31, 2024**

<u>Due During Fiscal Years Ending March 31</u>	<u>Refunding Series 2022</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2025	\$ 45,000	\$ 54,950	\$ 99,950
2026	50,000	53,600	103,600
2027	50,000	52,100	102,100
2028	55,000	50,600	105,600
2029	55,000	49,500	104,500
2030	215,000	48,400	263,400
2031	215,000	44,100	259,100
2032	510,000	39,800	549,800
2033	500,000	29,600	529,600
2034	495,000	19,600	514,600
2035	485,000	9,700	494,700
Totals	<u>\$ 2,675,000</u>	<u>\$ 451,950</u>	<u>\$ 3,126,950</u>

The District pays the amount due April 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

**Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years (Continued)
March 31, 2024**

<u>Due During Fiscal Years Ending March 31</u>	<u>Series 2023</u>		
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	<u>Total</u>
2025	\$ -	\$ 526,000	\$ 526,000
2026	-	526,000	526,000
2027	-	526,000	526,000
2028	-	526,000	526,000
2029	-	526,000	526,000
2030	-	526,000	526,000
2031	500,000	526,000	1,026,000
2032	500,000	506,000	1,006,000
2033	500,000	486,000	986,000
2034	500,000	466,000	966,000
2035	500,000	446,000	946,000
2036	755,000	426,000	1,181,000
2037	755,000	395,800	1,150,800
2038	755,000	365,600	1,120,600
2039	755,000	335,400	1,090,400
2040	755,000	305,200	1,060,200
2041	755,000	275,000	1,030,000
2042	755,000	244,800	999,800
2043	790,000	214,600	1,004,600
2044	830,000	183,000	1,013,000
2045	870,000	149,800	1,019,800
2046	910,000	115,000	1,025,000
2047	965,000	78,600	1,043,600
2048	1,000,000	40,000	1,040,000
Totals	<u>\$ 13,150,000</u>	<u>\$ 8,714,800</u>	<u>\$ 21,864,800</u>

The District pays the amount due April 1 prior to that date. This schedule shows the amounts due within the fiscal years assuming this practice will continue in the future.

**Barker-Cypress Municipal Utility District
Schedule of Long-Term Debt Service Requirements by Years (Continued)
March 31, 2024**

Due During Fiscal Years Ending March 31	Annual Requirements For All Series		
	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2025	\$ 1,175,000	\$ 959,300	\$ 2,134,300
2026	1,225,000	912,750	2,137,750
2027	1,265,000	867,300	2,132,300
2028	1,330,000	819,450	2,149,450
2029	1,405,000	768,850	2,173,850
2030	1,270,000	715,250	1,985,250
2031	1,430,000	672,050	2,102,050
2032	1,240,000	624,000	1,864,000
2033	1,230,000	585,750	1,815,750
2034	1,225,000	547,125	1,772,125
2035	1,215,000	508,600	1,723,600
2036	985,000	470,275	1,455,275
2037	985,000	431,450	1,416,450
2038	985,000	392,338	1,377,338
2039	985,000	353,225	1,338,225
2040	985,000	314,112	1,299,112
2041	755,000	275,000	1,030,000
2042	755,000	244,800	999,800
2043	790,000	214,600	1,004,600
2044	830,000	183,000	1,013,000
2045	870,000	149,800	1,019,800
2046	910,000	115,000	1,025,000
2047	965,000	78,600	1,043,600
2048	1,000,000	40,000	1,040,000
Totals	<u>\$ 25,810,000</u>	<u>\$ 11,242,625</u>	<u>\$ 37,052,625</u>

**Barker-Cypress Municipal Utility District
Changes in Long-Term Bonded Debt
Year Ended March 31, 2024**

Bond

	Refunding Series 2015	Series 2018	Refunding Series 2019
Interest rates	3.00% to 4.00%	3.50% to 4.00%	3.00% to 4.00%
Dates interest payable	October 1/ April 1	October 1/ April 1	October 1/ April 1
Maturity dates	April 1, 2025/2030	April 1, 2030/2040	April 1, 2025/2031
Bonds outstanding, beginning of current year	\$ 6,185,000	\$ 2,415,000	\$ 2,140,000
Retirements, principal	<u>645,000</u>	<u>-</u>	<u>110,000</u>
Bonds outstanding, end of current year	<u>\$ 5,540,000</u>	<u>\$ 2,415,000</u>	<u>\$ 2,030,000</u>
Interest paid during current year	<u>\$ 247,400</u>	<u>\$ 92,000</u>	<u>\$ 69,150</u>

Paying agent's name and address:

Series 2015 - Regions Bank, Houston, Texas

Series 2018 - Regions Bank, Houston, Texas

Series 2019 - Regions Bank, Houston, Texas

Series 2022 - Regions Bank, Houston, Texas

Series 2023 - Regions Bank, Houston, Texas

Bond authority:

	Tax Bonds	Other Bonds	Refunding Bonds
Amount authorized by voters	\$ 59,885,000	\$ -	\$ 32,477,340
Amount issued/applied against authorization	\$ 45,450,000	\$ -	\$ 3,057,340
Remaining to be issued	<u>\$ 14,435,000</u>	<u>\$ -</u>	<u>\$ 29,420,000</u>

Debt service fund cash and temporary investment balances as of March 31, 2024: \$ 1,704,171

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 1,543,859

Issues

<u>Refunding Series 2022</u>	<u>Series 2023</u>	<u>Totals</u>
2.00% to 3.00%	4.00%	
October 1/ April 1	October 1/ April 1	
April 1, 2025/2035	April 1, 2031/2048	
\$ 3,090,000	\$ 13,150,000	\$ 26,980,000
<u>415,000</u>	<u>-</u>	<u>1,170,000</u>
<u>\$ 2,675,000</u>	<u>\$ 13,150,000</u>	<u>\$ 25,810,000</u>
<u>\$ 67,400</u>	<u>\$ 591,750</u>	<u>\$ 1,067,700</u>

**Barker-Cypress Municipal Utility District
Comparative Schedule of Revenues and Expenditures – General Fund
Five Years Ended March 31,**

	Amounts				
	2024	2023	2022	2021	2020
General Fund					
Revenues					
Property taxes	\$ 1,636,538	\$ 1,420,217	\$ 1,567,444	\$ 1,448,745	\$ 1,327,418
Tax rebates	16,303	21,172	15,129	11,841	14,088
Water service	917,255	845,880	482,949	520,352	518,322
Sewer service	1,239,765	1,107,625	1,059,348	1,057,287	998,362
Regional water fee	1,207,762	1,176,069	913,682	907,111	802,838
Penalty and interest	89,460	98,118	88,508	81,559	97,176
Tap connection and inspection fees	582,958	180,720	38,101	55,773	193,256
Investment income	499,096	202,256	13,891	50,800	126,575
Other income	-	-	-	-	5,000
Total revenues	6,189,137	5,052,057	4,179,052	4,133,468	4,083,035
Expenditures					
Service operations:					
Purchased services	1,589,008	1,475,387	1,144,490	1,139,885	1,186,681
Regional water fee	123,781	187,427	43,979	114,841	35,125
Professional fees	390,172	350,297	361,819	314,502	291,092
Contracted services	803,502	635,928	669,945	654,335	593,156
Utilities	32,601	46,127	38,179	40,436	37,561
Repairs and maintenance	630,100	674,954	506,785	498,057	740,828
Other expenditures	129,917	115,985	123,153	119,047	103,199
Tap connections	229,262	61,285	36,774	13,469	54,346
Capital outlay	923,662	656,667	714,874	103,638	142,100
Total expenditures	4,852,005	4,204,057	3,639,998	2,998,210	3,184,088
Excess of Revenues Over Expenditures	1,337,132	848,000	539,054	1,135,258	898,947
Fund Balance, Beginning of Year	8,872,234	8,024,234	7,485,180	6,349,922	5,450,975
Fund Balance, End of Year	\$ 10,209,366	\$ 8,872,234	\$ 8,024,234	\$ 7,485,180	\$ 6,349,922
Total Active Retail Water Connections	2,152	2,153	2,141	2,141	2,135
Total Active Retail Wastewater Connections	2,116	2,117	2,109	2,106	2,104

Percent of Fund Total Revenues

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
26.4 %	28.1 %	37.5 %	35.1 %	32.5 %
0.3	0.4	0.4	0.3	0.4
14.8	16.8	11.5	12.6	12.7
20.0	21.9	25.4	25.6	24.4
19.5	23.3	21.9	21.9	19.7
1.5	1.9	2.1	1.9	2.4
9.4	3.6	0.9	1.4	4.7
8.1	4.0	0.3	1.2	3.1
-	-	-	-	0.1
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
25.7	29.2	27.4	27.6	29.1
2.0	3.7	1.1	2.8	0.9
6.3	6.9	8.7	7.6	7.3
13.0	12.6	16.0	15.8	14.4
0.5	0.9	0.9	1.0	0.9
10.2	13.4	12.1	12.1	18.1
2.1	2.3	2.9	2.8	2.5
3.7	1.2	0.9	0.3	1.3
<u>14.9</u>	<u>13.0</u>	<u>17.1</u>	<u>2.5</u>	<u>3.5</u>
<u>78.4</u>	<u>83.2</u>	<u>87.1</u>	<u>72.5</u>	<u>78.0</u>
<u><u>21.6 %</u></u>	<u><u>16.8 %</u></u>	<u><u>12.9 %</u></u>	<u><u>27.5 %</u></u>	<u><u>22.0 %</u></u>

**Barker-Cypress Municipal Utility District
Comparative Schedule of Revenues and Expenditures – Debt Service Fund
Five Years Ended March 31,**

	Amounts				
	2024	2023	2022	2021	2020
Debt Service Fund					
Revenues					
Property taxes	\$ 2,174,844	\$ 2,113,898	\$ 1,698,692	\$ 1,686,074	\$ 1,616,635
Penalty and interest	24,144	30,340	35,083	20,283	24,480
Investment income	85,749	24,793	3,903	11,573	31,710
Other income	1,378	-	-	27	120
Total revenues	<u>2,286,115</u>	<u>2,169,031</u>	<u>1,737,678</u>	<u>1,717,957</u>	<u>1,672,945</u>
Expenditures					
Current:					
Professional fees	9,142	5,477	9,217	7,943	5,888
Contracted services	69,936	64,052	62,933	61,191	61,170
Other expenditures	12,759	12,731	14,179	11,513	10,509
Debt service:					
Principal retirement	1,170,000	1,125,000	1,070,000	1,035,000	995,000
Interest and fees	1,071,732	523,199	531,223	621,643	651,743
Debt issuance costs	-	2,717	139,950	-	118,014
Debt defeasance	-	-	54,000	-	5,000
Total expenditures	<u>2,333,569</u>	<u>1,733,176</u>	<u>1,881,502</u>	<u>1,737,290</u>	<u>1,847,324</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(47,454)</u>	<u>435,855</u>	<u>(143,824)</u>	<u>(19,333)</u>	<u>(174,379)</u>
Other Financing Sources (Uses)					
General obligation bonds issued	-	-	3,485,000	-	2,495,000
Payments to escrow agent	-	-	(3,354,384)	-	(2,439,865)
Premium on debt issued	-	-	15,886	-	69,614
Total other financing sources	<u>-</u>	<u>-</u>	<u>146,502</u>	<u>-</u>	<u>124,749</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>(47,454)</u>	<u>435,855</u>	<u>2,678</u>	<u>(19,333)</u>	<u>(49,630)</u>
Fund Balance, Beginning of Year	<u>1,674,576</u>	<u>1,238,721</u>	<u>1,236,043</u>	<u>1,255,376</u>	<u>1,305,006</u>
Fund Balance, End of Year	<u><u>\$ 1,627,122</u></u>	<u><u>\$ 1,674,576</u></u>	<u><u>\$ 1,238,721</u></u>	<u><u>\$ 1,236,043</u></u>	<u><u>\$ 1,255,376</u></u>

Percent of Fund Total Revenues

<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
95.1 %	97.5 %	97.8 %	98.1 %	96.6 %
1.1	1.4	2.0	1.2	1.5
3.7	1.1	0.2	0.7	1.9
<u>0.1</u>	<u>-</u>	<u>-</u>	<u>0.0</u>	<u>0.0</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
0.4	0.3	0.5	0.5	0.3
3.1	3.0	3.6	3.6	3.7
0.5	0.6	0.8	0.7	1.0
51.2	51.9	61.6	60.1	59.5
46.9	24.1	30.6	36.2	38.9
-	0.1	8.1	-	6.7
<u>-</u>	<u>-</u>	<u>3.1</u>	<u>-</u>	<u>0.3</u>
<u>102.1</u>	<u>80.0</u>	<u>108.3</u>	<u>101.1</u>	<u>110.4</u>
<u>(2.1) %</u>	<u>20.0 %</u>	<u>(8.3) %</u>	<u>(1.1) %</u>	<u>(10.4) %</u>

**Barker-Cypress Municipal Utility District
Board Members, Key Personnel and Consultants
Year Ended March 31, 2024**

Complete District mailing address:	Barker-Cypress Municipal Utility District c/o Schwartz, Page & Harding, L.L.P. 1300 Post Oak Boulevard, Suite 2400 Houston, Texas 77056
District business telephone number:	713.623.4531
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	March 13, 2023
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected & Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-End</u>
Robert Charpiot	Elected 05/20- 05/24	\$ 4,507	\$ 2,796	President
Jared Richards	Elected 05/22- 05/26	5,391	2,201	Vice President
Orlando Mendieta	Appointed 09/22- 05/24	2,589	-	Secretary
Dawn Carlos	Appointed 03/23- 05/26	4,286	2,410	Assistant Secretary
James Storm	Appointed 05/23- 05/24	3,694	804	Assistant Secretary
Jim Yuhnke	Elected 05/20- 04/23	-	-	Resigned

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

**Barker-Cypress Municipal Utility District
Board Members, Key Personnel and Consultants (Continued)
Year Ended March 31, 2024**

Consultants	Date Hired	Fees and Expense Reimbursements	Title
FORVIS, LLP	03/14/86	\$ 26,800	Auditor
Harris Central Appraisal District	Legislative Action	29,371	Appraiser
Inframark, LLC	02/17/81	960,336	Operator
Masterson Advisors LLC	05/08/18	-	Financial Advisor
McLennan & Associates, L.P.	12/15/21	45,478	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	03/24/06	9,142	Delinquent Tax Attorney
Quiddity Engineering, LLC	06/08/83	760,491	Engineer
Schwartz, Page & Harding, L.L.P.	04/05/78	151,630	Counsel
Wheeler & Associates, Inc.	04/05/78	51,515	Tax Assessor/ Collector
Investment Officers			
Jorge Diaz	12/13/21	N/A	Bookkeepers