

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**

**TRINITY COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**JUNE 30, 2024**



## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9-12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	14-15
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	16
NOTES TO THE FINANCIAL STATEMENTS	17-29
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL-GENERAL FUND	31
SUPPLEMENTARY INFORMATION-REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	33-35
GENERAL FUND EXPENDITURES	36-37
INVESTMENTS	38
TAXES LEVIED AND RECEIVABLE	39-40
LONG-TERM DEBT SERVICE REQUIREMENTS	41-45
CHANGES IN LONG-TERM BOND DEBT	46-47
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	48-51
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	52-53



# **McCALL GIBSON SWEDLUND BARFOOT PLLC**

*Certified Public Accountants*

13100 Wortham Center Drive  
Suite 235  
Houston, Texas 77065-5610  
(713) 462-0341  
Fax (713) 462-2708

PO Box 29584  
Austin, TX 78755-5126  
(512) 610-2209  
[www.mgsbpllc.com](http://www.mgsbpllc.com)  
E-Mail: [mgsb@mgsbpllc.com](mailto:mgsb@mgsbpllc.com)

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Westwood Shores Municipal Utility District  
Trinity County, Texas

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Westwood Shores Municipal Utility District (the "District") as of and for the year ended June 30, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



### **Auditor's 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 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 the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund 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.





Board of Directors  
Westwood Shores Municipal  
Utility District

### **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 supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is 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 supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide an assurance, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

October 21, 2024



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

Management’s discussion and analysis of Westwood Shores Municipal Utility District’s (the “District”) financial performance provides an overview of the District’s financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the District’s financial statements.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The District’s annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District’s overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes the District’s assets, liabilities, and, if applicable, deferred inflows and outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District’s net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

**FUND FINANCIAL STATEMENTS**

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has three governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, operating costs and general expenditures. The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**FUND FINANCIAL STATEMENTS (Continued)**

The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explains the differences between the two presentations and assists in understanding the differences between these two perspectives.

**NOTES TO THE FINANCIAL STATEMENTS**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

**OTHER INFORMATION**

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. The budgetary comparison schedule is included as RSI for the General Fund.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$4,243,609 as of June 30, 2024. A portion of the District's net position reflects its net investment in capital assets (water and wastewater facilities as well as vehicles and equipment less any debt used to acquire those assets that is still outstanding).

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

A comparative analysis of government-wide changes in net position is presented below:

	Summary of Changes in the Statement of Net Position		
	2024	2023	Change Positive (Negative)
Current and Other Assets	\$ 4,291,431	\$ 4,141,547	\$ 149,884
Capital Assets	<u>5,076,936</u>	<u>4,769,205</u>	<u>307,731</u>
Total Assets	<u>\$ 9,368,367</u>	<u>\$ 8,910,752</u>	<u>\$ 457,615</u>
Long-Term Debt Payable	\$ 4,080,000	\$ 4,470,000	\$ 390,000
Other Liabilities	<u>1,044,758</u>	<u>491,157</u>	<u>(553,601)</u>
Total Liabilities	<u>\$ 5,124,758</u>	<u>\$ 4,961,157</u>	<u>\$ (163,601)</u>
Net Position:			
Net Investment in Capital Assets	\$ 2,595,644	\$ 2,311,273	\$ 284,371
Restricted	776,629	734,299	42,330
Unrestricted	<u>871,336</u>	<u>904,023</u>	<u>(32,687)</u>
Total Net Position	<u>\$ 4,243,609</u>	<u>\$ 3,949,595</u>	<u>\$ 294,014</u>

The following table provides a summary of the District's operations for the years ending June 30, 2024, and June 30, 2023.

	Summary of Changes in the Statement of Activities		
	2024	2023	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 986,819	\$ 753,154	\$ 233,665
Charges for Services	2,114,616	1,667,330	447,286
Other Revenues	<u>222,283</u>	<u>166,855</u>	<u>55,428</u>
Total Revenues	\$ 3,323,718	\$ 2,587,339	\$ 736,379
Expenses for Services	<u>3,029,704</u>	<u>2,129,725</u>	<u>(899,979)</u>
Change in Net Position	\$ 294,014	\$ 457,614	\$ (163,600)
Net Position, Beginning of Year	<u>3,949,595</u>	<u>3,491,981</u>	<u>457,614</u>
Net Position, End of Year	<u>\$ 4,243,609</u>	<u>\$ 3,949,595</u>	<u>\$ 294,014</u>

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS**

The District's combined fund balances as of June 30, 2024, were \$2,308,330, a decrease of \$393,521 from the prior year.

The General Fund fund balance decreased by \$26,686, primarily due to operating and capital costs exceeding property tax and service revenue.

The Debt Service Fund fund balance increased by \$46,525, primarily due to the structure of the District's debt service requirements.

The Capital Projects Fund fund balance decreased by \$413,360, primarily due to capital costs from the proceeds of bonds issued in a previous year.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

Actual revenues were \$196,042 higher than budgeted revenues, actual expenditures were higher than budgeted expenditures by \$224,736, which resulted in a negative budget variance of \$28,694. See the budget to actual comparison for analysis of variances.

**CAPITAL ASSETS**

Capital assets as of June 30, 2024, total \$5,076,936 (net of accumulated depreciation) and include land, buildings, vehicles and equipment as well as the water and wastewater systems.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2024	2023	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 21,571	\$ 21,571	\$ -
Construction in Progress	793,687	1,030,007	(236,320)
Capital Assets, Net of Accumulated Depreciation:			
Roads	3,669	4,257	(588)
Furniture and Equipment	9,385	13,669	(4,284)
Vehicles and Equipment	84,392	112,421	(28,029)
Buildings and Improvements	181,378	189,900	(8,522)
Water System	2,357,437	1,776,031	581,406
Wastewater System	1,625,417	1,621,349	4,068
<b>Total Net Capital Assets</b>	<b>\$ 5,076,936</b>	<b>\$ 4,769,205</b>	<b>\$ 307,731</b>

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2024**

**LONG-TERM DEBT ACTIVITY**

As of June 30, 2024, the District had total bond debt payable of \$4,080,000. The changes in the debt position of the District during the fiscal year ended June 30, 2024, are summarized as follows:

Bond Debt Payable, July 1, 2023	\$ 4,470,000
Less: Bond Principal Paid	<u>390,000</u>
Bond Debt Payable, June 30, 2024	<u><u>\$ 4,080,000</u></u>

The District's bonds do not carry an insured rating and the District does not have an underlying rating.

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Westwood Shores Municipal Utility District, 75 Cottonwood, Trinity, Texas 75862.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JUNE 30, 2024**

	General Fund	Debt Service Fund
<b>ASSETS</b>		
Cash	\$ 98,655	\$ 32,610
Investments	740,573	224,066
Receivables:		
Property Taxes	432,655	518,158
Service Accounts (Net Allowance for Doubtful Accounts of \$0)	169,201	-
Other	9,063	-
Due from Other Funds	21,303	14,265
Land	-	-
Construction in Progress	-	-
Capital Assets (Net of Accumulated Depreciation)	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,471,450</b>	<b>\$ 789,099</b>

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



<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 27,091	\$ 158,356	\$ -	\$ 158,356
2,039,359	3,003,998	-	3,003,998
-	950,813	-	950,813
-	169,201	-	169,201
-	9,063	-	9,063
-	35,568	(35,568)	-
-	-	21,571	21,571
-	-	793,687	793,687
-	-	4,261,678	4,261,678
<u>\$ 2,066,450</u>	<u>\$ 4,326,999</u>	<u>\$ 5,041,368</u>	<u>\$ 9,368,367</u>

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

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**JUNE 30, 2024**

	General Fund	Debt Service Fund
<b>LIABILITIES</b>		
Accounts Payable	\$ 440,115	\$ -
Accrued Interest Payable		
Due to Other Funds	14,265	-
Security Deposits	145,734	-
Long-Term Liabilities:		
Bonds Payable, Due Within One Year	-	-
Bonds Payable, Due After One Year	-	-
	\$ 600,114	\$ -
<b>TOTAL LIABILITIES</b>		
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	\$ 432,655	\$ 518,158
<b>FUND BALANCES</b>		
Restricted for Authorized Construction	\$ -	\$ -
Restricted for Debt Service	-	270,941
Unassigned	438,681	-
	\$ 438,681	\$ 270,941
<b>TOTAL FUND BALANCES</b>		
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 1,471,450</b>	<b>\$ 789,099</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
<b>TOTAL NET POSITION</b>		

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

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 446,439	\$ 886,554	\$ -	\$ 886,554
-	-	12,470	12,470
21,303	35,568	(35,568)	-
-	145,734	-	145,734
-	-	395,000	395,000
-	-	3,685,000	3,685,000
<u>\$ 467,742</u>	<u>\$ 1,067,856</u>	<u>\$ 4,056,902</u>	<u>\$ 5,124,758</u>
<u>\$ -</u>	<u>\$ 950,813</u>	<u>\$ (950,813)</u>	<u>\$ -</u>
\$ 1,598,708	\$ 1,598,708	\$ (1,598,708)	\$ -
-	270,941	(270,941)	-
-	438,681	(438,681)	-
<u>\$ 1,598,708</u>	<u>\$ 2,308,330</u>	<u>\$ (2,308,330)</u>	<u>\$ -</u>
<u>\$ 2,066,450</u>	<u>\$ 4,326,999</u>		
		\$ 2,595,644	\$ 2,595,644
		776,629	776,629
		871,336	871,336
		<u>\$ 4,243,609</u>	<u>\$ 4,243,609</u>

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

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2024**

Total Fund Balances - Governmental Funds	\$	2,308,330
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.</p>		5,076,936
<p>Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2023 and prior tax levies became part of recognized revenue in the governmental activities of the District.</p>		950,813
<p>Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:</p>		
Accrued Interest Payable	\$ (12,470)	
Bonds Payable	<u>(4,080,000)</u>	<u>(4,092,470)</u>
Total Net Position - Governmental Activities	\$	<u><u>4,243,609</u></u>

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

**THIS PAGE INTENTIONALLY LEFT BLANK**

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	General Fund	Debt Service Fund
<b>REVENUES</b>		
Property Taxes	\$ 445,404	\$ 552,826
Water Service	1,108,020	-
Wastewater Service	859,396	-
Penalty and Interest	48,051	51,318
Tap Connection and Inspection Fees	47,831	-
Investment and Miscellaneous Revenues	113,340	3,842
<b>TOTAL REVENUES</b>	<b>\$ 2,622,042</b>	<b>\$ 607,986</b>
<b>EXPENDITURES/EXPENSES</b>		
Service Operations:		
Personnel	\$ 108,212	\$ -
Professional Fees	301,367	16,554
Contracted Services	282,542	72,952
Purchased Water	222,238	-
Utilities	55,117	-
Repairs and Maintenance	959,369	-
Depreciation	-	-
Other	631,585	175
Capital Outlay	88,298	-
Debt Service:		
Bond Principal	-	390,000
Bond Interest	-	81,780
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 2,648,728</b>	<b>\$ 561,461</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (26,686)</b>	<b>\$ 46,525</b>
<b>CHANGE IN NET POSITION</b>		
<b>FUND BALANCES/NET POSITION - JULY 1, 2023</b>	465,367	224,416
<b>FUND BALANCES/NET POSITION - JUNE 30, 2024</b>	<b>\$ 438,681</b>	<b>\$ 270,941</b>

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
\$ -	\$ 998,230	\$ (11,411)	\$ 986,819
-	1,108,020	-	1,108,020
-	859,396	-	859,396
-	99,369	-	99,369
-	47,831	-	47,831
<u>105,101</u>	<u>222,283</u>	<u>-</u>	<u>222,283</u>
<u>\$ 105,101</u>	<u>\$ 3,335,129</u>	<u>\$ (11,411)</u>	<u>\$ 3,323,718</u>
\$ -	\$ 108,212	\$ -	\$ 108,212
16,018	333,939	-	333,939
-	355,494	-	355,494
-	222,238	-	222,238
-	55,117	-	55,117
-	959,369	-	959,369
-	-	283,010	283,010
-	631,760	-	631,760
502,443	590,741	(590,741)	-
-	390,000	(390,000)	-
<u>-</u>	<u>81,780</u>	<u>(1,215)</u>	<u>80,565</u>
<u>\$ 518,461</u>	<u>\$ 3,728,650</u>	<u>\$ (698,946)</u>	<u>\$ 3,029,704</u>
\$ (413,360)	\$ (393,521)	\$ 393,521	\$ -
		294,014	294,014
<u>2,012,068</u>	<u>2,701,851</u>	<u>1,247,744</u>	<u>3,949,595</u>
<u>\$ 1,598,708</u>	<u>\$ 2,308,330</u>	<u>\$ 1,935,279</u>	<u>\$ 4,243,609</u>

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

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Governmental Funds	\$ (393,521)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.	(11,411)
Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets and right-of-use assets are depreciated and depreciation expenses are recorded in the Statement of Activities.	(283,010)
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.	590,741
Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.	390,000
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.	1,215
Change in Net Position - Governmental Activities	\$ 294,014

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



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 1. CREATION OF DISTRICT**

Westwood Shores Municipal Utility District, located in Trinity County, Texas, (the “District”), was created by order of the Texas Water Commission, predecessor to the Texas Commission on Environmental Quality (the “Commission”) on May 23, 1972. The District operates under the provisions of Chapter 54 of the Texas Water Code, to provide water and sewer services to property owners within the boundaries of the District. The Board of Directors held its first meeting on June 15, 1972, and the first bonds were sold on May 1, 1973.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Texas Commission on Environmental Quality (the “Commission”).

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification set forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District’s Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

General Fund - To account for resources not required to be accounted for in another fund, customer service revenues, operating costs and general expenditures.

Debt Service Fund - To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund - To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both "measurable and available." Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenues reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Assets

Capital assets which include property, plant, equipment, and infrastructure assets are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$1,500 and a useful life over one year. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Buildings and Improvements	5-39
Land Improvements	15
Furniture and equipment	3-40
Rolling stock	5-10
Water and wastewater lines	30
Water and wastewater systems	7-30

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District’s Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original budget amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

Payments are made into the Social Security system for employees of the District. In addition, other retirement plan arrangements have been made as further described in Note 11. The Internal Revenue Service has determined that the directors are considered employees for federal payroll tax purposes only. Directors do not participate in the retirement plan.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

*Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

*Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

*Committed*: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

*Assigned*: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and does not have any assigned fund balances.

*Unassigned*: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Accounting 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 3. LONG-TERM DEBT**

	<u>Series 2010B</u>	<u>Refunding Series 2017</u>	<u>Series 2020A</u>	<u>Series 2020B</u>
Amounts Outstanding – June 30, 2024	\$795,000	\$875,000	\$1,270,000	\$1,140,000
Interest Rates	2.90% - 3.20%	2.39%	0.45% - 1.68%	0.50% - 1.73%
Maturity Dates – Serially Beginning/Ending	May 1, 2025/2030	May 1, 2025/2030	May 1, 2025/2040	May 1, 2025/2040
Interest Payment Dates	November 1/ May 1	November 1/ May 1	November 1/ May 1	November 1/ May 1
Callable Dates	May 1, 2020*	May 1, 2021*	November 1, 2030*	November 1, 2030*

\* On any date thereafter, at a price equal to the par value plus accrued interest from the most recent interest payment date to the date fixed for redemption.

As of June 30, 2024, the District has authorized bond authority of \$7,000,000.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 3. LONG-TERM DEBT (Continued)**

The following is a summary of transactions regarding bonds payable for the year ended June 30, 2024:

	July 1, 2023	Additions	Retirements	June 30, 2024
Bonds Payable	\$ 4,470,000	\$ -	\$ 390,000	\$ 4,080,000
			Amount Due Within One Year	\$ 395,000
			Amount Due After One Year	3,685,000
			Bonds Payable, Net	\$ 4,080,000

As of June 30, 2024, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 395,000	\$ 74,822	\$ 469,822
2026	405,000	67,339	472,339
2027	415,000	59,322	474,322
2028	430,000	50,746	480,746
2029	435,000	41,716	476,716
2030-2034	1,050,000	109,644	1,159,644
2035-2039	785,000	45,931	830,931
2040	165,000	1,406	166,406
	\$ 4,080,000	\$ 450,926	\$ 4,530,926

All outstanding bonds are direct placement bonds.

During the year ended June 30, 2024, the District levied an ad valorem debt service tax rate of \$0.3551 per \$100 of assessed valuation, which resulted in a tax levy of \$574,331 on the adjusted taxable valuation of \$162,274,486 for the 2023 tax year. The bond orders require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 8 for the maintenance tax levy.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 4. SIGNIFICANT BOND ORDER AND LEGAL REQUIREMENTS**

The bond orders state that the District is required to provide continuing disclosure of certain general financial information included in an annual audit to certain information repositories. The audit, which includes audited annual financial statements, is to be provided at the end of each fiscal year and shall continue to be provided through the life of the bonds.

The District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross proceeds of the bonds, within the meaning of Section 148(f) of the Internal Revenue Code, be rebated to the federal government. The minimum requirement for determination of the rebatable amount is on the five-year anniversary of each issue.

**NOTE 5. DEPOSITS AND INVESTMENTS**

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District’s deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District’s deposits was \$268,963 and the bank balance was \$324,151. The District was not exposed to custodial credit risk at year-end.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at June 30, 2024, as listed below:

	Cash	Certificate of Deposit	Total
GENERAL FUND	\$ 98,655	\$ 110,607	\$ 209,262
DEBT SERVICE FUND	32,610		32,610
CAPITAL PROJECTS FUND	27,091		27,091
TOTAL DEPOSITS	\$ 158,356	\$ 110,607	\$ 268,963



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District's financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

Certificates of deposit are recorded at acquisition cost.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

As of June 30, 2024, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
Certificate of Deposit	\$ 110,607	\$ 110,607
TexPool	629,966	629,966
<u>DEBT SERVICE FUND</u>		
TexPool	224,066	224,066
<u>CAPITAL PROJECTS FUND</u>		
TexPool	6,119	6,119
Money Market Mutual Funds	2,033,240	2,033,240
<b>TOTAL INVESTMENTS</b>	<b>\$ 3,003,998</b>	<b>\$ 3,003,998</b>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2024, the District’s investments in TexPool and money market mutual funds were rated AAAM by Standard and Poor’s. The District manages credit risk by investing in certificates of deposit with balances below FDIC coverage.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investments in TexPool and money market mutual funds to have maturities of less than one year due to the fact the share positions can be redeemed each day at the discretion of the District. The District manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

**NOTE 6. 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 from which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 7. CAPITAL ASSETS**

Capital assets activity for the year ended June 30, 2024 is as follows:

	July 1, 2023	Increases	Decreases	June 30, 2024
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 21,571	\$ -	\$ -	\$ 21,571
Construction in Progress	1,030,007	590,741	827,061	793,687
<b>Total Capital Assets Not Being Depreciated</b>	<b>\$ 1,051,578</b>	<b>\$ 590,741</b>	<b>\$ 827,061</b>	<b>\$ 815,258</b>
<b>Capital Assets Subject to Depreciation</b>				
Roads	\$ 52,742	\$ -	\$ -	\$ 52,742
Furniture and Equipment	219,386	-	-	219,386
Rolling Stock	91,870	-	-	91,870
Vehicles and Equipment	192,801	-	-	192,801
Buildings and Improvements	312,988	-	-	312,988
Water System	4,259,546	722,690	-	4,982,236
Wastewater System	3,366,259	104,371	-	3,470,630
Distribution Lines and Connections	4,785,249	-	-	4,785,249
<b>Total Capital Assets Subject to Depreciation</b>	<b>\$ 13,280,841</b>	<b>\$ 827,061</b>	<b>\$ -</b>	<b>\$ 14,107,902</b>
<b>Less Accumulated Depreciation</b>				
Roads	\$ 48,485	\$ 588	\$ -	\$ 49,073
Furniture and Equipment	205,717	4,284	-	210,001
Rolling Stock	91,870	-	-	91,870
Vehicles and Equipment	80,380	28,029	-	108,409
Buildings and Improvements	123,088	8,522	-	131,610
Water System	2,483,515	141,284	-	2,624,799
Wastewater System	1,744,910	100,303	-	1,845,213
Distribution Lines and Connections	4,785,249	-	-	4,785,249
<b>Total Accumulated Depreciation</b>	<b>\$ 9,563,214</b>	<b>\$ 283,010</b>	<b>\$ -</b>	<b>\$ 9,846,224</b>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 3,717,627</b>	<b>\$ 544,051</b>	<b>\$ -</b>	<b>\$ 4,261,678</b>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<b>\$ 4,769,205</b>	<b>\$ 1,134,792</b>	<b>\$ 827,061</b>	<b>\$ 5,076,936</b>

**NOTE 8. MAINTENANCE TAX**

On May 4, 2002, the voters of the District approved the levy and collection of a maintenance tax not to exceed \$1.25 per \$100 of assessed valuation of taxable property within the District. During the year ended June 30, 2024, the District levied an ad valorem maintenance tax rate of \$0.2849 per \$100 of assessed valuation, which resulted in a tax levy of \$460,791 on the adjusted taxable valuation of \$162,274,486 for the 2023 tax year. The maintenance tax is to be used by the General Fund to pay expenditures of operating the District's water and sewer system.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 9. SURFACE WATER SUPPLY CONTRACT**

On November 3, 2011, the District entered into a contract with the Trinity Rural Water Supply Corporation ("TRWS") for the right of the District to purchase specified amounts of treated water from TRWS. The District is required to construct transmission facilities and upon completion, convey ownership of the transmission facilities to TRWS. The District is obligated to pay a water reservation charge of \$13,982 per month which is subject to change by TRWS annually. In addition to other charges, the District must pay a volumetric rate for all treated water delivered by TRWS to the District. The volumetric rate has been set at \$2.10 per 1,000 gallons for the initial year of the agreement and may be changed by TRWS annually (currently \$3.25 per 1,000 gallons). Maximum daily amounts of treated water that TRWS is obligated to sell to the District has been set at 288,000 gallons per day through September 2032.

**NOTE 10. COMPENSATED ABSENCES**

The District provides vacation time for its employees with one year or more tenure at the rate of two weeks of vacation time after one year of service, and three weeks of vacation after five years of service. Unused vacation time is paid if the employee separates from service. At June 30, 2024, the District's employees had accumulated 170 hours of unused vacation time. Based upon current employee pay rates, \$3,686 of accumulated unpaid employee vacation benefits have been accrued as of June 30, 2024.

Effective May 17, 2021, the District adopted a personal time off (PTO) policy allowing for 40 hours of personal time on January 1<sup>st</sup> of each calendar year. Any unused PTO will be banked the same as vacation time. Any earned but unused PTO is paid at separation. At June 30, 2024, the District's employees had accumulated 80 hours of unused PTO. Based upon current employee pay rates, \$1,730 of accumulated unpaid employee PTO benefits have been accrued as of June 30, 2024.

**NOTE 11. RETIREMENT PLAN**

The District offers its employees a Simple IRA plan where the District contributes a 3% match up to \$1,800 in matching funds per employee. Contributions under this plan amounted to \$1,393 for the year ended June 30, 2024.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

**NOTE 12. TOWER LEASE AGREEMENT**

On July 20, 2016, the District entered into a tower lease agreement. The ten year unlimited lease begins September 1, 2016 and will be renewable on September 1, 2026 for an additional ten years. Trace Wireless will have a tower on the District's property and will provide internet at no cost to the District.

**NOTE 13. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

As of June 30, 2024, the General Fund recorded a payable in the amount of \$14,265 to the Debt Service Fund for debt service tax collections and the Capital Projects Fund recorded a payable in the amount of \$21,303 to the General Fund for capital costs.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**JUNE 30, 2024**





**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 350,000	\$ 445,404	\$ 95,404
Water Service	1,137,000	1,108,020	(28,980)
Wastewater Service	835,000	859,396	24,396
Penalty and Interest	16,500	48,051	31,551
Tap Connection and Inspection Fees	55,000	47,831	(7,169)
Investment and Miscellaneous Revenues	<u>32,500</u>	<u>113,340</u>	<u>80,840</u>
<b>TOTAL REVENUES</b>	<u>\$ 2,426,000</u>	<u>\$ 2,622,042</u>	<u>\$ 196,042</u>
<b>EXPENDITURES</b>			
Service Operations:			
Personnel	\$ 160,000	\$ 108,212	\$ 51,788
Professional Fees	255,000	301,367	(46,367)
Contracted Services	310,500	282,542	27,958
Purchased Water	199,792	222,238	(22,446)
Utilities	66,000	55,117	10,883
Repairs and Maintenance	634,000	959,369	(325,369)
Other	358,700	631,585	(272,885)
Capital Outlay	<u>440,000</u>	<u>88,298</u>	<u>351,702</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,423,992</u>	<u>\$ 2,648,728</u>	<u>\$ (224,736)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 2,008	\$ (26,686)	\$ (28,694)
<b>FUND BALANCE - JULY 1, 2023</b>	<u>465,367</u>	<u>465,367</u>	<u>-</u>
<b>FUND BALANCE - JUNE 30, 2024</b>	<u>\$ 467,375</u>	<u>\$ 438,681</u>	<u>\$ (28,694)</u>

See accompanying independent auditor's report.

**THIS PAGE INTENTIONALLY LEFT BLANK**

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**SUPPLEMENTARY INFORMATION – REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**JUNE 30, 2024**



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
SERVICES AND RATES  
FOR THE YEAR ENDED JUNE 30, 2024**

**1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:**

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

**2. RETAIL SERVICE PROVIDERS**

**a. RETAIL RATES FOR A 5/8” METER (OR EQUIVALENT):**

Based on the rate order effective March 18, 2024.

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate per 1,000 Gallons over Minimum Use</u>	<u>Usage Levels</u>
WATER:	\$ 78.50	N/A	N	\$ 7.50 \$ 8.50 \$ 9.50 \$ 10.50	0 – 3,000 3,001 to 6,000 6,001 to 9,000 9,001 and up
WASTEWATER:	\$ 78.50	N/A	Y	N/A	N/A
SURCHARGE:					
Commission	0.5% of				
Regulatory	actual				
Assessments	water and sewer bill				

District employs winter averaging for wastewater usage? \_\_\_\_\_   X    
Yes      No

Total monthly charges per 10,000 gallons usage: Water: \$165.50      Wastewater: \$78.50      Surcharge: \$1.22

See accompanying independent auditor’s report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
SERVICES AND RATES  
FOR THE YEAR ENDED JUNE 30, 2024**

**2. RETAIL SERVICE PROVIDERS (Continued)**

**b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)**

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered	_____	_____	x 1.0	_____
≤ <sup>3</sup> / <sub>4</sub> "	<u>916</u>	<u>828</u>	x 1.0	<u>828</u>
1"	<u>3</u>	<u>3</u>	x 2.5	<u>8</u>
1½"	_____	_____	x 5.0	_____
2"	<u>3</u>	<u>3</u>	x 8.0	<u>24</u>
3"	<u>1</u>	<u>1</u>	x 15.0	<u>15</u>
4"	_____	_____	x 25.0	_____
6"	<u>1</u>	<u>1</u>	x 50.0	<u>50</u>
8"	_____	_____	x 80.0	_____
10"	_____	_____	x 115.0	_____
Total Water Connections	<u>924</u>	<u>836</u>		<u>925</u>
Total Wastewater Connections	<u>833</u>	<u>833</u>	x 1.0	<u>833</u>

**3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited):**

Gallons pumped into the system:	30,023,000	Water Accountability Ratio: 64.9% (Gallons billed/Gallons pumped and purchased)
Gallons purchased:	21,164,000	From Trinity Rural Water Supply Corporation
Gallons billed to customers:	33,201,000	

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
SERVICES AND RATES  
FOR THE YEAR ENDED JUNE 30, 2024**

**4. STANDBY FEES** (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes \_\_\_ No X

Does the District have Operation and Maintenance standby fees? Yes \_\_\_ No X

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes X No \_\_\_\_\_

County in which District is located:

Trinity County, Texas

Is the District located within a city is extraterritorial jurisdiction (ETJ)?

Entirely X Partly \_\_\_\_\_ Not at all \_\_\_\_\_

ETJ in which district is located:

City of Trinity, Texas

Are Board Members appointed by an office outside the District?

Yes \_\_\_\_\_ No X

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2024**

PERSONNEL EXPENDITURES (Including Benefits)	\$ 108,212
PROFESSIONAL FEES:	
Auditing	\$ 36,700
Engineering	148,831
Legal	<u>115,836</u>
TOTAL PROFESSIONAL FEES	<u>\$ 301,367</u>
PURCHASED WATER SERVICE	<u>\$ 222,238</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 47,452
Operations	<u>235,090</u>
TOTAL CONTRACTED SERVICES	<u>\$ 282,542</u>
UTILITIES:	
Electricity	\$ 48,379
Telephone	<u>6,738</u>
TOTAL UTILITIES	<u>\$ 55,117</u>
REPAIRS AND MAINTENANCE	<u>\$ 959,369</u>
ADMINISTRATIVE EXPENDITURES:	
Insurance	\$ 51,688
Office Supplies and Postage	40,891
Election Costs	24,605
Travel and Meetings	4,380
Other	<u>7,519</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 129,083</u>
CAPITAL OUTLAY	<u>\$ 88,298</u>
TAP CONNECTIONS	<u>\$ 43,916</u>

See accompanying independent auditor's report.



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT  
GENERAL FUND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2024**

OTHER EXPENDITURES:

Auto and Vehicle Expenditures	\$	60,267
Chemicals		103,263
Laboratory Fees		43,979
Permit Fees		15,618
Sludge Hauling		102,895
Other		<u>132,564</u>
<b>TOTAL OTHER EXPENDITURES</b>	<b>\$</b>	<b><u>458,586</u></b>
<b>TOTAL EXPENDITURES</b>	<b>\$</b>	<b><u>2,648,728</u></b>

Number of persons employed by the District      1    Full-Time      2    Part-Time

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**INVESTMENTS**  
**JUNE 30, 2024**

<u>Fund</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
<b><u>GENERAL FUND</u></b>					
Certificate of Deposit	XXXX5308	5.31%	12/17/24	\$ 110,607	\$ -
TexPool	XXXX0005	Varies	Daily	<u>629,966</u>	<u>-</u>
<b>TOTAL GENERAL FUND</b>				<b><u>\$ 740,573</u></b>	<b><u>\$ -</u></b>
<b><u>DEBT SERVICE FUND</u></b>					
TexPool	XXXX0001	Varies	Daily	<u>\$ 224,066</u>	<u>\$ -</u>
<b><u>CAPITAL PROJECTS FUND</u></b>					
TexPool	XXXX0010	Varies	Daily	\$ 6,119	\$ -
Money Market Mutual Fund	XXXX1482	Varies	Daily	1,587,716	-
Money Market Mutual Fund	XXXX1483	Varies	Daily	143,181	-
Money Market Mutual Fund	XXXX1485	Varies	Daily	<u>302,343</u>	<u>-</u>
<b>TOTAL CAPITAL PROJECTS FUND</b>				<b><u>\$ 2,039,359</u></b>	<b><u>\$ -</u></b>
<b>TOTAL - ALL FUNDS</b>				<b><u>\$ 3,003,998</u></b>	<b><u>\$ -</u></b>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
JULY 1, 2023	\$	438,656		\$ 523,568
Adjustments to Beginning				
Balance		<u>(21,388)</u>	\$ 417,268	<u>(26,916)</u> \$ 496,652
Original 2023 Tax Levy	\$	461,663		\$ 575,418
Adjustment to 2023 Tax Levy		<u>(872)</u>	<u>460,791</u>	<u>(1,087)</u> <u>574,331</u>
TOTAL TO BE				
ACCOUNTED FOR		\$ 878,059		\$ 1,070,983
 TAX COLLECTIONS:				
Prior Years	\$	28,431		\$ 33,109
Current Year		<u>416,973</u>	<u>445,404</u>	<u>519,717</u> <u>552,826</u>
 TAXES RECEIVABLE -				
JUNE 30, 2024		<u>\$ 432,655</u>		<u>\$ 518,157</u>
 TAXES RECEIVABLE BY				
YEAR:				
2023		\$ 43,818		\$ 54,614
2022		18,753		33,887
2021		29,808		18,303
2020		29,896		16,672
2019		28,265		20,021
2018		31,047		20,698
2017		29,355		19,570
2016		28,649		19,099
2015		30,061		16,700
2014		26,946		18,835
2013		24,180		19,704
2012		21,997		17,908
2011		17,505		18,795
2010 and Prior		<u>72,376</u>		<u>223,351</u>
TOTAL		<u>\$ 432,656</u>		<u>\$ 518,157</u>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2024**

	2023	2022	2021	2020
TOTAL PROPERTY VALUATIONS	<u>\$ 162,274,486</u>	<u>\$ 136,970,872</u>	<u>\$ 116,863,009</u>	<u>\$ 111,493,891</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.3551	\$ 0.4250	\$ 0.2663	\$ 0.2707
Maintenance	<u>0.2849</u>	<u>0.2352</u>	<u>0.4337</u>	<u>0.4854</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 0.6400</u>	<u>\$ 0.6602</u>	<u>\$ 0.7000</u>	<u>\$ 0.7561</u>
ADJUSTED TAX LEVY*	<u>\$ 1,035,122</u>	<u>\$ 901,917</u>	<u>\$ 817,343</u>	<u>\$ 789,630</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>90.49 %</u>	<u>94.16 %</u>	<u>94.11 %</u>	<u>94.10 %</u>

\* Based upon the adjusted tax levy at the time of audit for the fiscal year in which the tax was levied.

Maintenance Tax – Maximum tax rate of \$1.25 per \$100 of assessed valuation approved by voters on May 4, 2002.

See accompanying independent auditor’s report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2024**

S E R I E S - 2 0 1 0 B

Due During Fiscal Years Ending June 30	Principal Due November 1	Interest Due November 1/ May 1	Total
2025	\$ 120,000	\$ 24,438	\$ 144,438
2026	125,000	20,957	145,957
2027	130,000	17,270	147,270
2028	135,000	13,305	148,305
2029	140,000	9,120	149,120
2030	145,000	4,640	149,640
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	<u>\$ 795,000</u>	<u>\$ 89,730</u>	<u>\$ 884,730</u>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2024**

REFUNDING SERIES - 2017

Due During Fiscal Years Ending June 30	Principal Due November 1	Interest Due November 1/ May 1	Total
2025	\$ 135,000	\$ 20,913	\$ 155,913
2026	140,000	17,686	157,686
2027	145,000	14,340	159,340
2028	150,000	10,875	160,875
2029	150,000	7,290	157,290
2030	155,000	3,705	158,705
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
	<u>\$ 875,000</u>	<u>\$ 74,809</u>	<u>\$ 949,809</u>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2024**

S E R I E S - 2 0 2 0 A

Due During Fiscal Years Ending June 30	Principal Due November 1	Interest Due November 1/ May 1	Total
2025	\$ 75,000	\$ 15,206	\$ 90,206
2026	75,000	14,808	89,808
2027	75,000	14,298	89,298
2028	75,000	13,713	88,713
2029	75,000	13,080	88,080
2030	80,000	12,346	92,346
2031	80,000	11,494	91,494
2032	80,000	10,546	90,546
2033	80,000	9,502	89,502
2034	80,000	8,386	88,386
2035	80,000	7,222	87,222
2036	80,000	6,022	86,022
2037	80,000	4,794	84,794
2038	85,000	3,498	88,498
2039	85,000	2,125	87,125
2040	85,000	714	85,714
	<u>\$ 1,270,000</u>	<u>\$ 147,754</u>	<u>\$ 1,417,754</u>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2024**

S E R I E S - 2 0 2 0 B			
Due During Fiscal Years Ending June 30	Principal Due November 1	Interest Due November 1/ May 1	Total
2025	\$ 65,000	\$ 14,265	\$ 79,265
2026	65,000	13,888	78,888
2027	65,000	13,414	78,414
2028	70,000	12,853	82,853
2029	70,000	12,226	82,226
2030	70,000	11,530	81,530
2031	70,000	10,749	80,749
2032	70,000	9,885	79,885
2033	70,000	8,936	78,936
2034	70,000	7,925	77,925
2035	75,000	6,833	81,833
2036	75,000	5,670	80,670
2037	75,000	4,482	79,482
2038	75,000	3,267	78,267
2039	75,000	2,018	77,018
2040	80,000	692	80,692
	\$ 1,140,000	\$ 138,633	\$ 1,278,633

See accompanying independent auditor's report.



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**JUNE 30, 2024**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending June 30	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2025	\$ 395,000	\$ 74,822	\$ 469,822
2026	405,000	67,339	472,339
2027	415,000	59,322	474,322
2028	430,000	50,746	480,746
2029	435,000	41,716	476,716
2030	450,000	32,221	482,221
2031	150,000	22,243	172,243
2032	150,000	20,431	170,431
2033	150,000	18,438	168,438
2034	150,000	16,311	166,311
2035	155,000	14,055	169,055
2036	155,000	11,692	166,692
2037	155,000	9,276	164,276
2038	160,000	6,765	166,765
2039	160,000	4,143	164,143
2040	165,000	1,406	166,406
	<u>\$ 4,080,000</u>	<u>\$ 450,926</u>	<u>\$ 4,530,926</u>

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**CHANGES IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Description	Original Bonds Issued	Bonds Outstanding July 1, 2023
Westwood Shores Municipal Utility District Unlimited Tax Bonds - Series 2010B	\$ 1,825,000	\$ 910,000
Westwood Shores Municipal Utility District Unlimited Tax Refunding Bonds - Series 2017	1,635,000	1,010,000
Westwood Shores Municipal Utility District Unlimited Tax Bonds - Series 2020A	1,560,000	1,345,000
Westwood Shores Municipal Utility District Unlimited Tax Bonds - Series 2020B	<u>1,400,000</u>	<u>1,205,000</u>
<b>TOTAL</b>	<u><u>\$ 6,420,000</u></u>	<u><u>\$ 4,470,000</u></u>
Bond Authority:	Tax Bonds	Refunding Bonds
Amount Authorized by Voters	\$ 21,870,000	\$ 4,205,000
Amount Issued	<u>14,870,000</u>	<u>4,205,000</u>
Remaining to be Issued	<u><u>\$ 7,000,000</u></u>	<u><u>\$ -</u></u>
Debt Service Fund cash and investment balances as of June 30, 2024:		<u><u>\$ 256,676</u></u>
Average annual debt service payment (principal and interest) for remaining term of all debt:		<u><u>\$ 283,183</u></u>

See accompanying independent auditor's report.

<u>Current Year Transactions</u>					
<u>Bonds Sold</u>	<u>Retirements</u>		<u>Bonds Outstanding June 30, 2024</u>	<u>Paying Agent</u>	
	<u>Principal</u>	<u>Interest</u>			
\$ -	\$ 115,000	\$ 27,657	\$ 795,000	Computershare Corporate Trust Houston, TX	
-	135,000	23,812	875,000	TIB The Independent Bankers Bank, NA Houston, Texas	
-	75,000	15,630	1,270,000	The Bank of New York Mellon Trust Co. Houston, Texas	
<u>-</u>	<u>65,000</u>	<u>14,681</u>	<u>1,140,000</u>	The Bank of New York Mellon Trust Co. Houston, Texas	
<u>\$ -</u>	<u>\$ 390,000</u>	<u>\$ 81,780</u>	<u>\$ 4,080,000</u>		

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND - FIVE YEARS**

	Amounts		
	2024	2023	2022
<b>REVENUES</b>			
Property Taxes	\$ 445,404	\$ 303,085	\$ 474,894
Water Service	1,108,020	933,379	514,899
Wastewater Service	859,396	562,955	237,260
Standby Fees	-	-	45,240
Other Fees	-	-	-
Penalty and Interest	48,051	26,144	25,928
Tap Connection and Inspection Fees	47,831	111,098	106,039
Investment and Miscellaneous Revenues	<u>113,340</u>	<u>90,758</u>	<u>59,218</u>
<b>TOTAL REVENUES</b>	<u>\$ 2,622,042</u>	<u>\$ 2,027,419</u>	<u>\$ 1,463,478</u>
<b>EXPENDITURES</b>			
Personnel	\$ 108,212	\$ 111,717	\$ 239,014
Professional Fees	301,367	172,329	101,453
Contracted Services	282,542	323,849	244,450
Purchased Water	222,238	289,933	202,744
Utilities	55,117	61,209	55,206
Repairs and Maintenance	959,369	355,100	334,080
Other	631,585	334,755	222,432
Capital Outlay	88,298	14,224	-
Debt Service:			
Lease Principal	-	57,957	28,531
Lease Interest	-	1,805	2,363
Bond Issuance Costs	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,648,728</u>	<u>\$ 1,722,878</u>	<u>\$ 1,430,273</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ (26,686)</u>	<u>\$ 304,541</u>	<u>\$ 33,205</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Lease Proceeds	\$ -	\$ -	\$ -
Transfers In(Out)	<u>-</u>	<u>(41,100)</u>	<u>(197,649)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>\$ (41,100)</u>	<u>\$ (197,649)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (26,686)</u>	<u>\$ 263,441</u>	<u>\$ (164,444)</u>

Note: Fiscal years 2020 through 2021 information provided by prior auditor

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 453,134	\$ 466,210	17.0 %	14.9 %	32.5 %	26.2 %	38.0 %
534,145	373,447	42.3	46.0	35.2	30.9	30.4
218,724	148,825	32.8	27.8	16.2	12.6	12.1
48,006	36,512			3.1	2.8	3.0
180,364	133,237				10.4	10.8
6,767	10,932	1.8	1.3	1.8	0.4	0.9
-	-	1.8	5.5	7.2		
288,493	59,580	4.3	4.5	4.0	16.7	4.8
<u>\$ 1,729,633</u>	<u>\$ 1,228,743</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 568,428	\$ 482,249	4.1 %	5.5 %	16.3 %	32.9 %	39.2 %
38,142	26,202	11.5	8.5	6.9	2.2	2.1
		10.8	16.0	16.7		
376,598	351,385	8.5	14.3	13.9	21.8	28.6
52,706	47,475	2.1	3.0	3.8	3.0	3.9
168,126	198,531	36.6	17.5	22.8	9.7	16.2
83,872	125,862	24.1	16.5	15.2	4.8	10.2
192,872	146,332	3.4	0.7		11.2	11.9
30,995	15,000		2.9	1.9	1.8	1.2
-	-		0.1	0.2		
221,029	-				12.8	
<u>\$ 1,732,768</u>	<u>\$ 1,393,036</u>	<u>101.1 %</u>	<u>85.0 %</u>	<u>97.7 %</u>	<u>100.2 %</u>	<u>113.3 %</u>
<u>\$ (3,135)</u>	<u>\$ (164,293)</u>	<u>(1.1) %</u>	<u>15.0 %</u>	<u>2.3 %</u>	<u>(0.2) %</u>	<u>(13.3) %</u>
\$ 40,814	\$ 86,725					
<u>(214,801)</u>	<u>-</u>					
<u>\$ (173,987)</u>	<u>\$ 86,725</u>					
<u>\$ (177,122)</u>	<u>\$ (77,568)</u>					

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2024	2023	2022
<b>REVENUES</b>			
Property Taxes	\$ 552,826	\$ 536,232	\$ 295,757
Penalty and Interest	51,318	33,754	15,035
Investment and Miscellaneous Revenues	3,842	111	985
<b>TOTAL REVENUES</b>	<b>\$ 607,986</b>	<b>\$ 570,097</b>	<b>\$ 311,777</b>
<b>EXPENDITURES</b>			
Tax Collection Expenditures	\$ 82,295	\$ 70,202	\$ 54,487
Debt Service Principal	390,000	385,000	365,000
Debt Service Interest and Fees	89,166	89,166	94,964
<b>TOTAL EXPENDITURES</b>	<b>\$ 561,461</b>	<b>\$ 544,368</b>	<b>\$ 514,451</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 46,525</b>	<b>\$ 25,729</b>	<b>\$ (202,674)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In(Out)	\$ -	\$ 41,000	\$ 195,099
Proceeds from Issuance of Long-Term Debt	-	-	-
Transfer to Refunding Escrow Agent	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USE)</b>	<b>\$ -</b>	<b>\$ 41,000</b>	<b>\$ 195,099</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 46,525</b>	<b>\$ 66,729</b>	<b>\$ (7,575)</b>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	<b>836</b>	<b>840</b>	<b>754</b>
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	<b>833</b>	<b>840</b>	<b>754</b>

Note: Fiscal years 2020 through 2021 information provided by prior auditor

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 333,397	\$ 326,684	91.0 %	94.1 %	94.9 %	99.7 %	98.5 %
-	-	8.4	5.9	4.8		
<u>1,118</u>	<u>4,882</u>	<u>0.6</u>		<u>0.3</u>	<u>0.3</u>	<u>1.5</u>
<u>\$ 334,515</u>	<u>\$ 331,566</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 64,176	\$ 58,465	13.5 %	12.3 %	17.5 %	19.2 %	17.6 %
365,000	220,000	64.1	67.5	117.1	109.1	66.4
<u>106,992</u>	<u>68,114</u>	<u>14.7</u>	<u>15.6</u>	<u>30.5</u>	<u>32.0</u>	<u>20.5</u>
<u>\$ 536,168</u>	<u>\$ 346,579</u>	<u>92.3 %</u>	<u>95.4 %</u>	<u>165.1 %</u>	<u>160.3 %</u>	<u>104.5 %</u>
<u>\$ (201,653)</u>	<u>\$ (15,013)</u>	<u>7.7 %</u>	<u>4.6 %</u>	<u>(65.1) %</u>	<u>(60.3) %</u>	<u>(4.5) %</u>
\$ 214,801	\$ -					
-	-					
<u>-</u>	<u>-</u>					
<u>\$ 214,801</u>	<u>\$ -</u>					
<u>\$ 13,148</u>	<u>\$ (15,013)</u>					
<u>753</u>	<u>702</u>					
<u>753</u>	<u>702</u>					

See accompanying independent auditor's report.

**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**JUNE 30, 2024**

District Mailing Address - Westwood Shores Municipal Utility District  
75 Cottonwood  
Trinity, TX 75862

District Telephone Number - (936) 594-3411

<b>Board Members</b>	Term of Office (Elected or Appointed)	Fees of office for the year ended June 30, 2024	Expense Reimbursements for the year ended June 30, 2024	Title
Joan Gallagher	11/22 11/26 (Elected)	\$ -0-	\$ -0-	President
Robert Stoddard	11/22 11/26 (Elected)	\$ 3,600	\$ -0-	Vice President
John Wolf	11/20 11/24 (Elected)	\$ 3,000	\$ -0-	Secretary
James Atkinson	11/20 11/24 (Elected)	\$ 3,150	\$ -0-	Assistant Secretary
Bryan Holmes	06/23 11/24 (Appointed)	\$ 3,300	\$ 170	Director

Note: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developer or with any of the District's consultants.

Submission date of most recent District Registration Form: July 20, 2023

See accompanying independent auditor's report.



**WESTWOOD SHORES MUNICIPAL UTILITY DISTRICT**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**JUNE 30, 2024**

<b>Consultants:</b>	<u>Date Hired</u>	<u>Fees/ Compensation for the fiscal year ended June 30, 2024</u>	<u>Title</u>
Mitchell, Zientek & Scruggs, LLP	11/15/21	\$ 97,070	General Counsel
McCall Gibson Swedlund Barfoot PLLC	08/01/22	\$ 34,000	Auditor
EEPB Company	12/13/23	\$ 18,088	Bookkeeper
Elite Bookkeeping LLC	07/01/22	\$ 38,546	Prior Bookkeeper
Civil Grade Engineers	03/21/22	\$ 246,617	Engineer
Blitch Associates, Inc.	03/25/24	\$ -0-	Financial Advisor
Hilltop Securities, Inc.	03/31/22	\$ 1,500	Former Financial Advisor
Inframark	08/04/21	\$ 99,265	Prior Operator
Precision Utility, LLC	10/18/23	\$ 561,465	Operator
Trinity County Tax Assessor/Collector	03/24/23	\$ 14,896	Tax Collector
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	03/23/24	\$ 16,554	Delinquent Tax Attorney

See accompanying independent auditor's report.

