

CITY OF BRYAN
CELEBRATING

150
YEARS
1871 2021

2021

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

Fiscal Year Ended September 30, 2021

CITY OF BRYAN, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2021

Prepared by

Fiscal Services Department
William J. Smith, Chief Financial Officer

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
<u>INTRODUCTORY SECTION</u>	
Transmittal Letter	viii
GFOA Certificate of Achievement	xiv
Principal Officials	xv
Organizational Chart	xvi
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Management's Discussion and Analysis - Unaudited	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	24
Statement of Activities	26
Fund Financial Statements:	
Balance Sheet - Governmental Funds	28
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	29
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	30
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	31
Statement of Net Position - Proprietary Funds	32
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	34
Statement of Cash Flows - Proprietary Funds	36
Fiduciary Fund:	
Statement of Fiduciary Net Position	40
Statement of Changes in Fiduciary Net Position	41

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
Notes to the Basic Financial Statements	43
Required Supplementary Information:	
Schedule of Contributions - Texas Municipal Retirement System	113
Schedule of Changes in the City's Net Pension Liability and Related Ratios - Texas Municipal Retirement System	114
Schedule of Contributions - Other Post Employment Benefits (OPEB)	115
Schedule of Changes in the City's Net OPEB Liability and Related Ratios	116
General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual	117
Supplementary Information:	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	123
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	124
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual:	
Debt Service Fund	133
Special Revenue Funds:	
Community Development Fund	134
Hotel and Motel Room Tax Fund	135
Oil & Gas Fund	136
Capital Reserve Fund	137
Midtown Park Operations Fund	138
Midtown Park Construction Fund	139
Phillips Event Center Fund	140
Queen and Palace Theaters Fund	141
Court Technology Fund	142

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Page</u>
Special Revenue Funds (continued):	
Street Improvement Fund	143
Drainage Improvement Fund	144
Tax Increment Reinvestment Zone #10 Fund	145
Tax Increment Reinvestment Zone #19 Fund	146
Tax Increment Reinvestment Zone #21 Fund	147
Tax Increment Reinvestment Zone #22 Fund	148
Combining Statement of Net Position - Nonmajor Enterprise Funds	150
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds	152
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	153
Internal Service Funds:	
Combining Statement of Net Position	156
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	157
Combining Statement of Cash Flows	158
 <u>STATISTICAL SECTION - UNAUDITED</u>	
	<u>Table</u> <u>Page</u>
Financial Trends	
Net Position by Component	1 160
Change in Net Position	2 161
Fund Balances of Governmental Funds	3 163
Changes in Fund Balances of Governmental Funds	4 164
Revenue Capacity	
Governmental Activities Tax Revenues By Source	5 165
Assessed Value and Estimated Actual Value of Taxable Property	6 166
Property Tax Rates and Ratios Per \$100 Value - Direct and Overlapping Governments	7 167

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Table</u>	<u>Page</u>
Revenue Capacity (continued)		
Principal Property Taxpayers	8	168
Property Tax Levies and Collections	9	169
Top 10 Electric Customers	10	170
Electricity Sold by Type of Customer	11	171
Electric Rates	12	172
Top 10 Water Customers	13	173
Top 10 Sewer Customers	14	174
Monthly Water Rates	15	175
Debt Capacity		
Ratios of Outstanding Debt by Type	16	176
Legal Debt Margin Information	17	177
Ratios of Net General Bonded Debt Outstanding	18	178
Direct and Overlapping Governmental Activities Debt	19	179
Pledged Revenue Coverage - City Electric Fund	20	180
Pledged Revenue Coverage - Rural Electric Fund	21	181
Pledged Revenue Coverage - Water and Wastewater Funds	22	182
Demographic and Economic Information		
Sales Tax by Category	23	183
Demographic & Economic Statistics	24	184
Principal Employers	25	185
Operating Information		
Actual Full Time Equivalent City Government Employees by Function	26	186
Operating Indicators by Function	27	187
Capital Asset Statistics by Function	28	188

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Table</u>	<u>Page</u>
Continuing Financial Disclosure Tables		
Valuations, Exemptions and General Obligation Debt	GO-1	190
Taxable Assessed Valuations by Category	GO-2	191
Valuation and General Obligation Debt History	GO-3	192
Tax Rate, Levy and Collection History	GO-4	193
Ten Largest Taxpayers	GO-5	194
Debt Information - General Obligation Debt Service Requirements	GO-6	195
Interest and Sinking Fund Budget Projection	GO-7	196
Computation of Self-Supporting Debt	GO-8	197
Authorized but Unissued General Obligation Bonds	GO-9	198
Other Obligations	GO-10	199
General Fund Revenues and Expenditure History (modified accrual basis)	GO-11	200
Changes in Net Position	GO-11A	201
Municipal Sales Tax History	GO-12	202
Current Investments and Cash Deposits	GO-13	203
Historical Water Consumption (Gallons)	RW-1	204
Ten Largest Water and Wastewater Customers (Based on Gallons of Water Consumed)	RW-2	205
Monthly Water Rates	RW-3	206
Wastewater Usage	RW-4	207
Monthly Wastewater Rates	RW-5	208
Debt Information - Waterworks and Sewer System Debt Service Requirements	RW-6	209

CITY OF BRYAN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

TABLE OF CONTENTS

	<u>Table</u>	<u>Page</u>
Continuing Financial Disclosure Tables (continued)		
Waterworks and Sewer Systems Condensed Statement of Operations	RW-8	210
Waterworks and Sewer System Coverage and Fund Balances	RW-9	211
Current Investment and Cash Deposits	RW-10	212
City Electric Rates	REC-1	213
Energy Sales by Types of Customers - City Electric	REC-2	214
Electric System Revenue Debt Service Requirements - City Electric	REC-3	215
Authorized but Unissued Revenue Bonds - City Electric Fund	REC-4	216
Condensed Statement of City Electric System Operations	REC-5	217
City Electric Coverage and Fund Balances	REC-6	218
Current Investments and Cash Deposits - City Electric	REC-7	219
Rural Electric Rates	RER-1	220
Energy Sales by Types of Customers - Rural Electric	RER-2	221
Rural Electric System Revenue Debt Service Requirements	RER-3	222
Condensed Statement of Rural Electric System Operations	RER-4	223
Rural Electric Coverage and Fund Balances	RER-5	224
Current Investments and Cash Deposits - Rural Electric	RER-6	225



This page left blank intentionally.



March 22, 2022

Honorable Mayor, Members of the City Council,
and Citizens of the City of Bryan, Texas

We are pleased to submit the Annual Comprehensive Financial Report for the City of Bryan (the "City") for the fiscal year ended September 30, 2021. The purpose of this report is to provide the City Council, management, staff, the public, and other interested parties with detailed information reflecting the City's financial condition. The Texas Local Government Code (§103.001) and the Bryan City Charter (Sec. 5(j)(5)) require an annual audit of the City's financial statements. The City has complied with these requirements and the auditor's report is included.

The City's independent auditor, BKD, L.L.P., issued an unmodified or "clean" opinion on the City of Bryan's financial statements for the year ended September 30, 2021. An unmodified opinion represents the highest level of audit assurance for financial statements. The independent auditor's report is located at the front of the financial section of this report.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, which is based upon a comprehensive framework of internal controls established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of material misstatements.

Management's discussion and analysis ("MD&A") immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Bryan, incorporated in 1871, is located in east central Texas approximately 100 miles northwest of Houston and approximately 90 miles east of Austin in an area referred to as the Brazos Valley. Bryan serves as the county seat for Brazos County. The City and the City of College Station to the south, which share common borders, are home to the Texas A&M University System. The City encompasses approximately 53.8 square miles and has an estimated population of 93,590.

The City is a home rule city operating under the council-manager form of government. Policy making and legislative authority are vested in the City Council, which is comprised of the mayor and six other members. Five council members are elected by district. The mayor and one council member are elected at-large. The city manager is appointed by the City Council and is responsible for the daily management of the City.

The City Council annually enacts a budget through passage of an appropriation ordinance prior to the start of each fiscal year. The budget serves as the foundation for the City's financial planning and control. Annual budgets are prepared for most governmental funds including the General Fund, Debt Service Fund, and Special Revenue Funds. Annual budgets also are prepared for each enterprise fund, including BTU City, BTU Rural, Water, Wastewater, Solid Waste, Bryan Commerce and Development, Inc., and the Airport.

The City provides the full range of municipal services contemplated by the City of Bryan charter and state law. These services include police, fire and emergency medical services, parks and recreational facilities and programs, library services, street maintenance and construction, public improvements, general administrative services, and electrical,

CITY OF BRYAN TEXAS

water, sewer, and solid waste systems. Internal services of the City, accounted for on a cost reimbursement basis, are general warehouse operations, risk management services, and employee health and disability insurance programs.

Additionally, the City is financially accountable for Bryan Commerce and Development, Inc. (“BCD”), a local government corporation and the economic development arm of the City of Bryan and Destination Bryan, a marketing firm responsible for attracting both tourism and permanent residency to Bryan.

FACTORS AFFECTING FINANCIAL CONDITION

Bryan, like the rest of the United States and Texas, is continuing to recover economically from the COVID-19 pandemic. Due to the easing of COVID-19 restrictions during FY 2021, local sales tax revenues have returned to historic levels. Sectors that have seen the most recovery include retail, restaurant, and hospitality. The sector that has declined was oil and gas activities. FY 2021 property tax revenues, which are based on January 2020 property values, increased compared to FY 2020 by 5.3% due to new construction in the commercial and residential sectors. Property tax growth also was attributable to growth in existing values in both commercial and residential.

Bryan and College Station are the economic center of the region comprised of Brazos County and the surrounding seven counties. Texas A&M University, with a student enrollment of more than 67,000, ranks among the nation’s largest university campuses and dominates the financial landscape of the Bryan-College Station area. Additionally, Blinn College, a two year academic institution, has a campus in Bryan with a student enrollment of over 9,000. As the community continually recovers from the COVID-19 pandemic, the economic outlook is strong as businesses are at full capacity and events are being held once again.

While not immune from factors that affect the state and national economies, the area is somewhat insulated due to the concentration of stable or growing employment sectors: education, government, and health care. Six of the top ten employers in the area fall into these classifications.

Historically, the Bryan-College Station area’s unemployment rate has been among the lowest in the state. Due to the continued effects of COVID-19 and the mitigation efforts surrounding the pandemic, the unemployment rate for the Bryan and College Station area was 3.2%, compared to 4.8% state-wide, as of December of 2021.

From February 14, 2021 through February 19, 2021, the Brazos Valley, as well as the entire state of Texas, experienced record breaking cold weather. The impact of the extended frigid temperatures on the electric energy market within the Electric Reliability Council of Texas (ERCOT) region was dramatic, resulting in record electric heating demands coupled with unprecedented loss of power generation and market pressures, which drove energy prices to market cap levels. Because the City Electric fund (BTU - City) was able to operate its generating units throughout the event, it was able to sell excess power into the market, thus reducing the net cost of surging energy prices to BTU customers. The net increased power and fuel costs to BTU total \$26.7 million higher than normal budgeted costs for February. While the final billings and legal ramifications of the cost of power resulting from the freeze have yet to be finalized, BTU expects that it will be able to fund any net increase in power and fuel costs associated with the freeze from operating cash without drawing balances down below target levels of 225 days of cash for BTU – City and 125 days of cash for BTU – Rural. BTU expects no changes to retail customer rates and no impact on other funds.

MAJOR INITIATIVES

During FY 2019, the Bryan City Council approved a major parks initiative for construction of a regional park and athletic complex, named the Travis Bryan Midtown Park. This regional park is located at the former Travis B. Bryan Municipal Golf Course and includes the existing Williamson Park and Astin Recreational Area. During FY 2020, the City of Bryan signed a ground lease agreement to bring BigShots Aggieland (“BigShots”) to the Travis Bryan Midtown Park. Construction for BigShots began in FY 2021 and officially opened in January 2022. The park also will include improved

CITY OF BRYAN TEXAS

baseball fields (“Travis Park Fields”) adjacent to Bombers Stadium along with an amphitheater, walking trails, and an indoor sports facility (“Legends Events Center”) that will host various sporting events and tournaments. Improvements and expansion activities of the existing lake continued during FY 2021 and will include water recreation/sports and walking trails. Additionally, construction of Midtown Park Boulevard traffic signals and construction of the indoor facility commenced during FY 2021. Total investment in the park is projected to be approximately \$100 million.

Texas A&M University and the Texas A&M University System are a major contributor to the economic growth and stability in the Brazos Valley. In March 2020, Texas A&M migrated to an online-only platform for the remainder of Spring and Summer classes due to the COVID-19 pandemic. Consequently, with the absence of the majority of local students, the local economy suffered significantly, particularly with decreased sales tax revenues. During the pandemic, all commencement ceremonies were performed virtually and all travel for university purposes was limited. Starting with the Fall 2020 semester, Texas A&M began to return to in-person class instruction. This initiative continued throughout the school year, leading to increased attendance at sporting events and other university events.

As a part of Aggieland, the Texas A&M System RELLIS campus calls Bryan home. The RELLIS campus initiative was established in 2016 to create new research and development opportunities to help companies move ideas from the laboratory to the marketplace, while offering a new path toward a college degree. The campus, located on approximately 2,000 acres, will initially include a cluster of seven new buildings and test beds to encourage the private sector to develop secure research facilities adjacent to the System’s site. The focus includes robotics, driverless and connected vehicles, advanced manufacturing, large-scale testing, as well as smart power grids and water systems. The RELLIS campus and the surrounding area were annexed by the City of Bryan during FY 2019. Construction on several buildings was completed during FY 2018 and FY 2019, and construction will continue for the next several years. During FY 2019, Texas A&M announced a partnership with the US Army Futures Command that includes a total investment of \$195 million by the State of Texas, Texas A&M University, and the US Army Futures Command. The focal point of this investment is the Bush Combat Development Complex on the RELLIS campus. The complex and associated programs will improve the speed of relevance for developing technology, closing the gap between concept and combat. In early 2021, RELLIS Campus Data and Research Center, LLC announced the lease of approximately 25 acres at the RELLIS Campus for the development and operation of an approximately 225,000 square foot data center with office and classroom facilities, with a value of up to \$200 million for phase 1 construction.

During the last several years, the City of Bryan has experienced significant growth on its west side as a result of major investments in economic development partnerships and infrastructure improvements. The established Traditions development and the growing BioCorridor development have seen growth centered on hospitality and wellness. The City’s partnership with Traditions Acquisition Partnership led to the completion of Traditions Club facilities, and now the establishment of the ATLAS Master Planned Development and Lake Walk Town Center, anchored by the Stella Hotel, a four-star boutique hotel and conference center that opened in March 2017. The construction of the Texas A&M Health Science Center in 2010 and the 2011 adoption of the Research Valley BioCorridor Interlocal Agreement between the cities of Bryan and College Station ultimately turned the international spotlight on Bryan and enhanced the value of real estate holdings and property values in the City. The total value of taxable property within the Traditions Tax Increment Reinvestment Zone 10 (TIRZ 10) now exceeds \$370 million.

Today, the Traditions, BioCorridor, and Lake Walk developments, including Lake Walk Town Center (formerly Atlas developments), are evolving rapidly with expanding club facilities, new phases of single family and high-density residential, hospitality, dining, shopping, wellness, and corporate offices. A few of these developments include the Stella Hotel, CHI St. Joseph MatureWell Lifestyle Center, Parc at Traditions senior living community, the iBio plant-based therapy and vaccine production facility, and the corporate campus for ViaSat. On November 24, 2020, BCD, through the existing Bryan/Traditions, L.P. Partnership, purchased the Lake Walk Innovation Center (the “Center”). The property, which includes a 27,000 square foot office building and eight acres of land, is marketed by Bryan/Traditions, L.P. partnership as a multi-company business campus. The Center focuses on attracting and nurturing startup and early stage

CITY OF BRYAN TEXAS

companies with the express purpose of growing them to the point where they can successfully operate on their own in the Brazos Valley.

In June 2012, Texas A&M received a contract to develop one of three U.S. Department of Health and Human Services National Centers for Innovation in Advanced Development and Manufacturing. Under the Centers for Innovation in Advanced Development and Manufacturing contract, Texas A&M University System is responsible for developing and procuring medical countermeasures to address the public health and medical consequences of chemical, biological, radiological, and nuclear incidents, pandemic influenza, and emerging infectious diseases. The \$285.6 million contract includes an initial investment of \$176.6 million from the U.S. government with the remaining cost shared by commercial and academic proposal partners. Located within the BioCorridor, the Pandemic Influenza Facility is now complete and began operations under FujiFilm Diosynth in FY 2017. The facility is instrumental in the production of vaccines that fight infectious diseases including the virus that causes COVID-19.

LONG-TERM FINANCIAL PLANNING

The City annually prepares a five-year financial forecast to ensure current revenue and spending commitments are sustainable. Although the City is recovering from the COVID-19 pandemic, the Bryan City Council and management continue to take measures to protect the financial health of the City. During FY 2020 and FY 2021, significant cost saving measures were taken in all departments to help prepare for the economic impacts of the pandemic. These cost-cutting measures allowed the City to remain financially strong through the pandemic. City Council and management are confident its operating flexibility, combined with an FY 2021 ending fund balance of 152 days of operating cash, will enable it to react as appropriate to maintain sound financial metrics.

In FY 2021, staff continued progress on the City Council approved five-year Capital Improvement Plan (“CIP”) that was adopted in FY 2021. This five year CIP is for long-term and short-term capital needs. Debt payments are structured so that capital assets funded by debt have a longer life than the debt associated with those assets. The City employs an objective, analytical approach to determine whether new debt can be assumed each year. The City Council adopts its CIP every other year. As such, an updated CIP is scheduled to be adopted in FY 2023.

On November 19, 2020, the City of Bryan issued general obligation pension bonds totaling \$54,700,000. The proceeds from the sale of the bonds are to be used to pay a portion of the City’s accrued unfunded pension liability with the Texas Municipal Retirement System (“TMRS”).

On June 24, 2021, the City of Bryan issued revenue bonds for the City electric system totaling \$15,700,000. The proceeds from the sale of the bonds are earmarked for the acquisition or construction of improvements, additions, or extensions to the system, including facilities for the generation, transmission, or distribution of electric power and energy, and capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the system.

On October 19, 2021, the City of Bryan issued revenue bonds for both the City electric and rural systems totaling \$86,470,000. The proceeds from the sale of the bonds are earmarked for the acquisition or construction of improvements, additions, or extensions to the systems, including facilities for the generation, transmission, or distribution of electric power and energy, and capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the systems.

RELEVANT FINANCIAL POLICIES

The City’s fund balance/operating reserve policies continue to be an important factor in planning decisions. The City Council has formally adopted City of Bryan Financial Management Policy Statements. These policy statements outline the specific reserve policies for all major funds based on fund risks. The policies state the City will maintain an operating

CITY OF BRYAN TEXAS

cash balance equal to at least 60 days of operating budget for the General Fund and most other funds, and at least 225 days of reserves in the City Electric Fund to be used for unanticipated emergencies. A copy of these policies can be found on the City's website at www.bryantx.gov/fiscal-services. The City Council also set a target operating cash balance of 100 days for the General Fund. The funds available through these policies will assist the City in avoiding cash flow interruptions, generate investment income, reduce the need for short term borrowing, and assist in maintaining an investment-grade debt rating.

The City of Bryan invests funds prudently and has adopted an investment policy that is reviewed annually by the City Council as prescribed by law. The City Council has appointed an Investment Committee charged with monitoring staff adherence to the investment policy and providing investment advice. Staff provides a quarterly report of investments for the Investment Committee to review. The City's investment practice is to buy securities and hold to maturity to avoid potential losses from a sale. During FY 2021, the City complied with all aspects of the investment policy.

AWARDS AND ACKNOWLEDGMENTS

In FY 2021, the Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for the FY 2020 Annual Comprehensive Financial Report. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized report. The report must satisfy both Generally Accepted Accounting Principles ("GAAP") and applicable legal requirements. City staff believes the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement requirements and it will be submitted to the GFOA to determine eligibility for another certificate. In FY 2021, the City also was awarded the Distinguished Budget Presentation Award from the GFOA for the FY 2021 budget document.

The preparation of this report is made possible by the dedicated services of the Fiscal Services Department staff and our independent auditor. We express sincere appreciation to all employees who contributed to its preparation. We also appreciate the leadership and support of the Mayor and City Council, without which this report would not be possible.

Respectfully submitted,



Kean Register
City Manager



William J. Smith
Chief Financial Officer



This page left blank intentionally.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bryan
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO



City of Bryan, Texas
City Officials

Elected Officials:

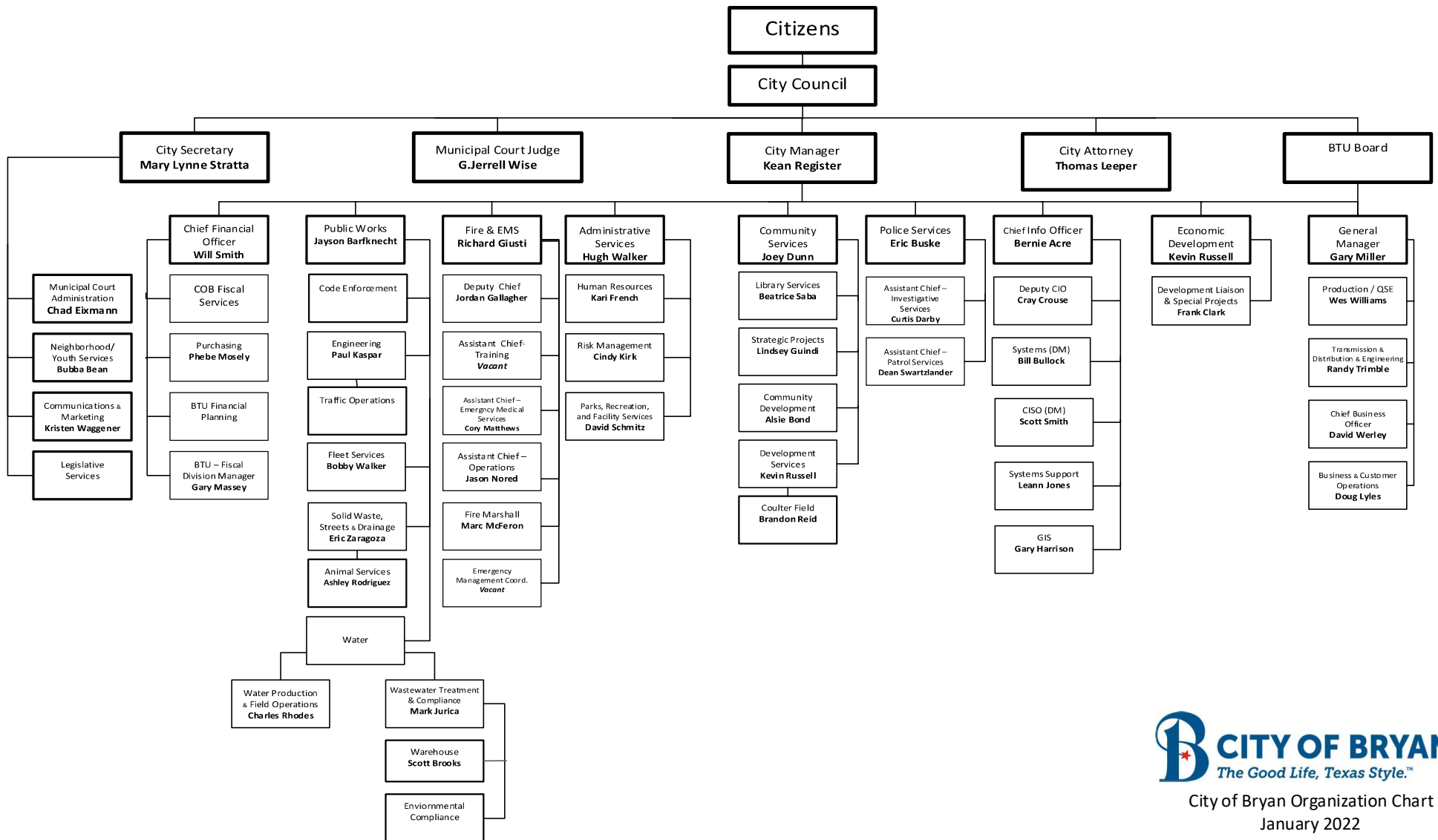
Mayor	Andrew Nelson	979-209-5008
Single Member District 1	Reuben Marin	979-209-5008
Single Member District 2	Prentiss Madison	979-209-5008
Single Member District 3	Bobby Gutierrez	979-209-5008
Single Member District 4	Vacant	979-209-5008
Single Member District 5	Brent Hairston	979-209-5008
At-Large	Buppy Simank	979-209-5008

Council Appointees:

City Manager	Kean Register	979-209-5100
City Secretary	Mary Lynne Stratta	979-209-5002
City Attorney	Thomas Leeper	979-209-5152
Municipal Court Judge	George Wise	979-209-5440
BTU Board		979-821-5750

Executive Management Team:

Deputy City Manager	Joey Dunn	979-209-5100
Deputy City Manager	Hugh R. Walker	979-209-5100
Chief Financial Officer	William J. Smith	979-209-5080
Chief Information Officer	Bernie Acre	979-209-5470
Development Services Director	Kevin Russell	979-209-5016
Public Works Director	Jayson Barfknecht	979-209-5929
Fire Chief	Rich Giusti	979-209-5971
Police Chief	Eric Busch	979-209-5387
BTU General Manager	Gary Miller	979-821-5750



City of Bryan Organization Chart
January 2022



This page left blank intentionally.

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Bryan, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bryan, Texas (the City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the City of Bryan, Texas and Brazos County Economic Development Foundation, Inc. (BBCEDF), a joint venture of the City, which represent 1 percent, 3 percent and 1 percent, respectively, of the assets, net position, and revenues of the governmental activities of the City. We did not audit the financial statements of Brazos Valley Solid Waste Management Agency, Inc. (BVSWMA), a joint venture of the City, and Destination Bryan, a blended component unit of the City, which represent 14 percent, 17 percent and 5 percent, respectively, of the assets, net position/fund balances, and revenues/additions of the aggregate remaining fund information of the City. We did not audit the financial statements of the Bryan Business Council, Inc. (BBC), a discretely presented component unit of the City, which represents 100 percent, 100 percent and 100 percent, respectively, of the assets, net position, and revenues of the discretely presented component unit of the City. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for equity in joint venture, the discretely presented component unit and the blended component unit, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

The financial statements of BBCEDF, a joint venture included in the financial statements of the governmental activities of the City, BVSWMMA, a joint venture and Destination Bryan, a blended component unit, included in the financial statements of the aggregate remaining fund information, and BBC, the component unit included in the financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bryan, Texas, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2021, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, and Governmental Accounting Standards Board Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of Governmental Accounting Standards Board Statements No. 14 and 84, and a supersession of GASB Statement No. 32*. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP Basis) and Actual and pension and other postemployment information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic

financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining individual fund statements and schedules, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated March 22, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Houston, Texas
March 22, 2022



This page left blank intentionally.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

As management of the City of Bryan, Texas (the "City"), we offer readers of the City's financial statements this narrative discussion and analysis of the financial activities of the City for the fiscal year ended September 30, 2021. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages viii-xii of this report.

Financial Highlights

Government-wide financial statements

- assets exceed liabilities by \$776,282,899 (net position).
- unrestricted net position was \$252,033,697; these funds may be used to meet ongoing obligations to citizens and creditors.
- total net position increased by \$53,996,966 due to operations during FY 2021; see discussion below in the "Government-wide Financial Analysis" section for details on the increase in net position.
- Deferred outflows include amounts related to pensions, other post-employment benefits, and unamortized loss on refunded debt. Deferred outflows decreased by \$4,650,647, or 34.6%, due to changes in pensions as described throughout this document.
- Deferred inflows include amounts related to pensions, other post-employment benefits, accumulated increase in fair value of hedging derivatives, and deferred regulatory liability. Deferred inflows increased by \$2,350,077, or 8.1%, due to increases in accumulated increase in fair value of hedging derivatives, and deferred regulatory liability.
- total debt, net of premiums and discounts, increased by \$141,010,606 or 30.2% (see note 5 on page 70 of this document for more information).
 - \$54,700,000 in general obligation refunding bonds were issued in FY 2021 to fund the unfunded portion of the pension liability.
 - \$82,495,000 in revenue bonds were issued for the City Electric System in FY 2021. The proceeds from the sale of these bonds are restricted to the acquisition or construction of improvements, additions, or extensions to the City Electric System's Transmission System and the capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the City Electric System.
 - \$19,675,000 in revenue bonds were issued for the Rural Electric System in FY 2021. The proceeds from the sale of these bonds are restricted to the acquisition or construction of improvements, additions, or extensions of the Rural Electric System.
 - \$27,821,857 in net outstanding debt was retired during FY 2021. See note 5 on page 70 of this document for more information.
 - \$30,510,000 of outstanding debt (principal) is due within one year as of September 30, 2021.

Fund Financial Statements

- Total Governmental Funds reported combined ending fund balances of \$146,493,048.
 - Governmental fund balances decreased in FY 2021 compared to FY 2020 by \$6,493,191.
 - The General Fund fund balance increased by \$4,725,219. See general fund highlights below on page 15.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

- The Debt Service Fund fund balance increased by \$19,486,874 primarily due to the interfund advance that was established for pension liabilities in other funds.
- Other governmental funds balances of \$73,894,703 decreased by \$30,705,284 from the prior year. The change reflects the spending of bond proceeds in the capital projects funds.
- The unassigned fund balance of \$37,297,064, or 25.5%, is available for spending at the City's discretion for ongoing expenditures.
- General Fund unassigned fund balance was \$37,335,487, or 48.5% of total general fund expenditures during FY 2021. This represents 152 days of cash based on the FY 2022 budgeted expenditures. Combined with the amounts assigned for encumbrances, the General Fund fund balance available for operations is \$40,721,610 representing 166 days of cash at September 30, 2021.

Overview of the Financial Statements

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

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

The Statement of Net Position presents all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve, to some extent, as an indicator of whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement may be for items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities describe services provided by the City and include general government, development services, public works (streets and drainage), public safety, cultural and recreational (parks and recreation, library service and other community service activities) and interest on long-term debt. The business-type activities of the City include electric generation, distribution and transmission, water supply and distribution, wastewater collection and treatment, solid waste collection, a general purpose airport, and Bryan Commerce and Development, the city's economic development activities.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

The government-wide financial statements include not only the City itself (known as the "primary government"), but also Bryan Business Council, Inc., a legally separate economic development corporation, for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

Bryan Texas Utilities' qualified scheduling entity (BTU QSE Services, Inc.), Destination Bryan, and Bryan Commerce and Development, Inc. are also legally separate functions, but for all practical purposes operate as departments of the City of Bryan, and therefore have been included as an integral part of the primary government. For reporting purposes, BTU QSE Services, Inc. is combined with the City Electric System. Included in Note 1 of the financial statements are the Condensed Statement of Net Position and Condensed Statement of Revenues, Expenses, and Changes in Net Position for BTU QSE Services, Inc.

The government-wide financial statements can be found on pages 24-26 of this report.

Fund Financial Statements. The fund financial statements are prepared on the basis of funds. A fund is a self balancing grouping of related accounts that is used to report and maintain control over resources that have been segregated for specific activities or objectives. The City of Bryan, like other state and local governments, uses fund accounting to demonstrate and ensure compliance with finance-related legal and local policy requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial activities. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City currently maintains thirty (33) individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the Debt Service Fund, both of which are considered to be major funds (2). Data from eighteen (18) special revenue funds, four (4) capital project funds, and nine (9) permanent funds have been combined into one single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the Supplementary section of this report.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

The City of Bryan adopts an annual appropriation budget for its General Fund, Debt Service Fund and special revenue funds. Individual fund budgetary comparison schedules are provided in the Required Supplementary and the Supplementary sections of this report (starting on page 113).

The basic governmental fund financial statements can be found on pages 28-31 of this report.

Proprietary Funds. The City maintains two (2) different types of proprietary funds, enterprise funds and internal service funds, and adopts an annual appropriation budget for each. The City's ten (10) proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses seven (7) enterprise funds to account for its city electric, rural electric, water, wastewater, solid waste, economic development corporation and airport. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses three (3) internal service funds to account for its warehouse operations, self-insurance operations and employee benefits activities.

Proprietary funds provide the same types of information as the government-wide financial statements. The proprietary fund financial statements provide separate information in the Proprietary Fund Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows for the city electric, rural electric, water and wastewater systems, all of which are considered major funds of the City. Data from three (3) non-major enterprise funds have been combined into one single, aggregated presentation in the proprietary fund financial statements. All internal service funds are also combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the aggregated proprietary funds and the internal service funds is provided in the form of combining statements in the Supplementary section of this report (starting on page 119).

The basic proprietary fund financial statements can be found on pages 32-37 of this report.

Fiduciary Funds. The City maintains two (2) fiduciary funds, the other post-employment benefits trust fund ("OPEB Trust Fund") and the custodial funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 39-41 of this report.

Notes to the Financial Statements. The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43-111 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and retiree health benefits to its employees. This presentation of the City's pension liability is based on the adoption of GASB 68, *Accounting and Financial Reporting for Pensions*. The City's other post-employment benefits ("OPEB") liability is based on the adoption of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions (OPEB)*. Ultimately

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

ten (10) years of data for both the pension liability and the OPEB liability will be displayed in the Required Supplementary section of this report. Also included in the Required Supplementary section is a budgetary comparison schedule for the General Fund to demonstrate compliance with the budget. Required supplementary information can be found on pages 113-118 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented following the required supplementary information. Combining and individual statements and schedules can be found on pages 123-158 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$776,282,899 as of September 30, 2021.

The largest portion of the City's net position, \$457,169,215, or 58.9%, reflects its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure, and improvements), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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. An additional portion of the City's net position, \$67,079,987, or 8.6%, represents resources that are subject to external restrictions on their usage. The remaining balance of unrestricted net position, \$252,033,697, or 32.5%, may be used to meet the government's ongoing obligations to citizens and creditors. At the end of FY 2021, the City of Bryan was able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 179,062,496	\$ 179,261,526	\$ 330,320,804	\$ 282,991,065	\$ 509,383,300	\$ 462,252,591
Capital assets	228,029,240	197,943,261	749,714,730	690,381,728	977,743,970	888,324,989
Total assets	<u>407,091,736</u>	<u>377,204,787</u>	<u>1,080,035,534</u>	<u>973,372,793</u>	<u>1,487,127,270</u>	<u>1,350,577,580</u>
Deferred outflows	<u>8,888,879</u>	<u>8,398,687</u>	<u>5,299,960</u>	<u>5,026,524</u>	<u>14,188,839</u>	<u>13,425,211</u>
Non-current liabilities	174,240,343	178,658,848	425,086,483	347,411,572	599,326,826	526,070,420
Other liabilities	40,525,090	23,887,295	53,732,738	62,660,664	94,257,828	86,547,960
Total liabilities	<u>214,765,433</u>	<u>202,546,143</u>	<u>478,819,221</u>	<u>410,072,236</u>	<u>693,584,654</u>	<u>612,618,380</u>
Deferred inflows	<u>6,697,374</u>	<u>7,195,756</u>	<u>24,751,182</u>	<u>21,902,723</u>	<u>31,448,556</u>	<u>29,098,479</u>
Net position:						
Net investment in						
capital assets	137,153,990	108,129,853	320,015,225	371,885,626	457,169,215	480,015,479
Restricted	26,640,847	21,514,186	40,439,140	33,508,196	67,079,987	55,022,382
Unrestricted	30,722,971	46,217,536	221,310,726	141,030,536	252,033,697	187,248,072
Total net position	<u>\$ 194,517,808</u>	<u>\$ 175,861,575</u>	<u>\$ 581,765,091</u>	<u>\$ 546,424,358</u>	<u>\$ 776,282,899</u>	<u>\$ 722,285,933</u>

City of Bryan, Texas

Management's Discussion and Analysis

For the Fiscal Year Ended September 30, 2021

The \$53,996,966, or 7.5%, increase to \$776,282,899 in total net position is due to increases in both governmental activities and business-type activities.

The net position of business type activities increased \$35,340,733 due primarily to the excess of operating revenues over expenses in the City Electric, Rural Electric, Water, Wastewater, and Solid Waste funds.

Net investment in capital assets for both governmental and business type activities decreased by \$22,846,264 at September 30, 2021.

Unrestricted net position for governmental activities decreased by \$15,494,565 to \$30,722,971 during FY 2021. This decrease was mainly due to operations as discussed below. Unrestricted net position of business-type activities increased by \$80,280,190 to \$221,310,726. This increase was due to operational surpluses in the enterprise funds.

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 7,018,000	\$ 8,947,994	\$ 446,757,865	\$ 270,255,549	\$ 453,775,865	\$ 279,203,543
Operating grants and contributions	4,020,453	7,671,725	-	-	4,020,453	7,671,725
Capital grants and contributions	7,740,216	14,726,449	4,345,773	7,962,431	12,085,989	22,688,880
General revenues:						
Property taxes	41,610,800	39,370,526	-	-	41,610,800	39,370,526
Other taxes	29,339,656	27,934,752	-	-	29,339,656	27,934,752
Other	16,096,136	11,283,132	3,448,337	6,417,259	19,544,473	17,700,391
Total revenues	105,825,261	109,934,578	454,551,975	284,635,240	560,377,235	394,569,818
Expenses:						
General Government	17,129,907	16,179,781	-	-	17,129,907	16,179,781
Development Services	6,746,206	6,438,717	-	-	6,746,206	6,438,717
Public Works Services	13,186,070	12,867,878	-	-	13,186,070	12,867,878
Public Safety	45,774,029	46,256,622	-	-	45,774,029	46,256,622
Cultural and Recreational	10,779,452	10,833,728	-	-	10,779,452	10,833,728
Interest on long-term debt	5,689,781	2,816,111	-	-	5,689,781	2,816,111
City Electric	-	-	327,503,769	142,043,711	327,503,769	142,043,711
Rural Electric	-	-	47,333,876	36,280,420	47,333,876	36,280,420
Water	-	-	11,250,194	10,761,384	11,250,194	10,761,384
Wastewater	-	-	12,127,118	11,469,226	12,127,118	11,469,226
Solid Waste	-	-	6,670,610	6,760,860	6,670,610	6,760,860
Other	-	-	2,189,258	992,792	2,189,258	992,792
Total expenses	99,305,445	95,392,837	407,074,825	208,308,393	506,380,270	303,701,230
Increase in net position before transfers	6,519,816	14,541,741	47,477,150	76,326,847	53,996,966	90,868,588
Net Transfers	12,136,417	34,859,304	(12,136,417)	(34,859,304)	-	-
Increase in net position	18,656,233	49,401,045	35,340,733	41,467,543	53,996,966	90,868,588
Net position - October 1	175,861,575	126,460,530	546,424,358	504,956,815	722,285,933	631,417,345
Net position - September 30	\$ 194,517,808	\$ 175,861,575	\$ 581,765,091	\$ 546,424,358	\$ 776,282,899	\$ 722,285,933

Governmental Activities. Total governmental activities revenues decreased in FY 2021 from FY 2020 by \$4,109,317, or 3.7%, to \$105,825,261. Several factors contributed to this decrease in FY 2021. Capital grants and contributions decreased by \$6,986,233, or 47.4%, due to a decrease in capital contributions from multiple development projects. Operating grants and contributions decreased by \$3,651,272, or 47.6%, primarily due to the Coronavirus Relief Grant. Property tax revenues increased by \$2,240,274, or 5.7%. During FY 2021, other revenues (including transportation and drainage assessments, investment

City of Bryan, Texas

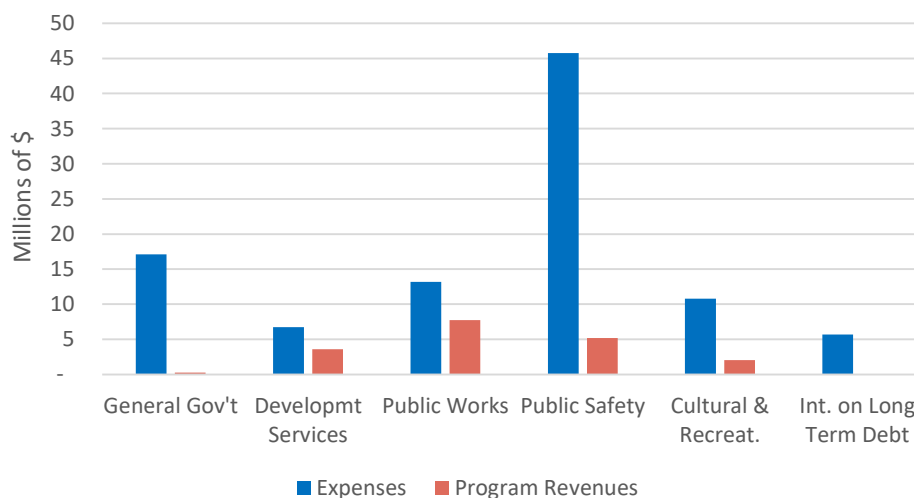
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

earnings, and miscellaneous items) increased in total by \$4,813,004, or 42.7%, which includes the new blended component unit, Destination Bryan, revenues of \$206,296.

The government-wide presentation of expenses consolidates all revenues and expenses on a basis similar to a private business. This presentation removes capital spending and principal payments on debt (see note 4 for capital assets of the governmental activities and note 5 for long term debt) and allocates expenses of internal service activities to all related parties. Governmental activities expenses increased in FY 2021 compared to FY 2020 by \$3,912,608 to \$99,305,445. The major changes in this category were:

- Overall, due to the effects of COVID-19 the City took conservative cost cutting measures to prepare for uncertainties in FY 2020. The City established a hiring freeze for a portion of FY 2020 but was lifted at the beginning of FY 2021. Due to limited activities and closures, the need for temporary staff was reduced in FY 2020. Overall, personnel costs for the City have increased in FY 2021 as the City reinstated pre-COVID activities.
- Interest on long-term debt increased \$2,873,670, or 102.0% with the 2020 Certificate of Obligation Bonds and the first payment of interest on the 2020 General Obligation Pension Bonds.
- General Government expenses increased by \$950,126, or 5.9%. This increase was due to the addition of the blended component unit of Destination Bryan with expenses of \$1,017,873.
- Cultural and recreational expenses decreased \$54,276, or 0.5%, in FY 2021 compared to FY 2020. This decrease was primarily due to closures related to COVID-19.
- Public works and Development Services expenses increased \$318,192, or 2.5%, and \$307,489, or 4.8%, respectively. This increase is also due to the reinstatement of activities that were suspended in FY 2020 due to COVID-19.
- Public Safety expenses decreased by \$482,593, or 1.0% primarily due to decreases in police and fire capital purchases.

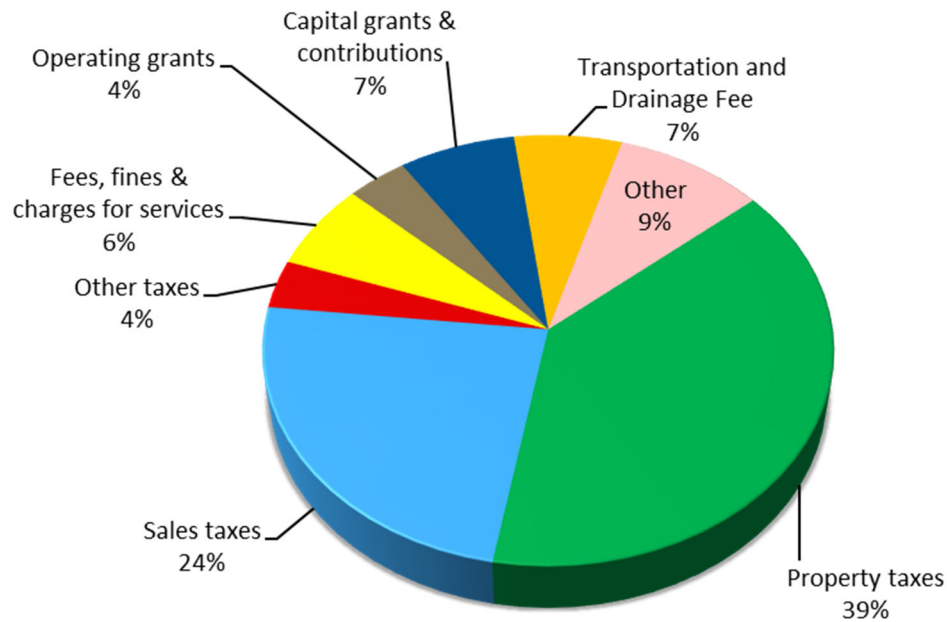
Expenses and Program Revenues - Governmental Activities



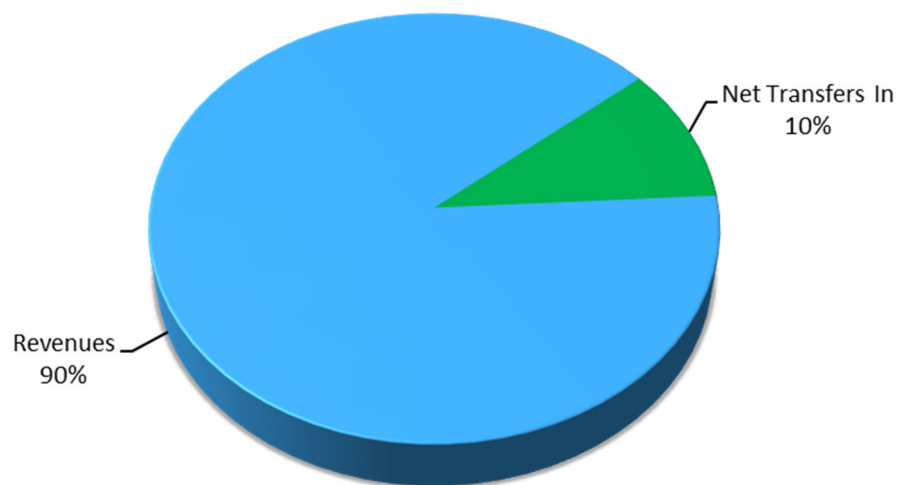
City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Revenues by Source - Governmental Activities



All Governmental Resources



City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

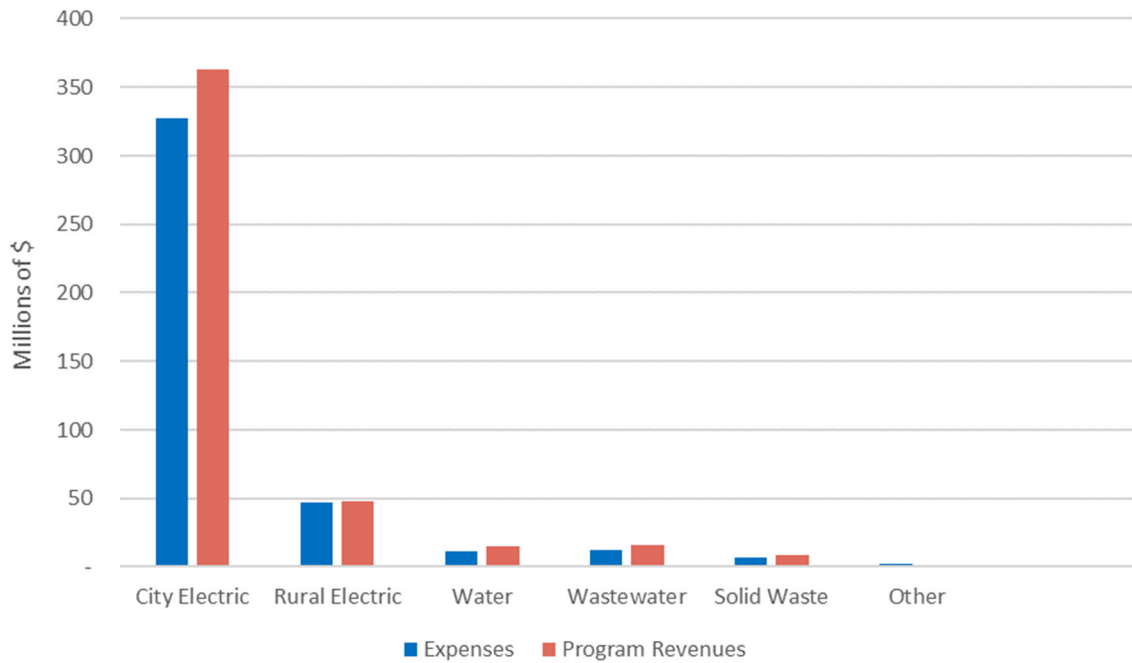
Business-type Activities. Business-type activities net position increased by \$35,340,733, or 6.5%, to \$581,765,091 in FY 2021. Charges for services for business-type activities increased by \$176,502,316, or 65.3%, to \$446,757,865, and expenses increased \$198,766,432, or 95.4%, to \$407,074,825. Key elements of the variances are as follows:

- Ending net position for the city electric system was \$279,895,330, of which \$170,883,867 was available to meet ongoing obligations. City electric system charges for services increased by \$176,770,854, or 95.1%. This increase in revenue was driven by increased off-system fuel revenue and expenses for the city electric system which increased by \$185,460,058, or 130.6%, in FY 2021 primarily due to higher fuel and purchased power costs as a result of the 2021 Winter Storm Event (see note 1).
- The ending net position for the rural electric system was \$79,891,014, of which \$31,319,984 is available for ongoing obligations. Rural electric system charges for services increased by \$2,156,906, or 4.7%, mostly due to higher fuel and regulatory rate charges to customers. Rural electric expenses increased by \$11,053,456, or 30.5% due largely to higher fuel and purchased power costs as a result of the 2021 Winter Storm Event (see note 1).
- Water system ending net position for FY 2021 was \$84,157,960. The unrestricted portion of this net position was \$8,209,772. Water system charges for services decreased \$1,196,705, or 8.3%, in FY 2021 to \$13,252,956 primarily due to dryer than expected weather in the fall and spring of FY 2021. Water system expenses increased by \$488,810, or 4.5%, in FY 2021.
- FY 2021 ending net position for the wastewater system was \$89,005,263, of which \$6,358,374 was unrestricted. Wastewater system charges for services increased by \$238,935, or 1.8%. Expenses for FY 2021 were \$12,127,118, an increase from FY 2020 of \$657,892, or 5.7%.
- Solid Waste ending net position for FY 2021 was \$30,662,214. The unrestricted portion of this net position was \$4,986,635. Solid Waste charges for services slightly increased by \$51,261, or 0.6%, in FY 2021 to \$8,375,518. Solid Waste expenses decreased by \$90,250, or 1.3%, in FY 2021.
- Other business-type activities, considered non-major business-type activities, include a general aviation airport and Bryan Commerce and Development, Inc. ("BCD"). Charges for services and revenues for other business-type activities decreased by \$1,518,936, or 64.5%, to \$9,211,488 for FY 2021. See note 1 on page 43 for more information on BCD.

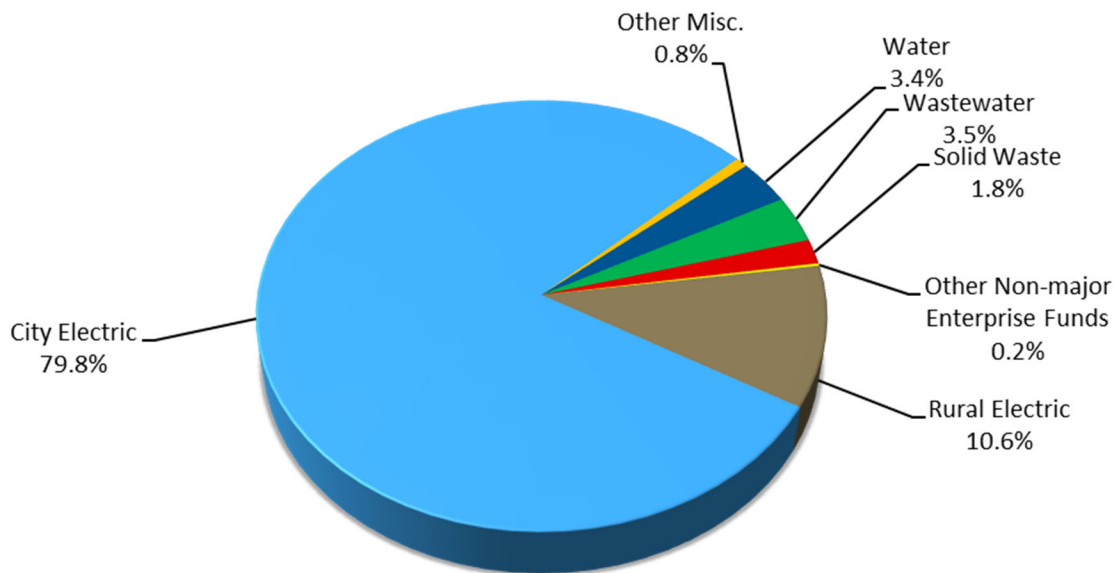
City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Expenses and Program Revenues - Business Type Activities



Revenues by Source - Business-Type Activities



City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Financial Analysis of the City's Funds

As noted earlier, the City of Bryan uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements can be found starting on page 28 of this report.

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

General Fund. The General Fund is the primary governmental fund of the City of Bryan. The fund balance of the General Fund increased by \$4,725,219, or 10.2% to \$50,937,189, during FY 2021 compared to an increase of \$13,148,113 in FY 2020. Revenues of the fund decreased \$1,107,802 and expenditures increased by \$3,892,218 or 5.3%, during FY 2021. Expenditures were in excess of revenues by \$12,315,831. FY 2021 net transfers totaled \$16,935,583. More detailed General Fund budgetary highlights are discussed below under the "General Fund Budgetary Highlights" section. Some items to note in the General Fund are:

- Property tax revenues to the General Fund increased by \$358,231, or 1.4%, to \$26,324,055 due to new properties and an increase in property values on existing property. Partially offsetting the increase in revenues was the increase in requirements for debt service in the Debt Service Fund from FY 2020 to FY 2021 which resulted in a lower proportion of the tax rate to be allocated to the General Fund.
- Sales tax revenues increased by \$1,011,751, or 4.1%, due to continued increases in retail and general services. This increase was offset by decreases during FY 2021 in wholesale, food and services, manufacturing, and professional services.
- Charges for services decreased \$2,241,117, or 34.0% due to a decrease in recreational charges with the separation of the Phillips Event Center activity into the Phillips Event Center Fund.
- Public safety non-capital expenditures increased in FY 2021 by \$4,978,426, or 12.9%. This was mainly due to salaries that were funded by the Coronavirus Relief Grant and were transferred to the Grant Fund in FY 2020.
- Capital outlay decreased in FY 2021 by \$3,232,545, or 60.3%, primarily due to the completion of several parks projects in FY 2020.
- Cultural and recreational expenses decreased by \$788,937, or 10.3%, primarily due to the separation of the Phillips Event Center and Golf Course moving to a Special Revenue Fund.
- General governmental and administration expenditures increased \$2,707,203, or 13.4%, in FY 2021.

Debt Service Fund. The Debt Service Fund ended the FY 2021 with a total fund balance of \$21,661,156 compared to \$2,174,282 at the end of FY 2020. This increase is due to the interfund advance related to pensions at the fund level. This interfund balance is eliminated in the government wide statements. Of this fund balance, \$21,661,156 is restricted for the payment of debt. Tax revenues in the Debt Service Fund increased by \$1,682,418, or 20.0%, to \$10,081,895. Debt service payments from the fund totaled \$14,139,465. Debt issuance costs for FY 2021 were \$192,500. Debt service is additionally supported by transfers from other funds of \$2,698,300.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Other Governmental Funds. The Other Governmental Funds include the Special Revenue Funds, Capital Project Funds, and Permanent Funds. The total fund balance in Other Governmental Funds decreased in FY 2021 by \$30,705,284 compared to FY 2020 to \$73,894,703. This is primarily due to the capital outlay expenditures in the capital projects fund of \$28,303,472.

Special Revenue Funds. The City's special revenue funds include the Grant Fund, Community Development Fund, Hotel and Motel Tax Fund, the Oil and Gas Fund, the Capital Reserve Fund, the Midtown Park Operations Fund, the Midtown Park Construction Fund, , Phillips Event Center Fund, Queen and Palace Theatre Fund, the Sidewalks Fund, the Court Technology Fund, Tax Increment Reinvestment Zones (TIRZ), two special assessment funds (Street Improvement and Drainage Improvement Funds) and Destination Bryan. The fund balances in the special revenue funds decreased by \$2,579,168, or 7.0%, in FY 2021.

- The Grant Fund is used to account for the receipt and expenditures of grants awarded to the City. Revenues for the fund were \$574,661 and total expenditures were \$541,459 spent on the various grant related activities primarily related to public safety.
- The Community Development Fund provides programs and services to low and moderate income persons. Revenues for the fund were \$2,354,598 and were primarily from grants. Total expenditures of \$2,347,169 were spent on the various housing programs funded by state, local, and federal grants.
- Hotel Tax Revenues, including interest income, for FY 2021 were \$1,396,597. Expenditures total \$430,884. These funds primarily go to fund outside agencies who promote the hotel and tourism industries in Bryan, TX and the surrounding area including the city of College Station, TX.
- The Oil and Gas fund was established to account for revenues associated with oil and gas property taxes and lease and royalty payments to the City. Revenues for FY 2021 were \$381,522 made up primarily of property tax revenues and royalty payments. The ending fund balance for FY 2021 was \$875,507. There were no expenditures in this fund during FY 2021.
- The Capital Reserve fund was established to account for one-time revenues, specifically land sales in the Traditions development. These one-time revenues should be used for one-time expenditures per the establishing ordinance. During FY 2021 there were no transfers in for land sales. Revenues from investment earnings were (\$4,291) due to variances in estimated and actual interest earned. Transfers out for FY 2021 totaled \$4,075,000 for funding one-time projects including a transfer of \$3,500,000 to the BCD Fund for land purchases and a transfer of \$575,000 was transferred to the Debt Service Fund to fund the first interest payment of the Pension Obligation Bonds for governmental activities. There were no other expenditures in FY 2021. Total ending fund balance for FY 2021 is \$1,232,867.
- The Midtown Park Operations Fund was established to account for revenues and expenditures for operations at the City's Midtown Park. Revenues from investment earnings for FY 2021 totaled \$3,761 and expenditures of \$303,561. Total ending fund balance for FY 2021 is \$2,535,467.
- The Midtown Park Construction Fund was established to account for cash funded capital projects. Revenues for investment earnings totaled \$20,031 for FY 2021. Total expenditures for capital projects were \$6,601. Total ending fund balance for FY 2021 is \$12,489,532.
- The Phillips Event Center Fund was established to account for PEC facilities and golf course activities. Revenues totaled \$1,496,559 for FY 2021. Total expenditures were \$2,147,051.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Transfers in from the General Fund to fund operations totaled \$721,822. Total ending fund balance for FY 2021 is \$71,330.

- The Queen and Palace Theaters Fund was established to account for theater activities at both venues. Revenues totaled \$35,000 for FY 2021. Total expenditures were \$102,998. Transfers in from the General Fund to fund operations totaled \$154,788. Total ending fund balance for FY 2021 is \$86,790.
- The Street Improvement Fund revenues totaled \$6,161,284 and expenditures totaled \$4,307,426 on street maintenance and capital projects. The ending fund balance for FY 2021 was \$9,945,050, which is an increase from FY 2020 of \$1,647,247. Fund balance in this fund is committed for street improvement projects.
- The Drainage Improvement Fund revenues totaled \$1,026,597 and expenditures totaled \$1,927,763 in FY 2021 on drainage projects throughout the City. Ending fund balance was \$923,707, which is committed or encumbered for drainage projects.
- Destination Bryan, a new blended component unit, revenues totaled \$206,296 and expenditures totaled \$1,078,123 on destination marketing and promotions. Total ending fund balance for FY 2021 is \$139,772.

Capital Projects Funds. There were no new capital projects funds established in FY 2021. The total expenditures from Capital Projects Funds for FY 2021 were \$28,303,472. The fund balance in the Capital Project Funds is \$38,490,807, a decrease of \$28,253,097 from FY 2020. The fund balance is restricted or encumbered for capital projects.

Permanent Funds. Expenditures from the permanent funds come from spendable revenue generated by non-spendable donations in the form of interest earnings. In FY 2021 there were expenditures of (\$998) from the permanent funds due to a release of retainage back to the City. The fund balance increased by \$126,981 to \$1,388,613 due to contributions of \$123,675 and investment earnings of \$2,308. Non-spendable ending fund balances totaled \$1,296,303 for FY 2021. Spendable ending fund balances restricted for cemeteries was \$87,626 and spendable ending fund balances for libraries was \$4,684. These spendable fund balances are restricted to their stated purposes.

Proprietary Funds. The City of Bryan's Proprietary Funds are used to track the enterprise and internal service activities of the City. Detailed information regarding these activities is captured in the Business-Type activities in the Government Wide financial statements and is discussed above.

General Fund Budgetary Highlights

General Fund revenues are mainly derived from taxes, charges for services, fines, and grants. Other miscellaneous, non-operating revenues are derived from items such as one time sales of capital assets and other items. The General Fund budget to actual comparison can be found on pages 117-118. Property taxes in the General Fund are derived from the maintenance and operations portion of the tax rate ("M&O rate"). The M&O rate in effect during FY 2021 was \$0.454001 per \$100 of valuation. The adopted tax rate for FY 2021 was \$0.6290 per \$100 of valuation. The remainder of the tax rate is used to fund the City's debt service and is called the interest and sinking fund rate ("I&S rate"). The I&S rate for FY 2021 was \$0.174999 per \$100 of valuation.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Total General Fund revenues for FY 2021 were \$64,702,484 and were \$2,958,421, or 4.8%, over budget and \$1,107,802, or 1.7%, less than revenues in FY 2020. Tax revenues for the General Fund include property tax, sales tax, franchise tax, bingo tax, and alcoholic beverage tax. General Fund tax revenues were 83.9% of total General Fund revenues in FY 2021 and totaled \$54,270,342. Items to note regarding General Fund tax revenues for FY 2021 are:

- FY 2021 General Fund property tax revenues were \$26,324,055 and \$140,808, or 0.5%, over budget. Property tax revenues for FY 2021 were \$358,231, or 1.4%, above FY 2020 totals.
- Sales taxes were \$25,477,704 and \$2,937,704, or 13.0%, above budget in FY 2021. Compared to FY 2020 revenues, FY 2021 sales taxes were up by \$1,011,751, or 4.1%.

Charges for services in the General Fund include ambulance charges, recreational charges, health and public safety fees, and other miscellaneous charges. Charges for services make up 6.7% of General Fund total revenues in FY 2021. Some notable items in this category are:

- Ambulance charges in FY 2021 were \$1,656,907 and \$587,093, or 26.2%, under budget due to a year-end adjustment for uncollectible accounts.
- Revenues for recreational activities were \$825,542 and \$676,458, or 45.0%, under budget in FY 2021 primarily due to the separation of the PEC fund to a special revenue fund.
- Health and public safety revenues were \$1,626,642 and \$253,402, or 18.5%, over budget for FY 2021 primarily due to conservative budgeted amounts for County EMS and Bryan I.S.D. police contracts.

Other categories of note for General Fund revenues include fines and court charges, licenses and permits, grants, investment earnings, and other revenues. Items to note in these categories are as follows:

- Fines and court charges of \$1,256,660 were \$272,340, or 17.8%, under budget in FY 2021 and below FY 2020 total by \$41,941, or 3.2%, due to a decline in citations early in the fiscal year as well as a decline in revenue per citation issued.
- Licenses and permit revenues for FY 2021 were \$1,382,111 and were \$710,707, or 105.9%, over budget. Totals for this category in FY 2021 were \$352,319, or 34.2%, above FY 2020 totals. Residential and commercial permits increased during FY 2021 compared to FY 2020 as construction increases.
- Other revenues of \$1,980,693 were \$391,108, or 24.6%, over budget during FY 2021 and were \$321,651, or 14.0%, below FY 2020 revenues. Other revenues were conservatively budgeted due to the ongoing effects of COVID-19. The budget variance is primarily due to auction sales and police department revenues for restitution and seized property funds. The decrease is primarily due to the Texas Ambulance Supplemental Payment Program payment that significantly decreased from FY 2020 due to changes in the program.

Total General Fund operating expenditures are broken down into major categories in the accompanying required supplementary section of the report beginning on page 113. General fund activities are broken down into the following main categories:

City of Bryan, Texas

Management's Discussion and Analysis For the Fiscal Year Ended September 30, 2021

- General Government and Administrative – This category includes Executive, City Secretary, Legal Services, Fiscal Services, Information Technology, Human Resources, and other administrative departments that serve the City.
- Development Services – This category includes Planning, Engineering, Building, and Special Projects.
- Public Works Services – Includes Drainage and Streets and Traffic Operations.
- Public Safety – Police, Fire and EMS, the Municipal Court, and the City of Bryan Animal Center/Control are included in this category.
- Cultural and Recreational – Includes the golf course, parks and recreation services, and the libraries.
- Other General Fund activities include capital expenditures, administrative reimbursements, and transfers in and out.

General Fund expenditures, including capital purchases, for the year totaled \$77,018,315 and were \$2,890,609, or 3.6%, under budget. Compared to FY 2020, expenditures increased by \$3,892,218, or 5.3%, during FY 2021. Increases in General Fund spending vs. FY 2020 were attributable to the cost cutting measures the City implemented in response to COVID-19 during FY 2020 that resumed in FY 2021.

Total general government and administrative expenditures were \$22,909,554 and were \$956,364, or 4.0%, under budget for FY 2021. This category makes up 29.7% of total FY 2021 General Fund expenditures. Some notable budget variances in this category are as follows:

- Payments to other agencies were under budget by \$447,651, or 7.0%, due to unearned development and economic development incentives.
- Information technology expenditures were over budget by \$111,245, or 1.7%, primarily due to increases in contract prices year over year.

Development services finished FY 2021 below budget by \$77,631, or 1.8%. Expenditure totals in this category were \$4,289,061 and made up 5.6% of total General Fund expenditures for FY 2021. Notable budget variances in this category include engineering which was \$117,687, or 7.4%, under budget for FY 2021. This variance is primarily due to the timing of contractual services associated with capital projects. Planning was over budget by \$109,749, or 5.3%, due to timing of contractual services related to building demolitions.

Public Works services total expenditures for FY 2021 were \$3,548,004 and made up 4.6% of total General Fund expenditures for the year. Overall Public Works was \$315,058, or 8.2%, under budget due to timing of projects.

Public Safety expenditures for FY 2021 were \$43,443,049 and were \$871,970, or 2.0% under budget for the year. Compared to FY 2020, expenditures were \$4,978,426, or 12.9% higher primarily due to the Coronavirus Relief Funds that were used to pay for public safety expenditures in the Grant Fund in FY 2020. Public safety accounts for 56.4% of all General Fund expenditures in FY 2021.

Cultural and recreational services expenditures for FY 2021 total \$6,877,350 and were \$1,667,160, or 19.5%, under budget for the year. Expenditures in this category were \$788,937, or 10.3% below FY 2020

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

spending levels. This decrease is due primarily to the separation of the PEC Fund into a special revenue fund in FY 2021.

Capital expenditures for the General Fund were \$2,125,375 and were \$997,574, or 88.5%, over budget for FY 2021. This budget variance was due to the timing of capital projects that rolled over from FY 2020.

Capital Asset and Debt Administration

Capital Assets. The City of Bryan's capital assets for its governmental and business-type activities as of September 30, 2021 was \$977,743,970 (net of accumulated depreciation), an increase of \$89,418,981, or 10.1%. This investment in capital assets includes land, park facilities, buildings and system improvements, machinery and equipment, street and drainage systems, and construction in progress.

Capital Assets for FY 2021 included the following:

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 14,061,741	\$ 14,037,883	\$ 27,593,900	\$ 23,259,342	\$ 41,655,641	\$ 37,297,225
Intangibles	41,840	-	-	-	41,840	-
Buildings	27,063,518	27,444,116	20,982,509	17,466,821	48,046,027	44,910,937
Equipment	9,466,838	10,531,783	5,226,621	4,994,089	14,693,459	15,525,872
Improvements	16,724,912	15,292,704	588,351,005	582,720,009	605,075,917	598,012,713
Infrastructure	117,616,218	110,824,725	-	-	117,616,218	110,824,725
Construction in Progress	43,054,173	19,812,050	106,371,247	61,204,913	149,425,420	81,016,963
Retirement in Progress	-	-	1,189,448	736,554	1,189,448	736,554
Total	<u>\$ 228,029,240</u>	<u>\$ 197,943,261</u>	<u>\$ 749,714,730</u>	<u>\$ 690,381,728</u>	<u>\$ 977,743,970</u>	<u>\$ 888,324,989</u>

*Note: Net of accumulated depreciation. See Note 4.

Additional information on the City's capital assets can be found in note 4 to the financial statements on pages 68-69 of this report.

Long-term Debt. At the end of FY 2021, the City of Bryan had total debt, net of premiums and discounts, outstanding of \$607,355,586. Of this amount, \$226,237,780 (general obligation bonds and certificates of obligation net of premiums and discounts) comprises debt backed by the full faith and credit of the City. The remainder of the City's debt is secured by specified revenue sources (revenue bonds).

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bond	\$ 88,954,328	\$ 41,095,826	\$ 6,810,672	\$ 8,284,174	\$ 95,765,000	\$ 49,380,000
Revenue bonds	-	-	344,420,000	256,165,000	344,420,000	256,165,000
Certificates of obligation	92,815,000	94,140,000	33,270,000	35,580,000	126,085,000	129,720,000
Premium (discount)	4,255,255	4,920,060	36,830,331	26,159,920	41,085,586	31,079,980
Total, net	<u>\$ 186,024,583</u>	<u>\$ 140,155,886</u>	<u>\$ 421,331,003</u>	<u>\$ 326,189,094</u>	<u>\$ 607,355,586</u>	<u>\$ 466,344,980</u>

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

During FY 2021, the City's total debt increased by \$141,010,606, or 30.2%, net of premiums and discounts. The City issued no certificate of obligation bonds. The City issued a total of \$54,386,753 (net of premiums) as general obligation refunding bonds. The debt issues for the Electric System total, net of premiums, \$114,445,710 in revenue bonds. The City retired or refunded \$27,821,857 (net of all premium or discounts) of outstanding debt.

The City's General Obligation, Certificates of Obligation and Revenue bond ratings are listed below.

	Moody's Investors Service	Standard & Poor's	Fitch
General Obligation Bonds	Aa2	AA	NR
Revenue Bonds - Waterworks and Sewer	NR	AA	NR
Revenue Bonds - City Electric	NR	A+	AA-
Revenue Bonds - Rural Electric	NR	A+	AA-

Additional information on the City's long-term debt can be found in note 5 to the financial statements on pages 70-74 of this report.

Economic Factors and Next Year's Budgets and Rates

Despite the continuous impacts of COVID-19 and a softer oil and gas market, Bryan maintained its strong growth during FY 2021, realizing increases in property values and increases in sales tax revenues which positively impacted the City's governmental funds. The first half of the year was strong since Bryan and neighboring College Station are the economic center of the region comprised of Brazos County and the surrounding seven counties. While not immune from factors that affect the state and national economies, the area is somewhat insulated due to the concentration of stable or growing employment sectors: higher education, government and health care. Six of the top ten employers in the area fall into these classifications. The diverse economy in Bryan helped maintain the financial reliability of the City during the COVID-19 pandemic.

Ad valorem property taxes comprised approximately 40.7% of General Fund revenues in FY 2021. FY 2022 budgeted General Fund property tax revenues projected a decrease of 3.8% from FY 2021 to conservatively estimate the effects related to COVID-19 and the increase in debt service requirements. Higher debt service requirements in the Debt Service Fund led to a lower M&O rate which also decreased General Fund revenues. FY 2022 sales tax revenue is budgeted to increase by 1.5% when compared to FY 2020 actual sales tax revenue due to the continued effects of COVID-19 and expected recovery. FY 2021 sales tax revenues exceeded FY 2020 by 4.1% primarily due to the recovery of the COVID-19 pandemic.

Revenues for the entire electric system for FY 2022 are budgeted to be \$246,525,700, which is an increase of \$11,585,600, or 4.9%, in FY 2022 versus the FY 2021 adopted budget due to increases in fuel pass through revenues and retail electric sales. FY 2022 budgeted electric expenditures are projected to be \$240,395,100, which is an increase of \$4,481,900, or 1.9% from the FY 2021 adopted budget.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2021

Revenues budgeted for the Water Fund for FY 2022 are \$14,483,300, and are \$969,864, or 7.2%, higher than FY 2021 budgeted revenues. Total expenditures for the Water Fund, including debt service and capital expenditures, are budgeted to increase by \$1,023,698, or 6.5%, due to ongoing capital projects.

The Wastewater Fund budget for FY 2022 projects revenues of \$13,781,315, which is \$101,259, or less than 1.0% higher than the FY 2021 budget. Budgeted expenditures for FY 2022 are \$17,826,980 which is \$2,346,841, or 15.2% higher than the FY 2021 budget. This increase is attributable to capital projects.

Projected revenues for FY 2022 in the Solid Waste fund are \$8,645,334 and are \$13,915, or less than 1.0%, lower than the FY 2021 budget. The FY 2022 budgeted expenditures are projected to be \$9,143,600, which is an increase of \$623,280, or 7.3% from the FY 2021 budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Bryan's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bryan, Fiscal Services Department, Attention: Chief Financial Officer, P.O. Box 1000, Bryan, Texas 77805-1000 or visit our website at <http://www.bryantx.gov>.



This page left blank intentionally.

CITY OF BRYAN, TEXAS

 Statement of Net Position
 As of September 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bryan Business Council, Inc.
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 138,772,073	\$ 116,399,539	255,171,612	\$ 695,754
Investments	10,984,153	11,607,973	22,592,126	4,531,965
Receivables:				
Accounts	9,753,776	126,737,169	136,490,945	958
Less allowance for uncollectible	(6,595,816)	(969,303)	(7,565,119)	-
Notes receivable	411,377	-	411,377	25,000
Property taxes	1,376,240	-	1,376,240	-
Less allowance for uncollectible	(1,262,113)	-	(1,262,113)	-
Sales taxes	4,806,873	-	4,806,873	-
Grants	166,946	6,635	173,581	-
Interest	120,743	389,821	510,564	-
Derivative financial instruments (current portion)	-	1,865,652	1,865,652	-
Internal balances	2,820,129	(2,820,129)	-	-
Inventories	278,937	1,826,103	2,105,040	-
Under-recovered fuel cost	-	456,690	456,690	-
Under-recovered regulatory fee	-	1,881,857	1,881,857	-
Prepaid and other assets	49,287	1,769,026	1,818,313	50,000
Total current assets	161,682,605	259,151,033	420,833,638	5,303,677
Noncurrent assets:				
Receivables:				
Notes receivable	4,075,099	-	4,075,099	-
Less allowance for uncollectible - notes	(97,421)	-	(97,421)	-
TMPA decommissioning	-	7,842,767	7,842,767	-
Net Pension Asset (NPA)	7,117,507	4,078,331	11,195,838	-
Restricted assets:				
Cash and cash equivalents	-	3,423,804	3,423,804	-
Investments	1,296,303	33,820,966	35,117,269	-
Investment in BVSWMA, Inc.	-	22,003,903	22,003,903	-
Investment in Economic Development Foundation	4,988,403	-	4,988,403	-
Capital assets:				
Intangible assets	60,250	-	60,250	-
Land	14,061,741	27,593,900	41,655,641	2,309,239
Buildings	47,921,627	27,461,271	75,382,898	156,139
Improvements other than buildings	48,418,431	970,708,506	1,019,126,937	-
Machinery and equipment	42,946,386	20,301,567	63,247,953	-
Infrastructure	255,538,139	-	255,538,139	-
Construction in progress	43,054,173	106,371,247	149,425,420	-
Retirement in progress	-	1,189,448	1,189,448	-
Less accumulated depreciation	(223,971,507)	(403,911,209)	(627,882,716)	(4,439)
Total capital assets	228,029,240	749,714,730	977,743,970	2,460,939
Total noncurrent assets	245,409,131	820,884,501	1,066,293,632	2,460,939
Total assets	\$ 407,091,736	\$ 1,080,035,534	\$ 1,487,127,270	\$ 7,764,616
<u>Deferred outflows</u>				
Pensions	5,578,236	3,196,328	8,774,564	-
Other post-employment benefits (OPEB)	2,495,190	1,344,210	3,839,400	-
Unamortized loss on refunded debt	815,453	759,422	1,574,875	-
Total deferred outflows	\$ 8,888,879	\$ 5,299,960	\$ 14,188,839	\$ -

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

CITY OF BRYAN, TEXAS

Statement of Net Position

As of September 30, 2021

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bryan Business Council, Inc.
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 8,292,202	\$ 15,829,103	24,121,305	\$ 24,830
Accrued liabilities and retainage	4,221,465	1,170,566	5,392,031	2,750
Claims	1,828,527	-	1,828,527	-
Accrued vacation and sick pay	3,181,156	2,074,624	5,255,780	-
Unearned revenue	11,863,363	266,466	12,129,829	-
Accrued interest	632,835	3,409	636,244	-
Payable from restricted assets:				
Accrued liabilities	-	198,398	198,398	-
Accrued interest	-	2,901,748	2,901,748	-
Over-recovered fuel cost	-	2,347,818	2,347,818	-
Bonds payable, net	10,353,174	22,593,795	32,946,969	-
Notes payable	-	-	-	1,606,142
Customer deposits	152,368	6,346,811	6,499,179	-
Total current liabilities	40,525,090	53,732,738	94,257,828	1,633,722
Noncurrent liabilities:				
Bonds payable, net	175,671,409	398,737,208	574,408,617	-
Interfund Advance	(19,925,678)	19,925,678	-	-
Claims	642,535	-	642,535	-
Net other post employment benefits liability (OPEB)	10,260,514	5,501,025	15,761,539	-
Accrued vacation and sick pay	7,591,563	922,572	8,514,135	-
Total noncurrent liabilities	174,240,343	425,086,483	599,326,826	-
Total liabilities	214,765,433	478,819,221	693,584,654	1,633,722
<u>Deferred Inflows</u>				
Pensions	5,780,183	3,312,044	9,092,227	-
Other post employment benefits	917,191	494,109	1,411,300	-
Accumulated increase in fair value of hedging derivatives	-	1,865,651	1,865,651	-
Deferred regulatory liability	-	19,079,378	19,079,378	-
Total deferred inflows	\$ 6,697,374	\$ 24,751,182	\$ 31,448,556	\$ -
<u>Net Position</u>				
Net investment in capital assets	137,153,990	320,015,225	457,169,215	2,460,939
Restricted for:				
BVSWMA, Inc.	-	22,003,903	22,003,903	-
Economic Development Foundation	4,988,403	-	4,988,403	-
Debt reserve	-	6,090,539	6,090,539	-
Debt service	581,690	5,986,003	6,567,693	-
Net Pension Asset	7,117,507	4,078,331	11,195,838	-
Perpetual care:				
Expendable	92,310	-	92,310	-
Nonexpendable	1,397,267	-	1,397,267	-
Rate stabilization	-	1,726,328	1,726,328	-
Collateral deposits	-	554,036	554,036	-
Noncurrent notes receivable	2,194,018	-	2,194,018	-
Tax abatements	3,038,926	-	3,038,926	-
Police activities	225,320	-	225,320	-
Court activities	348,686	-	348,686	-
Record preservation	35,546	-	35,546	-
TIRZ Development	3,093,947	-	3,093,947	-
Hotel/Motel	2,422,213	-	2,422,213	-
Other purposes	1,105,014	-	1,105,014	134,600
Unrestricted	30,722,971	221,310,726	252,033,697	3,535,355
Total net position	\$ 194,517,808	\$ 581,765,091	\$ 776,282,899	\$ 6,130,894

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

CITY OF BRYAN, TEXAS

Statement of Activities

For the Fiscal Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			
		Fees, Fines and Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit Bryan Business Council, Inc.
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government and administration	\$ 17,129,907	\$ 243,932	\$ -	\$ -	\$ (16,885,975)	\$ -	\$ (16,885,975)	\$ -
Development services	6,746,206	1,382,111	2,201,925	-	(3,162,170)	-	(3,162,170)	-
Public works services	13,186,070	-	-	7,740,216	(5,445,854)	-	(5,445,854)	-
Public safety	45,774,029	4,566,415	611,507	-	(40,596,107)	-	(40,596,107)	-
Cultural and recreational	10,779,452	825,542	1,207,021	-	(8,746,889)	-	(8,746,889)	-
Interest on long-term debt	5,689,781	-	-	-	(5,689,781)	-	(5,689,781)	-
Total governmental activities	99,305,445	7,018,000	4,020,453	7,740,216	(80,526,776)	-	(80,526,776)	-
Business-type activities:								
City electric	327,503,769	362,660,519	-	-	-	35,156,750	35,156,750	-
Rural electric	47,333,876	48,006,906	-	-	-	673,030	673,030	-
Water	11,250,194	13,252,956	-	2,045,414	-	4,048,176	4,048,176	-
Wastewater	12,127,118	13,625,996	-	2,300,359	-	3,799,237	3,799,237	-
Solid waste	6,670,610	8,375,518	-	-	-	1,704,908	1,704,908	-
Other nonmajor enterprise funds	2,189,258	835,970	-	-	-	(1,353,288)	(1,353,288)	-
Total business-type activities	407,074,825	446,757,865	-	4,345,773	-	44,028,813	44,028,813	-
Total primary government	\$ 506,380,270	\$ 453,775,865	\$ 4,020,453	\$ 12,085,989	\$ (80,526,776)	\$ 44,028,813	\$ (36,497,963)	\$ -
Component unit:								
Bryan Business Council, Inc.	\$ 148,887	\$ -	\$ 353,992	\$ -	\$ -	\$ -	\$ -	\$ 205,105
General revenues:								
Property taxes					\$ 41,610,800	\$ -	41,610,800	\$ -
Sales taxes					25,477,704	-	25,477,704	-
Franchise taxes					2,037,423	-	2,037,423	-
Alcoholic beverage taxes					179,443	-	179,443	-
Bingo taxes					251,717	-	251,717	-
Hotel occupancy taxes					1,393,369	-	1,393,369	-
Transportation and drainage assessments					7,169,131	-	7,169,131	-
Unrestricted investment earnings					371,744	481,182	852,926	-
Miscellaneous					8,555,261	2,967,155	11,522,416	-
Transfers (net)					12,136,417	(12,136,417)	-	-
Total general revenues and transfers					99,183,009	(8,688,080)	90,494,929	-
Change in net position					18,656,233	35,340,733	53,996,966	205,105
Net position, October 1, 2020					175,861,575	546,424,358	722,285,933	5,925,789
Net position, September 30, 2021					\$ 194,517,808	\$ 581,765,091	\$ 776,282,899	\$ 6,130,894

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



This page left blank intentionally.

CITY OF BRYAN, TEXAS

Balance Sheet

Governmental Funds

As of September 30, 2021

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 44,990,487	\$ 1,109,364	\$ 82,544,012	\$ 128,643,863
Investments	3,819,110	100,649	7,448,601	11,368,360
Receivables:				
Accounts	8,994,554	-	759,222	9,753,776
Less allowance for uncollectible	(6,539,830)	-	(55,986)	(6,595,816)
Property taxes	997,707	378,533	-	1,376,240
Less allowance for uncollectible	(915,332)	(346,781)	-	(1,262,113)
Sales taxes	4,806,873	-	-	4,806,873
Grants	-	-	166,946	166,946
Interest	22,534	570	92,513	115,617
Notes receivable	17,605	2,461,413	2,007,458	4,486,476
Less allowance for uncollectible	-	-	(97,421)	(97,421)
Due from other funds	1,851,406	-	200,902	2,052,308
Interfund Advance	-	20,446,631	-	20,446,631
Inventory	-	-	50,289	50,289
Prepaid and other assets	36,514	-	12,773	49,287
Total assets	<u>\$ 58,081,628</u>	<u>\$ 24,150,379</u>	<u>\$ 93,129,309</u>	<u>\$ 175,361,316</u>
<u>Liabilities, Deferred Inflows, and Fund Balances</u>				
Liabilities:				
Accounts payable	3,211,768	-	4,879,510	8,091,278
Accrued liabilities	2,673,165	-	39,097	2,712,262
Retainage payable	3,027	-	1,473,787	1,476,814
Due to other funds	-	-	100,175	100,175
Customer deposits	152,368	-	-	152,368
Total liabilities	<u>6,040,328</u>	<u>-</u>	<u>6,492,569</u>	<u>12,532,897</u>
Deferred inflows:				
Unavailable property taxes	72,748	27,810	-	100,558
Unavailable notes receivable	-	2,461,413	1,910,037	4,371,450
Other unavailable revenue	1,031,363	-	10,832,000	11,863,363
Total deferred inflows	<u>1,104,111</u>	<u>2,489,223</u>	<u>12,742,037</u>	<u>16,335,371</u>
Fund balances:				
Nonspendable	97,337	-	1,299,930	1,397,267
Restricted	4,720,084	21,661,156	44,299,972	70,681,212
Committed	5,398,158	-	28,333,224	33,731,382
Assigned	3,386,123	-	-	3,386,123
Unassigned	37,335,487	-	(38,423)	37,297,064
Total fund balances	<u>50,937,189</u>	<u>21,661,156</u>	<u>73,894,703</u>	<u>146,493,048</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 58,081,628</u>	<u>\$ 24,150,379</u>	<u>\$ 93,129,309</u>	<u>\$ 175,361,316</u>

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

CITY OF BRYAN, TEXAS

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

As of September 30, 2021

Total fund balances - governmental funds	\$ 146,493,048
--	----------------

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. (Includes net capital assets of the Internal service funds in the amount of \$83,540).	228,029,240
---	-------------

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	4,522,297
--	-----------

The City's equity in the Economic Development Foundation is included in the Statement of Net Position but is not included at the fund level.	4,988,403
--	-----------

Internal service funds are used by management to charge the costs of risk management, employee health insurance benefits and central warehousing to individual funds. The assets and liabilities of the internal service funds related to governmental activities are included in the governmental activities in the statement of net position. (Net of amount allocated to business-type activities of (\$867,999), net capital assets in the amount of \$83,540 and net OPEB and pension balances in the amount of \$50,579).	8,866,459
---	-----------

Interest payable on long-term debt does not require current financial resources, and therefore, is not reported as a liability in the governmental funds balance sheet.	(632,835)
---	-----------

Long-term liabilities and assets and related deferred outflows and inflows including bonds payable, net pension asset, net OPEB liability and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.

These items are detailed below:

General obligation bonds payable	\$ 88,954,328	
Certificates of obligation payable	92,815,000	
Premium (discount) on bonds payable	4,255,255	
Deferred amount on refunding	(815,453)	
Net Pension Asset	(7,117,507)	
Net other post employment benefits liability	10,260,514	
Deferred amounts on pensions (net)	201,947	
Deferred amounts on OPEB (net)	(1,577,999)	
Accrued vacation and sick leave (Net of internal service fund liability in the amount of \$118,668)	10,772,719	(197,748,804)

Net position of governmental activities	<u>\$ 194,517,808</u>
---	-----------------------

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

CITY OF BRYAN, TEXAS

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended September 30, 2021

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 26,324,055	\$ 10,081,895	\$ 5,104,292	\$ 41,510,242
Sales taxes	25,477,704	-	-	25,477,704
Franchise taxes	2,037,423	-	-	2,037,423
Alcoholic beverage taxes	179,443	-	-	179,443
Bingo taxes	251,717	-	-	251,717
Hotel occupancy taxes	-	-	1,393,369	1,393,369
Transportation and drainage assessments	-	-	7,169,131	7,169,131
Charges for services	4,353,023	-	-	4,353,023
Fines and court charges	1,256,660	-	26,206	1,282,866
Licenses and permits	1,382,111	-	-	1,382,111
Grants	1,364,282	-	2,656,171	4,020,453
Investment earnings	95,373	31,417	229,746	356,536
Interfund advance	-	20,446,631	-	20,446,631
Oil and gas royalties	-	-	184,687	184,687
Destination Bryan	-	-	206,296	206,296
Other	1,980,693	368,096	1,808,532	4,157,321
Total revenues	64,702,484	30,928,039	18,778,430	114,408,953
Expenditures:				
Current:				
General government and administration	16,735,476	-	1,018,620	17,754,096
Development services	4,289,061	-	2,516,049	6,805,110
Public works services	3,548,004	-	980,589	4,528,593
Public safety	43,443,049	-	456,913	43,899,962
Cultural and recreational	6,877,350	-	2,799,975	9,677,325
Capital outlay	2,125,375	-	33,988,182	36,113,557
Debt service:				
Bond and principal retirement	-	8,166,498	-	8,166,498
Interest and fiscal charges	-	5,972,967	-	5,972,967
Total expenditures	77,018,315	14,139,465	41,760,328	132,918,108
Excess (deficiencies) of revenues over (under) expenditures	(12,315,831)	16,788,574	(22,981,898)	(18,509,155)
Other financing sources (uses):				
Sales of capital assets	105,467	-	-	105,467
Transfers in	18,707,421	2,698,300	2,148,209	23,553,930
Transfers out	(1,771,838)	-	(9,871,595)	(11,643,433)
Long-term debt issued	-	54,700,000	-	54,700,000
Debt issuance costs	-	(192,500)	-	(192,500)
Premium (discount) on long-term debt issued	-	(313,247)	-	(313,247)
Payment to pension agent	-	(54,194,253)	-	(54,194,253)
Total other financing sources (uses)	17,041,050	2,698,300	(7,723,386)	12,015,964
Net change in fund balances	4,725,219	19,486,874	(30,705,284)	(6,493,191)
Fund balances, October 1, 2020	46,211,970	2,174,282	104,599,987	152,986,239
Fund balances, September 30, 2021	\$ 50,937,189	\$ 21,661,156	\$ 73,894,703	\$ 146,493,048

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

CITY OF BRYAN, TEXAS
 Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances
 of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended September 30, 2021

Net change in fund balances - total governmental funds \$ (6,493,191)

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

Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 36,113,557

The City's investment in the Economic Development Foundation is reported at the government-wide level but not at the fund level. 747,724

The net effect of various transactions involving capital assets (i.e., sales and contributions) is to increase net position. 8,356,243

Depreciation expense on capital assets reported in the government-wide statement of activities does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds. (14,263,094)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. The effect of these differences in the treatment of long-term debt and related items is detailed below:

General obligation bonds issued - Pensions	(54,700,000)
Payment to pension agent	54,194,253
Discount/(Premium) on debt issuance	313,247
Debt principal repayments	8,166,498

Some expenses related to long-term liabilities reported in the statement of activities do not require the use of current financial resources; therefore, they are not reported as expenditures in governmental funds. (17,085,481)

Accrued interest expense on long-term debt is reported in the government-wide statement of activities, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds. (283,186)

Some property taxes will not be collected for several months after the City's fiscal year end, and are not considered "available" revenues in the governmental funds. 100,558

Some notes receivable will not be collected for several months after the City's fiscal year end, and are not considered "available" revenues in the governmental funds. 81,817

Internal service funds are used by management to charge the costs of risk management, employee health insurance benefits and central warehousing to individual funds. The net revenue of the internal service funds related to governmental activities is reported with governmental activities (depreciation expense of \$15,260 allocated above and net of amount allocated to business-type activities of \$839,379). 3,407,288

Change in net position of governmental activities. \$ 18,656,233

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

CITY OF BRYAN, TEXAS
Statement of Net Position
Proprietary Funds
As of September 30, 2021

	Business-type Activities - Enterprise Funds						Governmental Activities
	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<u>Assets</u>							
Current assets:							
Cash and cash equivalents	\$ 81,131,365	\$ 9,438,752	\$ 8,613,073	\$ 9,280,321	\$ 7,936,028	\$ 116,399,539	\$ 10,128,210
Investments	8,219,355	1,046,520	780,123	841,974	720,001	11,607,973	912,096
Accounts receivable	95,563,679	26,788,325	2,182,638	1,610,225	592,302	126,737,169	-
Less allowance for uncollectible	(677,401)	(131,050)	(54,462)	(54,537)	(51,853)	(969,303)	-
Grants receivable	-	-	-	-	6,635	6,635	-
Interest receivable	376,692	-	3,838	5,191	4,100	389,821	5,128
Derivative financial instruments (current portion)	1,865,652	-	-	-	-	1,865,652	-
Inventories	1,279,946	-	491,405	-	54,752	1,826,103	228,648
Due from other funds	5,211,348	-	591,792	445,601	277,486	6,526,227	-
Under-recovered regulatory fee	1,402,391	479,466	-	-	-	1,881,857	-
Under-recovered fuel cost	-	456,690	-	-	-	456,690	-
Prepaid and other assets	1,769,026	-	-	-	-	1,769,026	-
Total current assets	<u>196,142,053</u>	<u>38,078,703</u>	<u>12,608,407</u>	<u>12,128,775</u>	<u>9,539,451</u>	<u>268,497,389</u>	<u>11,274,082</u>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	-	1,650,735	1,727,614	45,455	3,423,804	-
Investments	31,523,576	2,169,198	50,062	74,012	4,118	33,820,966	-
Investment in BVSWMA	-	-	-	-	22,003,903	22,003,903	-
TMPA decommissioning	7,842,767	-	-	-	-	7,842,767	-
Net pension asset	2,909,507	-	341,560	411,657	415,607	4,078,331	106,627
Capital assets:							
Land	7,532,874	115,524	3,426,355	1,949,968	14,569,179	27,593,900	-
Buildings	-	-	317,271	21,490,647	5,653,353	27,461,271	23,420
Equipment	-	-	3,373,417	6,215,860	10,712,290	20,301,567	144,406
Improvements other than buildings	553,014,716	142,996,725	140,893,991	129,567,544	4,235,530	970,708,506	193,658
Construction in progress	79,358,131	22,694,964	2,514,693	1,672,844	130,615	106,371,247	-
Retirement in progress	1,189,448	-	-	-	-	1,189,448	-
Less accumulated depreciation	(221,532,303)	(45,357,537)	(58,503,620)	(66,121,594)	(12,396,155)	(403,911,209)	(277,944)
Total capital assets (net of accumulated depreciation)	<u>419,562,866</u>	<u>120,449,676</u>	<u>92,022,107</u>	<u>94,775,269</u>	<u>22,904,812</u>	<u>749,714,730</u>	<u>83,540</u>
Total noncurrent assets	<u>461,838,716</u>	<u>122,618,874</u>	<u>94,064,464</u>	<u>96,988,552</u>	<u>45,373,895</u>	<u>820,884,501</u>	<u>190,167</u>
Total assets	<u>\$ 657,980,769</u>	<u>\$ 160,697,577</u>	<u>\$ 106,672,871</u>	<u>\$ 109,117,327</u>	<u>\$ 54,913,346</u>	<u>\$ 1,089,381,890</u>	<u>\$ 11,464,249</u>
<u>Deferred outflows</u>							
Pensions	2,280,268	-	267,705	322,630	325,725	3,196,328	83,567
Other post employment benefits (OPEB)	823,328	-	151,224	172,227	197,431	1,344,210	37,177
Unamortized loss on refunded debt	-	-	503,504	255,918	-	759,422	-
Total deferred outflows	<u>\$ 3,103,596</u>	<u>\$ -</u>	<u>\$ 922,433</u>	<u>\$ 750,775</u>	<u>\$ 523,156</u>	<u>\$ 5,299,960</u>	<u>\$ 120,744</u>

CITY OF BRYAN, TEXAS
Statement of Net Position
Proprietary Funds
As of September 30, 2021

	Business-type Activities - Enterprise Funds						Governmental Activities
	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
<u>Liabilities</u>							
Current liabilities:							
Accounts payable	\$ 12,770,392	\$ 2,212,079	\$ 90,456	\$ 502,557	\$ 253,618	\$ 15,829,102	\$ 200,924
Accrued liabilities and retainage	542,960	92,762	214,345	131,807	188,692	1,170,566	32,389
Claims payable	-	-	-	-	-	-	1,828,527
Due to other funds	2,508,689	5,211,348	-	-	758,321	8,478,358	-
Unearned revenue	-	-	-	266,466	-	266,466	-
Accrued interest	-	-	-	-	3,409	3,409	-
Accrued vacation and sick pay	1,691,337	-	123,400	143,986	115,901	2,074,624	45,509
Payable from restricted assets:							
Accrued liabilities	-	-	20,083	178,315	-	198,398	-
Accrued interest	2,333,715	324,395	142,226	101,412	-	2,901,748	-
Over-recovered fuel cost	2,347,818	-	-	-	-	2,347,818	-
Bonds payable, net	13,840,509	2,061,712	3,281,131	3,355,142	55,301	22,593,795	-
Customer deposits	4,764,123	1,567,928	-	-	14,760	6,346,811	-
Total current liabilities	40,799,543	11,470,224	3,871,641	4,679,685	1,390,002	62,211,095	2,107,349
Noncurrent liabilities:							
Bonds payable, net	312,921,007	55,337,780	16,744,806	12,818,576	915,039	398,737,208	-
Interfund advance	14,215,107	-	1,668,773	2,011,249	2,030,549	19,925,678	520,952
Claims	-	-	-	-	-	-	642,535
Net other post employment benefit liability (OPEB)	3,335,081	-	620,759	724,222	820,963	5,501,025	157,206
Accrued vacation and sick pay	306,351	-	198,394	231,490	186,337	922,572	73,159
Total noncurrent liabilities	330,777,546	55,337,780	19,232,732	15,785,537	3,952,888	425,086,483	1,393,852
Total liabilities	371,577,089	66,808,004	23,104,373	20,465,222	5,342,890	487,297,578	3,501,201
<u>Deferred Inflows</u>							
Pensions	2,362,834	-	277,384	334,309	337,517	3,312,044	86,593
Other post employment benefits (OPEB)	302,642	-	55,587	63,308	72,572	494,109	13,268
Accumulated increase in fair value of hedging derivatives	1,865,651	-	-	-	-	1,865,651	-
Deferred regulatory liability	5,080,819	13,998,559	-	-	-	19,079,378	-
Total deferred inflows	\$ 9,611,946	\$ 13,998,559	\$ 332,971	\$ 397,617	\$ 410,089	\$ 24,751,182	\$ 99,861
<u>Net Position</u>							
Net investment in capital assets	95,252,928	48,294,155	74,181,331	80,429,526	21,857,285	320,015,225	83,540
Restricted for:							
BVSWMA, Inc.	-	-	-	-	22,003,903	22,003,903	-
Debt reserve	6,090,539	-	-	-	-	6,090,539	-
Debt service	2,478,125	276,875	1,425,297	1,805,706	-	5,986,003	-
Rate stabilization	1,726,328	-	-	-	-	1,726,328	-
Net pension asset	2,909,507	-	341,560	411,657	415,607	4,078,331	106,627
Collateral Deposit	554,036	-	-	-	-	554,036	-
Unrestricted	170,883,867	31,319,984	8,209,772	6,358,374	5,406,728	222,178,725	7,793,764
Total net position	\$ 279,895,330	\$ 79,891,014	\$ 84,157,960	\$ 89,005,263	\$ 49,683,523	\$ 582,633,090	\$ 7,983,931
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						(867,999)	
Net position of business-type activities						\$ 581,765,091	

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

CITY OF BRYAN, TEXAS

Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds						Governmental Activities
	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:							
Electrical system	\$ 360,336,109	\$ 48,006,906	\$ -	\$ -	\$ -	\$ 408,343,015	\$ -
Water system	-	-	13,252,956	-	-	13,252,956	-
Wastewater system	-	-	-	13,625,996	-	13,625,996	-
Solid waste	-	-	-	-	8,375,518	8,375,518	-
Other	2,324,410	-	-	-	835,970	3,160,380	18,434,116
Total operating revenues	<u>362,660,519</u>	<u>48,006,906</u>	<u>13,252,956</u>	<u>13,625,996</u>	<u>9,211,488</u>	<u>446,757,865</u>	<u>18,434,116</u>
Operating expenses:							
Personnel services	11,421,740	770,002	2,679,692	3,200,141	3,314,101	21,385,676	758,009
Electric operations	263,759,735	30,682,177	-	-	-	294,441,912	-
Maintenance	3,515,460	1,253,796	898,918	928,595	349,446	6,946,215	962
Claims	-	-	-	-	-	-	12,724,760
Other services and charges	3,651,372	-	2,192,223	1,777,818	2,653,034	10,274,447	2,852,565
Other expenses	2,762,654	-	248,672	436,468	686,404	4,134,198	87,383
General and administrative	2,806,071	241,967	528,707	522,593	646,010	4,745,348	-
Total operating expenses	<u>287,917,032</u>	<u>32,947,942</u>	<u>6,548,212</u>	<u>6,865,615</u>	<u>7,648,995</u>	<u>341,927,796</u>	<u>16,423,679</u>
Operating income before depreciation and amortization	<u>74,743,487</u>	<u>15,058,964</u>	<u>6,704,744</u>	<u>6,760,381</u>	<u>1,562,493</u>	<u>104,830,069</u>	<u>2,010,437</u>
Depreciation and amortization	16,874,868	3,683,417	4,160,720	4,900,471	1,272,526	30,892,002	15,260
Operating income	<u>57,868,619</u>	<u>11,375,547</u>	<u>2,544,024</u>	<u>1,859,910</u>	<u>289,967</u>	<u>73,938,067</u>	<u>1,995,177</u>
Nonoperating revenues (expenses):							
Investment earnings	363,245	68,686	27,120	20,491	1,640	481,182	15,208
Interest expense	(8,952,675)	(1,457,939)	(636,451)	(477,737)	(25,506)	(11,550,308)	-
Distributive share of BVSWMA net income	-	-	-	-	2,373,199	2,373,199	-
Other	-	-	421,415	152,769	19,774	593,958	2,483,701
Total nonoperating revenues (expenses)	<u>(8,589,430)</u>	<u>(1,389,253)</u>	<u>(187,916)</u>	<u>(304,477)</u>	<u>2,369,107</u>	<u>(8,101,969)</u>	<u>2,498,909</u>
Income before contributions and transfers	49,279,189	9,986,294	2,356,108	1,555,433	2,659,074	65,836,098	4,494,086
Capital contributions	-	-	2,045,414	2,300,359	-	4,345,773	-
Transfers in	1,930,296	-	25,336	265,706	3,838,666	6,060,004	334,094
Transfers out	(14,039,470)	-	(1,583,012)	(1,282,320)	(1,291,619)	(18,196,421)	(108,175)
Extraordinary items:							
2021 Winter Weather Event	(14,299,522)	(9,244,578)	-	-	-	(23,544,100)	-
Change in net position	22,870,493	741,716	2,843,846	2,839,178	5,206,121	34,501,354	4,720,005
Net position, October 1, 2020	257,024,837	79,149,298	81,314,114	86,166,085	44,477,402		3,263,926
Net position, September 30, 2021	<u>\$ 279,895,330</u>	<u>\$ 79,891,014</u>	<u>\$ 84,157,960</u>	<u>\$ 89,005,263</u>	<u>\$ 49,683,523</u>		<u>\$ 7,983,931</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						839,379	
Change in net position of business-type activities.						<u>\$ 35,340,733</u>	

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



This page left blank intentionally.

CITY OF BRYAN, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds						Governmental Activities
	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Cash flows from operating activities:							
Receipts from customers and users	\$ 362,089,577	\$ 48,171,577	\$ 15,190,661	\$ 15,569,952	\$ 11,246,624	\$ 452,268,391	\$ 5,820,982
Receipts for interfund services provided	-	-	-	-	-	-	14,574,788
Payments to suppliers	(296,855,838)	(41,159,327)	(3,791,031)	(3,061,165)	(3,395,039)	(348,262,400)	(18,344,759)
Payments to employees	(11,022,507)	(780,512)	(4,444,474)	(5,293,603)	(5,467,437)	(27,008,533)	(1,296,665)
Other receipts	-	-	389,953	113,849	5,039	508,841	2,483,701
Payments for interfund services used	-	-	(528,707)	(522,593)	(646,010)	(1,697,310)	-
Net cash provided by operating activities	<u>54,211,232</u>	<u>6,231,738</u>	<u>6,816,402</u>	<u>6,806,440</u>	<u>1,743,177</u>	<u>75,808,989</u>	<u>3,238,047</u>
Cash flows from noncapital financing activities:							
Transfers in	1,930,296	-	25,336	265,706	3,838,666	6,060,004	334,094
Transfers out	(12,713,297)	-	(1,583,012)	(1,282,320)	(1,291,619)	(16,870,248)	(108,175)
Net cash provided (used) by noncapital financing activities	<u>(10,783,001)</u>	<u>-</u>	<u>(1,557,676)</u>	<u>(1,016,614)</u>	<u>2,547,047</u>	<u>(10,810,244)</u>	<u>225,919</u>
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(54,642,830)	(17,836,873)	(2,002,991)	(1,682,868)	(8,209,711)	(84,375,273)	-
Proceeds from sale of assets	-	-	31,200	38,922	27,038	97,160	-
Gain on sale of assets	-	-	-	-	20,962	20,962	-
Proceeds from capital debt	18,865,283	-	-	-	-	18,865,283	-
Debt issuance costs	(435,976)	(137,455)	-	-	-	(573,431)	-
Principal paid on outstanding bonds	(10,070,000)	(1,540,000)	(2,834,190)	(3,201,747)	(49,860)	(17,695,797)	-
Interest paid on bonds, contractual obligations, and notes	(15,755,159)	(1,333,134)	(705,635)	(516,297)	(44,445)	(18,354,670)	-
Net cash (used) by capital and related financing activities	<u>(62,038,682)</u>	<u>(20,847,462)</u>	<u>(5,511,616)</u>	<u>(5,361,990)</u>	<u>(8,256,016)</u>	<u>(102,015,767)</u>	<u>-</u>
Cash flows from investing activities:							
Purchase of investment securities	-	-	(21,002)	(15,480)	(18,047)	(54,529)	(57,348)
Sale of investment securities	25,119,134	6,586,266	1,297,153	1,393,874	2,045,055	36,441,483	771,565
Interest on investments	1,700,899	65,806	37,956	33,494	20,409	1,858,563	22,919
Net cash provided by investing activities	<u>26,820,033</u>	<u>6,652,072</u>	<u>1,314,107</u>	<u>1,411,888</u>	<u>2,047,416</u>	<u>38,245,516</u>	<u>737,137</u>
Net increase (decrease) in cash and cash equivalents	8,209,582	(7,963,652)	1,061,217	1,839,723	(1,918,376)	1,228,494	4,201,103
Cash and cash equivalents, October 1, 2020	<u>72,921,783</u>	<u>17,402,404</u>	<u>9,202,591</u>	<u>9,168,212</u>	<u>9,899,859</u>	<u>118,594,849</u>	<u>5,927,107</u>
Cash and cash equivalents, September 30, 2021	<u>\$ 81,131,365</u>	<u>\$ 9,438,752</u>	<u>\$ 10,263,808</u>	<u>\$ 11,007,935</u>	<u>\$ 7,981,483</u>	<u>\$ 119,823,343</u>	<u>\$ 10,128,210</u>

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

CITY OF BRYAN, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2021

	Business-type Activities - Enterprise Funds						Governmental Activities
	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Reconciliation of operating income to net cash provided by operating activities:							
Operating income	\$ 57,868,619	\$ 11,375,547	\$ 2,544,024	\$ 1,859,910	\$ 289,967	\$ 73,938,067	\$ 1,995,177
Adjustments to reconcile operating income to net cash provided by operating activities							
Depreciation and amortization	16,874,868	3,683,417	4,160,720	4,900,471	1,272,526	30,892,002	15,260
Bad debts	269,370	61,831	-	-	-	331,201	-
Extraordinary Items - 2021 Winter Weather Event	(14,299,522)	(9,244,578)	-	-	-	(23,544,100)	-
Other revenue	-	-	389,953	113,849	5,039	508,841	2,483,701
Change in assets and liabilities:							
Change in accounts receivable	(620,527)	155,620	171,078	45,652	64,304	(183,873)	145
Change in grant receivable	-	-	-	-	(6,635)	(6,635)	-
Change in inventories	(112,658)	-	(63,149)	-	(14,157)	(189,964)	(21,517)
Change in due from other funds	(1,566,040)	-	97,854	(112,945)	(38,485)	(1,619,615)	-
Change in over (under) recovered fuel	(2,980,406)	(1,681,300)	-	-	-	(4,661,706)	-
Change in over (under) recovered regulatory fee	(1,216,421)	7,629	-	-	-	(1,208,792)	-
Change in prepaid and other assets	1,065,217	-	-	-	-	1,065,217	-
Deferred outflows/inflows of resources - OPEB & Net Pension	(97,883)	-	(28,717)	(32,705)	(80,064)	(239,369)	-
Change in accounts payable	(1,520,086)	361,268	(178,932)	112,079	78,760	(1,146,911)	116,507
Change in accrued liabilities	115,840	(10,510)	(220,758)	6,943	22,151	(86,334)	4,265
Change in other liabilities	-	92,763	-	-	-	92,763	-
Change in customer deposits	49,586	9,322	-	-	(440)	58,468	-
Change in due to other funds	894,997	1,420,729	-	(20,407)	192,934	2,488,253	-
Change in interfund advance	14,215,107	-	1,668,773	2,011,249	2,030,549	19,925,678	520,952
Change in claims payable	-	-	-	-	-	-	(1,333,522)
Change in accrued vacation and sick pay	-	-	36,731	44,942	27,122	108,795	14,051
Change in OPEB and Net Pension	(14,728,829)	-	(1,761,175)	(2,122,599)	(2,100,394)	(20,712,997)	(556,972)
Net cash provided by operating activities	<u>\$ 54,211,232</u>	<u>\$ 6,231,738</u>	<u>\$ 6,816,402</u>	<u>\$ 6,806,440</u>	<u>\$ 1,743,177</u>	<u>\$ 75,808,989</u>	<u>\$ 3,238,047</u>
Reconciliation of total cash and cash equivalents:							
Current assets - cash and cash equivalents	\$ 81,131,365	\$ 9,438,752	\$ 8,613,073	\$ 9,280,321	\$ 7,936,028	\$ 116,399,539	\$ 10,128,210
Restricted assets - cash and cash equivalents	-	-	1,650,735	1,727,614	45,455	3,423,804	-
Total cash and cash equivalents	<u>\$ 81,131,365</u>	<u>\$ 9,438,752</u>	<u>\$ 10,263,808</u>	<u>\$ 11,007,935</u>	<u>\$ 7,981,483</u>	<u>\$ 119,823,343</u>	<u>\$ 10,128,210</u>
Noncash Investing, Capital, and Financing Activities							
Capital asset acquisitions included in accounts payable	\$ 4,250,529	\$ 757,470	\$ 18,183	\$ 228,308	\$ 126,760	\$ 5,381,250	\$ -
Capital asset contributions	\$ -	\$ -	\$ 2,045,414	\$ 2,300,359	\$ -	\$ 4,345,773	\$ -

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



This page left blank intentionally.

FIDUCIARY FUNDS

OPEB Trust Fund – To account for the City’s other post-employment benefits. This fund is excluded from the government-wide statement of net assets and statement of activities since the assets are not available to support the City’s own programs.

Custodial Fund – To account for the City’s funds that are to be remitted other agencies. This fund is excluded from the government-wide statement of net assets and statement of activities since the assets are not available to support the City’s own programs.

CITY OF BRYAN, TEXAS

Statement of Fiduciary Net Position

Fiduciary Funds

As of September 30, 2021

	<u>Assets</u>	<u>Custodial Fund</u>	<u>OPEB Trust Fund*</u>
Cash and cash equivalents		\$ 219,988	\$ 2,539,815
Total assets		<u>\$ 219,988</u>	<u>\$ 2,539,815</u>
	<u>Liabilities</u>		
Due to State of Texas		\$ 219,988	\$ -
Total liabilities		<u>219,988</u>	<u>-</u>
Net position restricted for Fiduciary Activities		<u>\$ -</u>	<u>\$ 2,539,815</u>

*The OPEB Trust Fund has a year end of December 31, 2020.

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

CITY OF BRYAN, TEXAS

Statement of Changes in Fiduciary Net Position

Fiduciary Funds

For Fiscal year Ended September 30, 2021

<u>Additions</u>	<u>Custodial Fund</u>	<u>OPEB Trust Fund*</u>
State court costs	\$ 386,764	\$ -
OPEB Trust contributions	-	1,998,991
Total additions	<u>\$ 386,764</u>	<u>\$ 1,998,991</u>
 <u>Deductions</u>		
Court costs distributed to State	386,764	-
OPEB Trust distributions	-	1,263,006
Total deductions	<u>386,764</u>	<u>1,263,006</u>
 Net Increase	 <u>-</u>	 <u>735,985</u>
 Net position restricted for Fiduciary Activities October 1, 2020	 <u>-</u>	 <u>1,803,830</u>
Net position restricted for Fiduciary Activities September 30, 2021	<u>\$ -</u>	<u>\$ 2,539,815</u>

*The OPEB Trust Fund has a year end of December 31, 2020.

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



This page left blank intentionally.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Bryan, Texas (the “City”) is a municipal corporation which operates under a Council-Manager form of government. The accompanying financial statements present the City and its component units, which are entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City’s operations. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended component units

BTU QSE Services, Inc. (“QSE”) was created as a result of deregulation of the electric market within the state of Texas. The QSE exists to perform qualified scheduling services of electrical generation for the City of Bryan City Electric Fund. The QSE is a separate legal entity whose primary purpose is to provide a service to the City. The BTU Board of Directors serve as the board of the QSE. The QSE is reported as an enterprise fund and is combined with City Electric Fund.

Bryan Commerce and Development Incorporated (“BCD”) was created to assist and act on behalf of the City in promoting, developing, encouraging, and maintaining employment, commerce, economic development, and public facility development in the City. The Bryan City Council serves as the Board of Directors of BCD. Since the elected officials of the City are financially accountable for BCD and the primary purpose of BCD is to provide a service to the City, BCD is considered a blended component unit. BCD is not separately presented here as it is separately presented in the supplementary section of this report. See page 147.

Destination Bryan was created for the promotion of tourism and the hotel convention industry, and to be the City of Bryan’s destination marketing organization, now and in the future. In 2021, the City of Bryan entered into a funding agreement with Destination Bryan, a local 501(c)(6) tax exempt, Texas non-profit corporation. Since Destination Bryan’s funding is primarily derived from the funding agreement with the City of Bryan, Destination Bryan is considered a blended component unit. Destination Bryan is not separately presented here as it is separately presented in the supplementary section of this report. See page 123.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The condensed combined statements of net position for the City Electric System and QSE as of September 30, 2021 are as follows:

	September 30, 2021		
	BTU City	QSE	Combined
Current assets	\$ 192,852,572	\$ 3,289,481	\$ 196,142,053
Capital assets, net	419,322,714	240,152	419,562,866
Restricted assets	31,523,576	-	31,523,576
Other	10,752,274	-	10,752,274
Total assets	654,451,135	3,529,634	657,980,769
Deferred outflows	3,103,596	-	3,103,596
Current liabilities	16,142,908	1,370,470	17,513,378
Current liabilities payable from restricted assets	23,286,165	-	23,286,165
Noncurrent liabilities	330,777,546	-	330,777,546
Total liabilities	370,206,619	1,370,470	371,577,089
Deferred inflows	9,611,946	-	9,611,946
Net Position:			
Net investment in capital assets	95,012,776	240,152	95,252,928
Restricted	13,758,535	-	13,758,535
Unrestricted	168,964,856	1,919,011	170,883,867
Total net position	\$ 277,736,168	\$ 2,159,163	\$ 279,895,330

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The condensed combined statements of revenues, expenses, and changes in net position for the City Electric System and QSE for the year ended September 30, 2021, are as follows:

	Fiscal Year Ended September 30, 2021		
	BTU City	QSE	Combined
Operating revenues	\$ 360,797,306	\$ 1,863,213	\$ 362,660,519
Operating expenses	302,928,687	1,863,213	304,791,900
Operating income	57,868,619	-	57,868,619
Investment income	363,245	-	363,245
Interest expense	(8,952,675)	-	(8,952,675)
Income before operating transfers	49,279,189	-	49,279,189
Transfers, net	(12,109,174)	-	(12,109,174)
Special/extraordinary items	(14,299,522)	-	(14,299,522)
Change in net position	22,870,493	-	22,870,493
Net position, beginning of period	254,904,205	2,120,632	257,024,837
Net position, end of period	\$ 277,774,698	\$ 2,120,632	\$ 279,895,330

Discretely presented component unit

The City has included the Bryan Business Council, Inc. ("BBC") in its financial statements as a discretely presented component unit, since the City is financially accountable for the entity. The BBC, a non-profit corporation, was originally formed to market properties within the City owned Bryan Industrial Park. In addition, the BBC currently serves as an economic development arm of the City, and as such, provides a financial benefit to the City. The City provides coverage for the board of directors under the City's officer and employee liability plan and provides limited administrative support to the BBC. The BBC's board of directors is appointed by and serves at the discretion of the Bryan City Council. The Bryan City Council also directs the work plan and objectives of the BBC. During fiscal year (FY) 2016 the BBC board of directors voted to change the fiscal year-end for BBC from September 30 to June 30. Therefore, the financial position as of June 30, 2021 and the changes in net position from July 1, 2020 to June 30, 2021 are presented in the statement of net position and statement of activities, respectively.

Financial statements may be obtained by contacting: The Bryan Business Council, Inc., P. O. Box 1000, Bryan, Texas 77805

Cooperative Efforts

In 2010, the City of Bryan entered into an Interlocal Cooperation Agreement with the City of College Station to create a local government corporation under Subchapter D of Chapter 431, Texas Transportation Code, to be known as the Brazos Valley Solid Waste Management Agency, Inc. ("BVSWMA"). The purpose of this Corporation is to finance, construct, own, manage and operate the

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

existing and future municipal solid waste landfill facilities on behalf of the two cities. The City's one-half undivided interest in BVSWMA is reported in the Solid Waste Fund (see Note 15).

The City's financial statements do not include the Texas Municipal Power Agency ("TMPA"). TMPA, a separate municipal corporation, is a joint venture entered into by the Texas cities of Bryan, Garland, Denton and Greenville for the purpose of obtaining the economic advantages of jointly financing, constructing and operating electric generating units and transmission grid to supply the cities' electric energy needs. The eight-member board of directors of TMPA includes two members appointed by the Bryan City Council. The City has an ongoing financial interest in TMPA due to the City's guarantee of a portion of TMPA's debt (see Note 14).

In 2009, the City of Bryan and Brazos County entered into an agreement to create the City of Bryan and Brazos County Economic Development Foundation Inc. ("BBCEDF"), a local government corporation formed under Subchapter D of Chapter 431 of the Texas Transportation Code. The BBCEDF was created to promote, develop, encourage, and maintain employment, commerce, and economic development in the City and the County (see Note 21).

In 2020, the City of Bryan and Destination Bryan entered into an agreement where the City of Bryan is the primary funding source of Destination Bryan. Destination Bryan was created to promote, develop, encourage, and maintain tourism and marketing of the City.

Government-wide and fund financial statements

The government-wide financial statements (the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity within the governmental and business-type activities columns has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

In fund financial statements (the Governmental Funds Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances, the Proprietary Funds Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position and the Fiduciary Fund Statement of Fiduciary Net Position), the City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate financial statements are presented for governmental funds, proprietary funds, and fiduciary funds,

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column in the appropriate governmental fund and proprietary fund statements.

Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses, and balances of current financial resources.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

The Debt Service Fund accounts for the financial resources accumulated for the payment of principal, interest and related costs on long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted exclusively for debt service expenditures.

Other Governmental Funds is a summarization of all the non-major governmental funds, including Special Revenue, Capital Projects, and Permanent funds. The purpose and source of revenue for each Special Revenue fund is:

- Grant Fund – The source of funds is grants awarded to the City. The use of these funds is restricted by the terms of each grant.
- Community Development Fund – The source of funds is federal grants awarded to the City and use of the grant money is restricted by the terms of the grants. Primarily, the Community Development fund provides programs and services to low and moderate income persons.
- Hotel and Motel Room Tax Fund – The source of funds is the hotel occupancy tax. The use of these funds is restricted by the tax code of the State of Texas.
- Oil and Gas Fund – This fund was established by City of Bryan Ordinance to account for revenues associated with oil and gas leases, royalties, and mineral property taxes. The use of these funds is committed for projects of a non-recurring nature determined by City Council.
- Capital Reserve Fund – This fund was established by City of Bryan Ordinance to accumulate miscellaneous one-time revenues. The use of these funds is committed for projects of a non-recurring nature determined by City Council.
- Sidewalks Fund – This fund was established by City of Bryan Ordinance to collect and track funds from developers and property owners for the construction and maintenance of sidewalks. The use of these funds is committed for this purpose. Funds received are refunded to the remitter if not used within 10 years.
- Court Technology Fund – This fund was established by City Ordinance and the source of funds is a \$4.00 fee for each case that comes before the City's Municipal Court. These funds are restricted to technology necessary for the Court's operations.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

- Street Improvement Fund – Per the City of Bryan Code of Ordinances, a transportation user fee was established in order to provide a properly maintained road system. That fee is the source of revenue for this fund. The use of these funds is committed to the purposes of planning, constructing, operating, monitoring and maintaining the transportation system of the City.
- Drainage Improvement Fund – The drainage fee was established by the City of Bryan Code of Ordinances and is the source of revenue for this fund. The use of these funds is committed for the planning, constructing, operating, monitoring, and maintaining the City's drainage system.
- Tax Increment Reinvestment Zone #10 - The source of funds is the incremental property tax revenue from the appreciated appraised value of this TIRZ. The use of these funds is restricted to the geographical area within this zone.
- Tax Increment Reinvestment Zone #19 - The source of funds is the incremental property tax revenue from the appreciated appraised value of this TIRZ. The use of these funds is restricted to the geographical area within this zone.
- Tax Increment Reinvestment Zone #21 - The source of funds is the incremental property tax revenue from the appreciated appraised value of this TIRZ. The use of these funds is restricted to the geographical area within this zone.
- Tax Increment Reinvestment Zone #22 - The source of funds is the incremental property tax revenue from the appreciated appraised value of this TIRZ. The use of these funds is restricted to the geographical area within this zone.
- Midtown Park Operations Fund – This fund was established by City of Bryan Ordinance for the express purpose of accounting for the operations of the Travis Bryan Midtown Park. Revenues and expenditures of park operations will be accounted for in this fund.
- Midtown Park Construction Fund – This fund was established by City of Bryan Ordinance to account for the cash-funded costs of construction for the Travis Bryan Midtown Park. Debt funded construction costs will be accounted for in the appropriate Capital Projects fund.
- Phillips Event Center ("PEC") Fund – This fund was established by City of Bryan Ordinance for the express purpose of accounting for the operations of the Phillips Event Center and Golf Course. Revenues and expenditures of PEC operations will be accounted for in this fund.
- Queen and Palace Theaters Fund – This fund was established by City of Bryan Ordinance for the express purpose of accounting for the operations of the Queen and Palace Theaters. Revenues and expenditures of theaters operations will be accounted for in this fund.
- Destination Bryan – The City of Bryan has contracted with Destination Bryan as a marketing firm with the sole purpose of attracting businesses and entertainment to the City. Destination Bryan is treated as a blended component unit in the City of Bryan's financial statements as the firm is funded almost entirely by the City.

Proprietary funds include enterprise and internal service funds and are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are a determination of net income, financial position and cash flow. All assets and liabilities are included in the Statement of Net Position.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. At fiscal year end, the City accrues estimated unbilled revenues (excluding fuel expense) for electric, water, and wastewater customers.

The City reports the following major enterprise funds:

- The City Electric Fund (Bryan Texas Utilities or BTU) accounts for the activities necessary to provide electric services to customers within the city limits of the City. These activities include administration, electric generation, distribution, transmission system operations and maintenance, new construction, financing and related debt service, and billing and collection.
- The Rural Electric Fund accounts for the activities necessary to provide electric services to its customers located outside the city limits but within its service area. These activities include electric distribution, operations and maintenance, new construction, financing and related debt service. Administrative, billing and collection services are provided by the City Electric Fund.
- The Water Fund accounts for the activities necessary to provide water services to the residents of the City. These activities include administrative services, water production and distribution system operations and maintenance, new construction, financing and related debt service. Billing and collection services are provided by the City Electric Fund under an operating agreement.
- The Wastewater Fund accounts for the activities necessary to provide wastewater collection and treatment services to the residents of the City. These activities include administrative services, wastewater system operations and maintenance, new construction, financing and related debt service. Billing and collection services are provided by the City Electric Fund under a contractual agreement.

Other Enterprise Funds is a summarization of all of the non-major enterprise funds of the City. This category includes the Bryan Airport Fund, the Solid Waste Fund, and Bryan Commerce and Development ("BCD").

Internal service funds account for the City's central warehouse function, administration of self-funded health insurance provided to City employees, and the City's risk management activities, including general liability and workers' compensation claims and associated administrative expenses on a cost reimbursement basis. This category includes the Employee Benefits Fund, the Self-insurance Fund, and the Warehouse Fund.

Additionally, fiduciary funds account for the City's OPEB ("other post-employment benefits") fund and custodial funds. The OPEB Trust Fund, a blended component unit, was created to account for the funding of the Post-employment Benefits Trust. The contributed funds are based on full time employee count and contributed by the respective funds. See Note 12 for specific details of the OPEB Trust Fund. The custodial fund was created to account for funds that are held by the City of Bryan and payable to another governmental entity. These funds are excluded from the government-wide Statement of Net Position and Statement of Activities since the assets are not available to support the City's own programs.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Measurement focus, basis of accounting, and financial statement presentation

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

The government-wide financial statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities (whether current or non-current) are included on the Statement of Net Position. The operating statements present increases (revenues) and decreases (expenses) in net total assets. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the City considers property taxes available if they are collected within thirty (30) days of the end of the current fiscal period. A one hundred twenty (120) day availability period is used for recognition of all other governmental fund revenues. Expenditures are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The revenues subject to accrual are property taxes, franchise fees, licenses, charges for services, investment income and intergovernmental revenues. Sales taxes collected and held by the State at year end on behalf of the City are estimated and recognized as revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available when cash is received by the City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments-in-lieu-of taxes, payments for use of rights-of-way, and other charges between the City's electric, water, and wastewater functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers and applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes. Likewise, internally dedicated resources are reported as general revenues rather than as program revenues.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board ("GASB").

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Budgetary Control

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the Grant Fund, Sidewalks Fund, Capital Projects funds, Fiduciary funds, and the permanent funds. Grant expenditures are controlled by the grant agreements and amounts awarded are generally not known during the budget making process. The Sidewalks Fund expenditures are strictly controlled by the ordinance that created the fund. Expenditures are based on developer contributions and have to be used for sidewalks in the development or single-member district in which the development is located. Capital project fund expenditures are effectively controlled through bond provisions. Fiduciary fund expenditures are limited to the payment of benefits for those outside of the government. Permanent funds are controlled by the trust agreements which established the funds. All unexpended appropriations lapse at fiscal year-end.

The City Charter establishes the City's fiscal year as the twelve-month period beginning October 1 and ending September 30. The City follows these procedures in establishing the budgetary data reflected in the financial statements:

The City's departments submit to the City Manager a budget of estimated expenditures for the ensuing fiscal year. Prior to September 1, the City Manager submits to the City Council a proposed operating budget of estimated expenditures and revenues.

Upon receipt of the budget estimate the City Council publishes notice of and conducts public hearings on the proposed budget to obtain citizen comment. Prior to October 1, the budget is legally enacted through passage of the Appropriations Ordinance.

The City Manager is authorized to transfer budgeted amounts between line items and departments within any fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the fund level.

Budgeted amounts are as originally adopted, or as amended in accordance with the annual appropriations ordinance.

Encumbrance accounting is employed in governmental funds. Encumbrances (purchase orders and contracts) outstanding at fiscal year-end are reported as assigned fund balances and do not constitute expenditures or liabilities because the amounts will be re-appropriated and honored in the subsequent year.

Cash and Investments

Cash for all funds, including restricted cash, but excluding fiduciary fund cash and BTU City and Rural Electric System cash, is pooled into common accounts in order to maximize investment opportunities. Each fund participating in the pools has an equity interest therein. Investment earnings on these monies are allocated based upon relative equity at end of the monthly reporting cycle. An individual fund's pooled cash and investments are available upon demand. Negative balances incurred in pooled

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

cash at fiscal year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund.

Marketable securities with an original maturity of three months or less are considered to be cash equivalents except for balances in the investment pools which are reported as investments.

Investments of all funds are stated at fair value with the exception of investments in local government investment pools. The carrying value of the investments in local government investment pools is determined by the valuation policy of the investment pool; either at amortized cost or net asset value of the underlying pool shares, as further described in Note 2.

Inventories

All inventories are valued at average cost. Inventories owned by the Enterprise and Internal Service Funds are accounted for using the consumption method (an expense is recorded when the inventory item is used). Inventories owned by Governmental funds are accounted for using the purchase method (an expense is recorded when the inventory is purchased).

Prepaid Energy Costs, Impairment of Prepaid Energy Costs and Regulatory Assets

On June 6, 2019 the TMPA Board of Directors approved the cessation of the production of power and energy from the Gibbons Creek power plant. The unit was removed from the ERCOT system on October 30, 2019. These actions triggered the TMPA to record a decommissioning/environmental remediation liability and a corresponding discounted receivable from the member cities. The member cities were obligated to pay all costs associated with the decommissioning of the generating assets of TMPA. As of September 30, 2019 the calculated liability associated with decommissioning/environmental remediation was \$126,443,000 of which each member city was responsible for its share. Decommissioning was estimated to take 5 years and the related maintenance was estimated to be fully complete after 30 years. The City Electric System's allocated share of TMPA's decommissioning/remediation liability was 21.24%. At September 30, 2020 and 2019, the City Electric System recognized a Regulatory Asset in the amount of \$26,856,688. Of this amount, \$18,573,088 was associated with the decommissioning obligation and \$8,283,600 was associated with the ongoing maintenance. Because of the nature of the obligation, a liability for the City Electric System was recognized at September 30, 2020 and 2019. The Regulatory Asset would have been amortized in future periods when its costs were to be included in electric rates.

On February 10, 2021, TMPA's Gibbons Creek power plant was sold to GCERG. BTU removed the decommissioning/environmental remediation liability and the associated regulatory asset as of that date. Additionally, BTU established a regulatory asset in the amount of \$7,842,767 associated with the power plant sale on February 10, 2021. The regulatory asset will be amortized in future periods when their costs are included in electric rates

Other Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Interfund Receivables and Payables

Short-term amounts owed between funds are classified as "Due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Interfund Advance

Long term amounts owed between funds for the establishment of pension obligation bonds are classified as "Interfund Advance." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Interfund Advance."

Transactions between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of both Governmental and Proprietary Funds.

The City allocates to the proprietary funds a percentage of indirect costs incurred to provide general and administrative support services to those funds that are paid through the General Fund.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for the proprietary funds.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. To the extent that construction is performed by City personnel, the cost includes payroll and related costs and certain general and administrative expenses. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Assets capitalized have an original cost of \$5,000 or more and three or more years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method over the following estimated service lives:

	Estimated Service Lives
Buildings & improvements	15 - 40 years
Water and wastewater systems	40 years
Electric system	20 - 30 years
Electric generating and related equipment	20 - 40 years
Improvements other than buildings	5 - 40 years
Machinery and equipment	3 - 10 years
Library books	15 years
Software	3 years
Streets	20 years
Sidewalks	20 years
Traffic signals	20 years
Storm drains	35 years
Bridges and culverts	40 years
Works of art and historical treasures	Determined on individual basis

Minimum Fund Balance Policy

The City has set financial guidelines regarding the retention of General Fund fund balances and reserves to ensure that adequate funds are available to cover daily operating expenditures and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial standard to maintain a General Fund minimum fund balance of 60 days of annual operating expense totals.

In 2016, the Bryan City Council adopted the City of Bryan Financial Management Policy Statements in order to assemble all of the City's major financial policies into one document. Included in these policies are recommendations and guidelines regarding the minimum balances for City funds in order to maintain the City's financial ability to meet its current and future service needs. These policies were amended in November 2021 to better accommodate the amounts needed for the minimum fund balances. These statements are available on the City's website at www.bryantx.gov/fiscal-services/.

Pensions

For purposes of measuring the net pension liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Pension of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

Other Post-Employment Benefits (OPEB)

Financial statements for the Trust are prepared using the accrual basis of accounting and can be found in this report on page 115. Plan member contributions are recognized when due, and the City's contributions are recognized when due. Benefits and any refunds are recognized when due and payable according to the terms of the plan. Assets held by the Trust are valued at fair value.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about fiduciary net position of the City of Bryan Post-employment Benefits Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and the disclosure of contingent assets and liabilities as of the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Bond Issuance Expenses

According to the financial reporting requirements of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, bond issuance expenses are to be expensed as incurred. Issuance expenses are reported on the Statement of Activities on the Government-Wide Financial Statements for Governmental Activities in interest on long-term debt expense and on the Statement of Revenues, Expenditures, and Changes in Fund Balances in debt issuance costs. There was one governmental debt issuances for the fiscal year ended September 30, 2021. Taxable Pension General Obligation Bonds, Series 2020 (the "GOs"). Issuance expenses for the GOs were \$192,500. There were two business-type activity debt issuances for the fiscal year ended September 30, 2021, City Electric and Rural Electric Revenue Bonds, New Series 2021 and 2021A. Issuance expenses for this debt issuance were \$435,976 and \$137,455, respectively.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Utility Revenues, Fuel Recovery, and Regulatory Recovery

Customers are billed on the basis of monthly cycle billings. At year end, the City Electric System accrues estimated unbilled revenues for the period ended September 30. These unbilled revenues amounted to \$2,813,506 at September 30, 2021, and are included in accounts receivable. The difference between fuel revenue billed and fuel expense incurred is recorded as an addition or a reduction to fuel and purchased power expense, with a corresponding entry to accounts payable – over-recovered fuel, or accounts receivable – under-recovered fuel, whichever is appropriate. At September 30, 2021, the City Electric System reported a current liability – over-recovered fuel of \$2,347,818.

The City System recognized an extraordinary expense of \$14,299,522 for the year ending September 30, 2021 for additional fuel costs from the 2021 Winter Weather Event. BTU elected to not defer the difference between fuel revenue billed and fuel expense incurred for the event and recorded the costs as an extra-ordinary expense on the statements of revenues, expenses, and changes in net position (see page 16).

The difference between regulatory revenue billed and regulatory expense incurred is recorded as an addition or a reduction to transmission cost of service expense, with a corresponding entry to accounts payable – over-recovered regulatory fee, or accounts receivable – under-recovered regulatory fee, whichever is appropriate. At September 30, 2021, the City Electric System reported a current asset – under-recovered regulatory fee of \$1,402,391.

At fiscal year end, the Rural Electric System accrues estimated unbilled revenues (excluding fuel). These unbilled revenues, which are included in accounts receivable, amounted to \$2,172,475 at September 30, 2021. The Rural Electric System is allowed to recover purchased power cost through fuel revenue rates. The difference between fuel revenues billed and fuel expense incurred is recorded as an addition or a reduction to fuel and purchased power expense, with a corresponding entry to accounts payable – over-recovered fuel or accounts receivable – under-recovered fuel, whichever is appropriate. At September 30, 2021, the Rural Electric System reflected a current asset and a current liability, respectively – under-recovered fuel of \$456,690.

The difference between regulatory revenue billed and regulatory expense incurred is recorded as an addition or a reduction to regulatory charge expense, with a corresponding entry to accounts payable – over-recovered regulatory fee or accounts receivable – under-recovered regulatory fee, whichever is appropriate. At September 30, 2021, the Rural Electric System reported a current asset – under-recovered regulatory fee of \$479,466.

Deferred Regulatory Liability

To better align certain benefits received with BTU's retail rate design, the City Electric System utilizes regulatory accounting treatment for the funds it collects from customers and developers as contributions of aid in construction (AIC) under GASB Statement No. 62. The City Electric System recognizes AIC received as a deferred regulatory liability in the deferred inflows section of the Statements of Net Position. The deferred regulatory liability is amortized to accumulated depreciation over the life of the asset constructed.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

During the fiscal years ended September 30, 2021, the City Electric System collected \$1,155,008 of AIC. The amortization of the deferred regulatory liability was \$158,776 for 2021. The deferred regulatory liability balance at September 30, 2021 was \$5,080,819.

During the fiscal years ended September 30, 2021, the Rural Electric System collected \$1,096,090 of AIC. The amortization of the deferred regulatory liability was \$437,455 for 2021. The deferred regulatory liability balance at September 30, 2021 is \$13,998,559.

Compensated Absences

The City's policy in effect during Fiscal Year 2021 allows employees to earn vacation leave at rates of 10 to 20 days (80 to 160 hours) per year with unlimited accumulation. Classified employees in the police and fire departments earn vacation at the rate of 15 days (120 hours or 180 hours for shift firefighters) per year in accordance with Texas Local Government Code, Chapter 143, until the employee reaches 15 years employment at which time the rate of accrual becomes the same rate as that for other City employees. Upon termination, employees with a minimum of one year employment, who leave in good standing, are paid for unused vacation time up to a maximum of two times the employee's annual accrual rate at the time of separation.

City employees earn sick leave at a rate of 10 days (80 hours) per year and are permitted to accrue a maximum of 120 days (960 hours). Classified employees in the police and fire departments earn sick pay at the rate of 15 days (120 hours) per year in accordance with Texas Local Government Code, Chapter 143, with unlimited accumulation. Upon termination, classified police and fire department employees are paid for any unused sick leave up to a maximum of 90 days (720 hours or 1080 hours for shift firefighters). Non-classified employees are paid for accumulated sick leave up to a maximum of 240 hours upon termination, if they have a minimum of 480 hours accrued, dependent upon leaving in good standing and being continuously employed for a minimum of ten years in a regular, full time position immediately prior to separation.

The City accrues vacation and sick pay when the liability is incurred. Amounts related to governmental fund types are reported in the government-wide financial statements. The liabilities of the governmental fund types are typically liquidated by the General fund and Community Development fund. All amounts related to proprietary fund types are recorded within those funds.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

2021 Winter Weather Event

From February 14, 2021 through February 19, 2021, the continental United States experienced a severe winter storm. Record-breaking cold weather invaded the entire State of Texas, during which time the City experienced three consecutive days of record low temperatures and 86 consecutive hours below freezing.

As the 2021 Winter Weather Event covered the State, the Electric Reliability Council of Texas ("ERCOT") implemented what were initially expected to be rolling outages to conserve electricity and address energy needs across the entirety of the State; however, due to the severity of the 2021 Winter Weather Event and the corresponding increase in demand on the Texas electric grid, combined with limited availability of generation, widespread and prolonged power outages began at approximately 1:00 a.m., Central Time, on Monday, February 15, 2021, and continued throughout the week.

Beginning February 12, 2021, and continuing over the next several days, the natural gas wholesale power markets experienced extreme price volatility. With multiple natural gas pipelines restricting gas flows, frozen wellheads experienced across the State, and weather-related gas processing plant outages, coupled with a significant increase in power demand, next day delivery natural gas spot prices at various delivery hubs skyrocketed from an average of less than \$3 per million British thermal unit ("MMBtu") to as high as \$1,250 per MMBtu (recorded at the Oneok Gas Transportation hub in Oklahoma) at their peak. The price per megawatt hour ("MWh") of electricity in the ERCOT market reached the market cap of \$9,000 on February 14, 2021, again on February 15, 2021, and then again on February 16, 2021 (where it was held by ERCOT until 9:00 a.m. Central Time, February 19, 2021), when it had settled at \$30/MWh on February 10, 2021. During this time, ancillary service charges (which are incremental to the \$9,000 per MWh market cap) reached an actual per MW price as high as \$25,000.

From its available sources, the City Electric System saw gas purchase prices increase from approximately \$3.25/MMBtu up to as high as \$400/MMBtu. The City also made market power purchases during the 2021 Winter Weather Event, however, the costs associated with such purchases were mostly offset by increased revenues from BTU's generation assets. The net costs to BTU totaled \$26.7 million higher than normal budgeted costs for February. The source of these increased costs is largely due to ERCOT uplift charges to load during the last 32 hours of the 2021 Winter Weather Event when ERCOT held pricing at \$9,000/MWh with over 10,000 MWs of excess generation available in the ERCOT system. In response to the extraordinary nature of the event, BTU elected to treat these costs as extraordinary items for both the City Electric System and the Rural Electric System. In the normal course of business, BTU charges a Power Supply Adjustment (fuel charge) to offset energy costs. The difference between the actual cost of energy and the revenues collected through the fuel charge is deferred as over-recovered or under-recovered fuel (accounts payable and accounts receivable, respectively). However, due to the extraordinary nature of the costs due to the underlying event, BTU has elected to not defer these differences and record the costs associated with the 2021 Winter Weather Event as an extraordinary expense on the statements of revenues, expenses, and changes in net position. For the City Electric System, these costs are \$14,299,522. For the Rural Electric System, these costs are \$9,244,578.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

While all four of BTU's generating units (Dansby 1, 2, and 3 and Atkins 7) operated for the entirety of the 2021 Winter Weather Event, BTU has taken additional recommended actions to winterize its generating facilities. Continued monitoring of weatherization needs is ongoing, and investments will be made as BTU has determined the necessity to maintain its operating ability through all seasons.

On April 26, 2021, Randy Turner and many other plaintiffs filed a lawsuit ("The Turner Lawsuit" or the "lawsuit") against several hundred defendants, including the City Electric System, in state district court. The lawsuit alleges numerous causes of action regarding personal injuries and alleged property damage arising from the 2021 Winter Weather Event. The Turner Lawsuit has been transferred to a multi-district litigation (MDL) pre-trial court, where over 150 other similar lawsuits have been transferred. On or about January 28, 2022, the plaintiffs in the MDL amended their petitions to add most of the existing defendants to most of the existing lawsuits pending in the MDL, such that the City Electric System is now named as a defendant in a total of 104 lawsuits pending in the MDL. The amended petitions in which BTU is named are very similar in allegations and causes of action alleged, including the Turner Lawsuit. The City Electric System denies any wrongdoing, denies any liability for the alleged injuries or damages, and intends to vigorously defend itself against the claims.

New Accounting Pronouncements and Changes in Accounting Principles

For the fiscal year ended September 30, 2021, the City adopted:

GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. As a result, the State Court Costs Fund is reported as a custodial fund within the fiduciary fund financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The implementation of GASB Statement No. 91 did not have a significant impact on the City's financial statements.

GASB Statement No. 97, *Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

The requirements of this Statement that (1) exempt primary governments that perform the duties that a governing board typically performs from treating the absence of a governing board the same as the appointment of a voting majority of a governing board in determining whether they are financially accountable for defined contribution pension plans, defined contribution OPEB plans, or other employee benefit plans and (2) limit the applicability of the financial burden criterion in paragraph 7 of Statement 84 to defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement 67 or paragraph 3 of Statement 74, respectively, are effective immediately. The implementation of GASB Statement No. 97 did not have a significant impact on the City's financial statements.

GASB Statement No. 98, *The Annual Comprehensive Financial Statement*. This Statement establishes the term annual comprehensive financial report and its acronym ("ACFR"). That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have a significant impact on the City's financial statements.

The following guidance issued by GASB is effective for years following FY 2021 and is expected to be applicable to the City:

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, as amended, requires a government to terminate hedge accounting when it renegotiates or amends a critical term of a hedging derivative instrument, such as the reference rate of a hedging derivative instrument's variable payment. In addition, in accordance with Statement No. 87, *Leases*, as amended, replacement of the rate on which variable payments depend in a lease contract would require a government to apply the provisions for lease modifications, including remeasurement of the lease liability or lease receivable.

The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by:

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of reference rate, as it is used in Statement 53, as amended
- Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend

The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about various statements. The requirements of this statement are effective for reporting periods beginning after June 15, 2021 and upon issuance of Statement 87.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. The requirements of this statement are effective for reporting periods beginning June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The Board considered the effective dates for the requirements of this Statement in light of the COVID-19 pandemic and in concert with Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance.

2. DEPOSITS AND INVESTMENTS

Deposits

State statutes require that all deposits in financial institutions be fully collateralized with depository insurance or by U.S. Government obligations or its agencies and instrumentalities; or direct obligations of Texas or its agencies and instrumentalities that have a fair value of not less than the principal amount of the deposits. At year-end, the City's demand deposits at Branch Banking and Trust (BB&T), the City's depository bank, were entirely covered by federal depository insurance or by collateral held by the Federal Reserve Bank in the City's name. At September 30, 2021 the amount of the City's demand deposits were \$168,025,299, BTU's demand deposits were \$90,570,117, and the combined bank balance was \$258,595,416.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Investments

The City's investment program is guided by State statutes, by various City ordinances and by the City's investment policy which amplifies those guidelines and prescribes how the City will operate its investment program in accordance with applicable laws and regulations.

The City's policy, which was adopted by the City Council on August 11, 2020, for the fiscal year ending September 30, 2021, sets forth (1) the basic principles governing the investment of City funds; (2) the objectives of the City's investment program; and (3) the authority, responsibilities, limitations, documentation and requirements to be used in the administration and operation of the City's investment program.

Investments authorized by the investment policy are a subset of those approved by the State of Texas Public Funds Investment Act, Chapter 2256. The City of Bryan authorized investments include the following:

- a. Direct obligations of the United States government.
- b. Debentures or discount notes issued by, guaranteed by, or for which the credit of any Federal Agencies and Instrumentalities is pledged for payment.
- c. Bonds or other obligations for which the principal and interest are unconditionally guaranteed or insured by, or backed by the full faith and credit of the United States government or United States government 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.
- d. Certificates of Deposit guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor, in state or national banks located within the State of Texas.
- e. Repurchase Agreements and Reverse repurchase agreements only as part of a Public Investing Pool and in compliance with the Public Fund Investment Act limitations.
- f. Bankers Acceptances eligible for discounting with the Federal Reserve maturing within 90 days.
- g. Commercial Paper maturing within 365 days carrying a rating of A-1, P-1 or F-1.
- h. Money Market Mutual Funds that are AAA rated, regulated by the Securities and Exchange Commission and charge no commission fee on purchases or sales of shares.
- i. Public Funds Investment Pools organized under the Texas Interlocal Cooperation Act that follow the requirements in the Public Funds Investment Act.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

- j. Direct obligations of the State of Texas and any political subdivisions thereof which are rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent.
- k. Hedging contracts and related security and insurance agreements in relation to fuel oil, natural gas, coal, nuclear fuel, and electric energy to protect against loss due to price fluctuations.

The City's cash and cash equivalents and investments at September 30, 2021 as are follows:

	Carrying Value	Percentage of Total	Wgt. Avg. Maturity (Days)
U. S. Agencies and Treasuries	\$ 16,269,223	5.14%	200
Municipal Bonds	36,347,954	11.49%	740
Government Pools	5,092,218	1.61%	41
Demand Deposits	258,595,416	81.76%	1 day
	<u>\$ 316,304,811</u>	<u>100.00%</u>	

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72 provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The City has recurring fair value measurements as presented in the table below. The investment balances at September 30, 2021 are as follows:

<u>Investment measured at fair value</u>	<u>Value at FYE</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Municipal Bonds	\$ 36,347,954	\$ -	\$ 36,347,954	\$ -
Treasuries	4,959,373	4,959,373	-	-
U.S. Agency Bonds	11,309,850	-	11,309,850	-
	<u>\$ 52,617,176</u>	<u>\$ 4,959,373</u>	<u>\$ 47,657,803</u>	<u>\$ -</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The investments in government pools are measured at net asset value which approximates fair value and are exempt from reporting in the fair value hierarchy. U.S. Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

In accordance with GASB Statement No. 40, additional disclosures are provided below that address investment exposure to interest rate risk and credit risk including custodial credit risk and concentrations of credit risk. Because the City does not hold foreign investments, foreign currency risk is not discussed.

As of September 30, 2021, the City had the following investments:

Investment Types	Value	Investment Maturity (in Years)		
		Less Than 1	1-5	Greater Than 5
Municipal Bonds	\$ 36,347,954	\$ -	\$ 36,347,954	\$ -
Treasuries	4,959,373	-	4,959,373	-
U.S. Agency Bonds	11,309,850	6,017,580	5,292,270	-
Total	<u>\$ 52,617,176</u>	<u>\$ 6,017,580</u>	<u>\$ 46,599,596</u>	<u>\$ -</u>

The City's investments in government pools include deposits in TexPool, TexSTAR and Texas CLASS.

TexPool is a public funds investment pool operated by the Texas Treasury Safekeeping Trust Company, an entity of which the Texas Comptroller of Public Accounts is the sole officer, director, and shareholder. The advisory board of TexPool is composed of members appointed pursuant to the requirements of the Texas Public Funds Investment Act. Administrative and investment services are provided by Federated Investors, Inc., and the assets are kept in a separate custodial account at the State Street bank in the name of TexPool.

TexSTAR was created in April 2003 pursuant to the Interlocal Cooperation Act of the State of Texas, chapter 791 of the Texas Government Code and the Public Funds Investment Act, chapter 2256 of the Texas Government Code. TexSTAR policies require that local government deposits be used to purchase investments authorized by the Texas Public Funds Investment Act. The State Comptroller of Public Accounts exercises responsibility over TexSTAR. TexSTAR is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management. J.P. Morgan Investment Management, Inc. provides investment advisory services.

The Texas Cooperative Liquid Assets Securities System Trust (Texas CLASS) was created as a local government investment pool (LGIP) pursuant to Section 2256.016 of the Public Funds Investment Act, Texas Government Code (PFIA). Per state code, entities may pool any of their funds, or funds under their control, to preserve principal, maintain the liquidity of the funds, and maximize yield. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and Wells Fargo Bank Texas, N.A. as Custodian.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The investment pools do not have any limitations or restrictions on withdrawals, such as notice periods or maximum transaction amounts, and do not impose any liquidity or redemption gates.

The revenue bond ordinances require disclosure of the investments held by the reserve fund. Sufficient investments exist in the pool to adequately meet reserve fund requirements. A detailed list of those securities is available in the office of the Chief Financial Officer.

Custodial Risk – City deposits in excess of the \$250,000 amount covered by the Federal Depository Insurance Corporation (“FDIC”) must be secured by authorized securities with a fair value equal to or greater than 105% of the total deposits. At September 30, 2021, all City deposits were insured or adequately collateralized.

Interest Rate Risk – The City minimized the risk associated with the decline in fair value of securities due to rising interest rates (interest rate risk) by maintaining a (“buy and hold”) strategy whereby investment securities are purchased with the intent to hold the securities in the portfolio until maturity. Additionally, the City’s Investment Policy limits the weighted average maturity of all securities and Certificates of Deposit in the City’s portfolio to no more than three years at any given time. The City’s investment strategy acts to reduce interest rate risk through investing funds to meet cash flow requirements; monitoring the credit ratings of portfolio investments to assure compliance with the Investment Policy and the Texas Public Funds Investment Act; and investing in a diversified portfolio of assets including obligations of the United States and its agencies and instrumentalities, money market mutual funds, and government investment pools.

Credit Risk and Concentration of Credit Risk – In compliance with the City’s Investment Policy and the Texas Public Funds Investment Act, the City managed credit risk through portfolio diversification by limiting investments to avoid over concentration in securities from a specific issuer; limiting investments in securities with high credit risk; and investing in securities with varying maturities.

The City’s investment policy limits investments in external investment pools to pools rated as to investment quality not less than “AAA” or “AAA-m” or an equivalent rating by at least one nationally recognized rating service. The investment policy limits investments in direct obligations of the State of Texas and any political subdivisions thereof which are rated as to investment quality by a nationally recognized investment rating firm not less than “AA” or its equivalent. Direct obligations of the United States government or its agencies and instrumentalities and bonds or other obligations, the principal and interest of which is guaranteed by the full faith and credit of the United States are permitted by the investment policy.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The City's investments as of September 30, 2021 were rated as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>
Investment Pools	AAA-m	Standard & Poor's
Municipal Bonds	Aa2 to Aaa AA to AAA AA to AAA	Moody's Standard & Poor's Fitch
Treasuries	Aaa AAA	Moody's Standard & Poor's
U.S. Agency Bonds	Aaa AA+ AAA	Moody's Standard & Poor's Fitch

Foreign Currency Risk – By virtue of the City's Investment Policy and the Texas Public Funds Investment Act, the City is not exposed to foreign currency risk because the City is not authorized to maintain deposits or investments denominated in a foreign currency.

3. PROPERTY TAXES

Property tax is levied each October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the City. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the City Council.

Taxpayers have two options for paying property taxes, the full payment option or the split payment option. Taxpayers electing the full payment option have from October 1 of the tax year to January 31 of the following year to pay the full amount of taxes without penalty or interest. Taxes become delinquent on February 1. Any unpaid balance will accrue penalty and interest. Taxpayers electing the split payment option have from October 1 to November 30 of the tax year to pay half of the tax amount. The remaining half may be paid without penalty or interest any time on or before June 30 of the following year. Taxes become delinquent on July 1.

Taxpayers who were 65 years of age or older on January 1, and have filed an application for exemption may pay the taxes on their homestead in four equal installments. Quarterly payments are due January 31, March 31, May 31, and July 31.

Delinquent taxes are subject to interest and penalty charges. The tax rate to finance general governmental services including debt service was 62.9 cents per \$100 of assessed valuation for the year ended September 30, 2021. Under provisions adopted by the City, the maximum tax rate is limited to \$1.50 per \$100 of assessed valuation.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The Brazos Central Appraisal District (“Appraisal District”) is responsible for the recording and appraisal of property for all taxing units in the County. The Appraisal District is required to assess property at 100% of its appraised value. Real property must be reappraised at least every three years. The City may, at its own expense, require annual reviews by the Appraisal District through various appeals and, if necessary, legal action. Under this system, if the rate, excluding tax rates for bonds and other contractual obligations adjusted for new improvements, exceeds the rate for the previous year by more than 3.5%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 3.5% above the tax rate of the previous year.

The Brazos County Tax Office bills and collects the property taxes of the City.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1	Additions / Completions	Retirements / Adjustments	Balance September 30
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 14,037,882	\$ 23,859	\$ -	\$ 14,061,741
Construction in progress	19,812,050	23,242,123	-	43,054,173
Total capital assets not being depreciated	33,849,932	23,265,982	-	57,115,914
Capital assets, being depreciated				
Intangibles	-	60,250	-	60,250
Buildings	47,080,236	841,391	-	47,921,627
Machinery and equipment	41,941,241	1,508,368	(503,223)	42,946,386
Improvements other than buildings	45,446,409	2,972,022	-	48,418,431
Infrastructure	239,821,819	15,716,320	-	255,538,139
Total capital assets being depreciated	374,289,705	21,098,351	(503,223)	394,884,833
Less accumulated depreciation for:				
Intangibles	-	(18,410)	-	(18,410)
Buildings	(19,636,120)	(1,221,989)	-	(20,858,109)
Machinery and equipment	(31,409,458)	(2,573,313)	503,223	(33,479,548)
Improvements other than buildings	(30,153,706)	(1,539,813)	-	(31,693,519)
Infrastructure	(128,997,093)	(8,924,828)	-	(137,921,921)
Total accumulated depreciation	(210,196,377)	(14,278,353)	503,223	(223,971,507)
Total capital assets being depreciated, net	164,093,328	6,819,998	-	170,913,326
Governmental activities capital assets, net	\$ 197,943,260	\$ 30,085,980	\$ -	\$ 228,029,240
Business-type activities:				
Capital assets not being depreciated				
Land	\$ 23,259,342	\$ 4,334,558	\$ -	\$ 27,593,900
Construction in progress	61,204,912	69,318,684	(24,152,349)	106,371,247
Retirement in progress	736,554	1,340,064	(887,171)	1,189,448
Total capital assets not being depreciated	85,200,808	74,993,306	(25,039,520)	135,154,595
Capital assets, being depreciated				
Buildings	22,867,325	4,593,946	-	27,461,271
Machinery and equipment	18,943,857	1,852,410	(494,700)	20,301,567
Improvements other than buildings	937,924,399	33,579,560	(795,453)	970,708,506
Total capital assets being depreciated	979,735,581	40,025,916	(1,290,153)	1,018,471,344
Less accumulated depreciation for:				
Buildings	(5,400,503)	(1,078,259)	-	(6,478,762)
Machinery and equipment	(13,949,768)	(1,598,915)	473,737	(15,074,946)
Improvements other than buildings	(355,204,390)	(28,811,057)	1,657,946	(382,357,501)
Total accumulated depreciation	(374,554,661)	(31,488,231)	2,131,683	(403,911,209)
Total capital assets being depreciated, net	605,180,920	8,537,684	841,530	614,560,135
Business-type activities capital assets, net	\$ 690,381,728	\$ 83,530,991	\$ (24,197,990)	\$ 749,714,730

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Depreciation expense was charged as direct expense to programs of the primary government as follows:

Governmental activities:

General government and administration	\$ 900,547
Development services	78,216
Public works services	9,365,228
Public safety	2,564,939
Cultural and recreational	1,369,423
Total depreciation expense - Governmental activities	<u>\$ 14,278,353</u>

Business-type activities:

City Electric	16,874,868
Rural Electric	3,683,417
Water	4,160,720
Wastewater	4,900,471
Other Enterprise Funds	1,272,526
Total depreciation expense - Business-type activities	<u>\$ 30,892,002</u>

The City has active construction projects as of September 30, 2021. Total accumulated commitments for ongoing capital projects are composed of the following:

	Committed
Street improvements	\$ 4,435,113
Drainage improvements	2,772,414
Parks Development	973,861
Electric Improvements	15,258,991
Water system improvements	1,412,813
Wastewater system improvements	1,272,175
Airport improvements	57,929
Total	<u>\$ 26,183,297</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

5. LONG-TERM DEBT

The following is a summary of long-term debt transactions (except vacation and sick pay and claims and judgments) for the year ended September 30, 2021:

	Beginning Balance	Issued	Matured/ Refunded	Ending Balance	Due within one year
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 41,095,826	54,700,000	6,841,498	\$ 88,954,328	\$ 7,152,201
Certificates of Obligation	94,140,000	-	1,325,000	92,815,000	2,835,000
Total governmental activities	135,235,826	54,700,000	8,166,498	181,769,328	9,987,201
Total Premium	4,920,060	(313,247)	351,558	4,255,255	365,973
Total Governmental Activities, net	140,155,886	54,386,753	8,518,056	186,024,583	10,353,174
<u>Business-type Activities:</u>					
Water, Sewer & Airport Systems:					
General Obligation Bonds	4,224,174	-	708,502	3,515,672	717,799
Certificates of Obligation	2,765,000	-	950,000	1,815,000	945,000
Revenue Bonds	34,715,000	-	4,430,000	30,285,000	4,840,000
Electric System :					
General Obligation Bonds	4,060,000	-	765,000	3,295,000	780,000
Certificates of Obligation	32,815,000	-	1,360,000	31,455,000	1,400,000
Revenue Bonds	221,450,000	102,170,000	9,485,000	314,135,000	11,840,000
Total business type activities	300,029,174	102,170,000	17,698,502	384,500,672	20,522,799
Total Premium	26,159,920	12,275,710	1,605,299	36,830,331	2,070,995
Total Business-type Activities, net	326,189,094	114,445,710	19,303,801	421,331,003	22,593,794
Total long-term debt	435,265,000	156,870,000	25,865,000	566,270,000	30,510,000
Total long-term debt, net	\$ 466,344,980	\$ 168,832,463	\$ 27,821,857	\$ 607,355,586	\$ 32,946,968

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Long-term debt at September 30, 2021 consists of bonds and certificates of obligation maturing serially and is summarized as follows:

<u>Issue</u>	<u>Interest Rates (%)</u>	<u>Series Matures</u>	<u>First Callable Date</u>	<u>Governmental</u>	<u>Business- type</u>	<u>Total</u>
<u>General Obligation Bonds:</u>						
Refunding, Series 2013	2.00 - 3.50	2026	08/15/23	7,498,859	2,206,141	9,705,000
Refunding, Series 2014	2.00 - 3.25	2031	08/15/24	3,975,468	1,309,531	5,285,000
Refunding, Series 2015	2.00 - 4.00	2025	None	3,885,000	3,295,000	7,180,000
Refunding, Series 2016	1.50 - 3.00	2026	None	4,020,000	-	4,020,000
Refunding, Series 2018	2.00 - 5.00	2028	None	4,590,000	-	4,590,000
Refunding, Series 2019	2.00 - 3.00	2028	None	3,815,000	-	3,815,000
Refunding, Series 2020	2.00 - 4.00	2030	08/15/28	6,470,000	-	6,470,000
Pension Obligation, Series 2020	0.45 - 2.89	2040	08/15/31	54,700,000	-	54,700,000
Total General Obligation Bonds				<u>88,954,328</u>	<u>6,810,672</u>	<u>95,765,000</u>
<u>Certificates of Obligation:</u>						
Combination Tax & Revenue Refunding, Series 2011	3.00 - 4.00	2022	None	-	895,000	895,000
Combination Tax & Revenue, Series 2013	3.00 - 4.25	2033	08/15/23	-	3,780,000	3,780,000
Combination Tax & Revenue, Series 2014	2.00 - 5.00	2039	08/15/24	4,660,000	27,675,000	32,335,000
Combination Tax & Revenue, Series 2016	2.00 - 5.00	2036	08/15/26	7,105,000	920,000	8,025,000
Combination Tax & Revenue, Series 2018	3.00 - 4.00	2038	08/15/27	10,685,000	-	10,685,000
Combination Tax & Revenue, Series 2020	2.00 - 5.00	2050	02/15/29	70,365,000	-	70,365,000
Total Certificates of Obligation				<u>92,815,000</u>	<u>33,270,000</u>	<u>126,085,000</u>
<u>Revenue Bonds:</u>						
Sewer System Revenue, Series 2011	0.00 - 2.70	2030	07/01/21	-	8,990,000	8,990,000
Electric System Revenue City, Series 2012	3.13 - 5.00	2037	07/01/22	-	32,270,000	32,270,000
Electric System Revenue City, Series 2016	3.00 - 5.00	2041	07/01/26	-	64,495,000	64,495,000
Electric System Revenue Rural, Series 2016	2.00 - 5.00	2041	07/01/26	-	13,425,000	13,425,000
Water System Revenue, Series 2016A	2.25 - 5.00	2036	07/01/26	-	3,505,000	3,505,000
Water System Revenue, Series 2016B	0.61 - 2.16	2041	07/01/27	-	1,930,000	1,930,000
Water and Sewer System Revenue, Series 2017	3.00 - 4.00	2032	07/01/27	-	10,415,000	10,415,000
Electric System Revenue City, Series 2017	3.00 - 5.00	2034	07/01/27	-	46,585,000	46,585,000
Electric System Revenue City, Series 2018	4.00 - 5.00	2043	07/01/27	-	38,710,000	38,710,000
Electric System Revenue Rural, Series 2018	4.00 - 5.00	2043	07/01/27	-	16,480,000	16,480,000
Water and Sewer System Revenue Refunding, Series 2019	2.00 - 3.00	2029	07/01/27	-	2,515,000	2,515,000
Water and Sewer System Revenue Refunding, Series 2020	2.00 - 3.00	2030	07/01/28	-	2,930,000	2,930,000
Electric System Revenue City, Series 2021	4.00 - 5.00	2046	07/01/31	-	15,700,000	15,700,000
Electric System Revenue Rural, Series 2021	2.50 - 5.00	2046	07/01/31	-	19,675,000	19,675,000
Electric System Revenue City, Series 2021A	2.50 - 5.00	2046	07/01/31	-	66,795,000	66,795,000
Total Revenue Bonds				<u>-</u>	<u>344,420,000</u>	<u>344,420,000</u>
Total long-term debt				<u>181,769,328</u>	<u>384,500,672</u>	<u>566,270,000</u>
Total Premium				<u>4,255,255</u>	<u>36,830,331</u>	<u>41,085,586</u>
Total long-term debt, net				<u>\$ 186,024,583</u>	<u>\$ 421,331,003</u>	<u>\$ 607,355,586</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Debt service requirements to maturity for all bonds, certificates of obligation, contractual obligations and notes payable are summarized as follows:

General Obligation Bonds

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	\$ 7,152,201	\$ 2,222,272	\$ 1,497,799	\$ 214,979	\$ 11,087,250
2023	7,444,162	2,039,777	1,550,838	162,970	11,197,747
2024	7,728,396	1,864,335	1,596,604	116,444	11,305,779
2025	7,120,414	1,657,681	1,379,586	60,196	10,217,877
2026	5,653,748	1,485,198	321,252	24,450	7,484,648
2027-2031	19,050,407	5,696,746	464,593	44,750	25,256,496
2032-2036	16,775,000	3,740,537	-	-	20,515,537
2037-2041	18,030,000	1,311,304	-	-	19,341,304
2042-2046	-	-	-	-	-
2047-2050	-	-	-	-	-
Total	<u>\$ 88,954,328</u>	<u>\$ 20,017,849</u>	<u>\$ 6,810,672</u>	<u>\$ 623,789</u>	<u>\$ 116,406,638</u>

Certificates of Obligation

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	2,835,000	2,840,409	2,345,000	1,177,613	9,198,022
2023	2,945,000	2,718,859	1,485,000	1,095,763	8,244,622
2024	3,085,000	2,592,409	1,535,000	1,048,613	8,261,022
2025	3,215,000	2,453,509	1,610,000	977,723	8,256,232
2026	3,355,000	2,305,109	1,660,000	926,923	8,247,032
2027-2031	17,945,000	9,328,951	9,155,000	3,793,118	40,222,070
2032-2036	19,165,000	6,546,034	9,610,000	2,133,779	37,454,813
2037-2041	14,990,000	4,294,263	5,870,000	450,688	25,604,950
2042-2046	14,580,000	2,465,781	-	-	17,045,781
2047-2050	10,700,000	707,894	-	-	11,407,894
Total	<u>\$ 92,815,000</u>	<u>\$ 36,253,216</u>	<u>\$ 33,270,000</u>	<u>\$ 11,604,219</u>	<u>\$ 173,942,435</u>

Revenue Bonds

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	-	-	16,680,000	13,100,129	29,780,129
2023	-	-	14,115,000	13,317,597	27,432,597
2024	-	-	14,610,000	12,701,685	27,311,685
2025	-	-	15,320,000	12,056,199	27,376,199
2026	-	-	16,010,000	11,343,245	27,353,245
2027-2031	-	-	88,515,000	44,893,128	133,408,128
2032-2036	-	-	76,595,000	26,232,734	102,827,734
2037-2041	-	-	66,765,000	12,317,428	79,082,428
2042-2046	-	-	35,810,000	2,823,875	38,633,875
2047-2050	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344,420,000</u>	<u>\$ 148,786,021</u>	<u>\$ 493,206,021</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Total Long Term Debt

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2022	\$ 9,987,201	\$ 5,062,680	\$ 20,522,799	\$ 14,492,721	\$ 50,065,401
2023	10,389,162	4,758,636	17,150,838	14,576,329	46,874,965
2024	10,813,396	4,456,743	17,741,604	13,866,743	46,878,486
2025	10,335,414	4,111,190	18,309,586	13,094,119	45,850,308
2026	9,008,748	3,790,306	17,991,252	12,294,618	43,084,925
2027-2031	36,995,407	15,025,697	98,134,593	48,730,997	198,886,694
2032-2036	35,940,000	10,286,571	86,205,000	28,366,512	160,798,084
2037-2041	33,020,000	5,605,566	72,635,000	12,768,116	124,028,682
2042-2046	14,580,000	2,465,781	35,810,000	2,823,875	55,679,656
2047-2050	10,700,000	707,894	-	-	11,407,894
Total	<u>\$ 181,769,328</u>	<u>\$ 56,271,064</u>	<u>\$ 384,500,672</u>	<u>\$ 161,014,029</u>	<u>\$ 783,555,094</u>

On November 19, 2020, the City issued general obligation pension bonds totaling \$54,700,000. These bonds mature serially from August 15, 2022 through August 15, 2040 with coupon rates ranging from 0.449% to 2.894%. Proceeds from the sale of the bonds will be used to pay a portion of the City's accrued unfunded liability to the Texas Municipal Retirement System and to pay the costs of issuing the bonds.

On June 15, 2021, the City issued \$15,700,000 in city electric system revenue bonds, Series 2021. These bonds mature serially from July 1, 2022 through July 1, 2046 with coupon rates ranging from 4.0% to 5.0%. Proceeds from the sale of bonds will be used for financing costs or expenses incurred in relation to the acquisition or construction of improvements, additions, or extensions to the electric system, including facilities for the generation, transmission, or distribution of electric power and energy, capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the electric system; funding the reserve fund requirement for the bonds; and paying the costs of issuing the bonds.

On October 19, 2021, the City issued \$19,675,000 in rural electric system revenue bonds, Series 2021. These bonds mature serially from July 1, 2022 through July 1, 2046 with coupon rates ranging from 2.5% to 5.0%. Proceeds from the sale of bonds will be used for financing costs or expenses incurred in relation to the acquisition or construction of improvements, additions, or extensions to the electric system, including facilities for the generation, transmission, or distribution of electric power and energy, capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the electric system; funding the reserve fund requirement for the bonds; and paying the costs of issuing the bonds.

On October 19, 2021, the City issued \$66,795,000 in city electric system revenue bonds, Series 2021A. These bonds mature serially from July 1, 2022 through July 1, 2046 with coupon rates ranging from 2.5% to 5.0%. Proceeds from the sale of bonds will be used for financing costs or expenses incurred in relation to the acquisition or construction of improvements, additions, or extensions to the electric system, including facilities for the generation, transmission, or distribution of electric power and energy, capital assets, facilities, and equipment incident and related to the operation, maintenance, or administration of the electric system; funding the reserve fund requirement for the bonds; and paying the costs of issuing the bonds.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

All net revenues of the City Electric Fund, Rural Electric Fund, Water and Wastewater Systems are pledged for the payment of each funds' respective revenue bonds. Net revenues, as defined by the various revenue bond ordinances, include substantially all of the revenues and expenses of each respective system other than certain interest income and expense and depreciation and amortization. These bond ordinances further require that the net revenues as defined equal at least 1.10 times the average annual debt service on all outstanding City Electric Fund revenue bonds, 1.20 times the average annual debt service on all outstanding Rural Electric Fund revenue bonds and 1.25 times the average annual debt service on all outstanding Water and Wastewater System revenue bonds.

Under the terms of the bond covenants, the City Electric and Rural Electric Funds are required to maintain minimum reserve fund requirements equal to approximately one year of debt service requirements. The reserve fund requirements may be satisfied by cash, letter of credit, or an insurance policy. The reserve fund requirements for the City Electric Fund Series 2012, 2018, and 2021 Bonds are satisfied with restricted funds. The reserve fund requirements for the City Electric Fund Series 2016 and 2017 bonds are satisfied with insurance policies, as are the Rural Electric Fund's Series 2016 and 2018 bonds. There are no reserve requirements for the Rural Electric Fund 2013 and the City Electric Fund 2014 Certificates of Obligation or the City Electric Fund 2015 General Obligation Refunding Bonds.

The ordinance authorizing the Waterworks and Sewer System revenue bonds stipulates that the City will deposit certain amounts into a reserve fund for the purpose of retiring the last of the bonds as they become due or to pay principal of and interest on the outstanding bonds if necessary. The ordinance also allows the City to replace or substitute a credit facility for cash or investments on deposit in the reserve fund. For the Series 2017 bonds, the City has exercised the option to replace the reserve fund requirement with a surety bond.

The City reserves the right at any time to merge its City Electric Fund and its Rural Electric Fund into a single operating electric utility system. The merger of the Rural Electric Division would not have an adverse impact on the bondholders.

Arbitrage provisions of the Internal Revenue Tax Act of 1986 require the City to rebate excess arbitrage earnings from bond proceeds to the federal government. As provided for by the bond ordinances, this amount would be as a liability in the Proprietary funds for the benefit of the federal government and will be paid as required by applicable regulations. The City did not have an arbitrage liability as of September 30, 2021.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Other long-term liabilities

Changes in the accrual for unpaid vacation and sick pay are detailed below:

	Year Ended September 30, 2021		
	Governmental Activities	Business-type Activities	Total
Beginning balance	\$ 10,447,244	\$ 2,334,354	\$ 12,781,598
Plus additions	3,791,117	1,860,839	5,651,956
Less payments	(3,465,642)	(1,197,997)	(4,663,639)
Ending balance	<u>\$ 10,772,719</u>	<u>\$ 2,997,196</u>	<u>\$ 13,769,915</u>
Amount due in one year	\$ 3,181,156	\$ 2,074,624	\$ 5,255,780
Amount due in over one year	\$ 7,591,563	\$ 922,572	\$ 8,514,135

6. PRIOR-YEAR DEFEASANCE OF DEBT

As of September 30, 2021, the City had no outstanding general obligation bonds, certificates of obligation, or revenue bonds which were considered defeased.

7. TMPA DECOMMISSIONING LIABILITY

On June 6, 2019, the TMPA Board of Directors approved the cessation of the production of power and energy from TMPA's Gibbons Creek Steam Electric Station ("GCSES"). The unit was removed from the ERCOT system on October 30, 2019. These actions triggered TMPA to record a decommissioning/environmental remediation liability and a corresponding discounted receivable from the TMPA Member Cities, as they are obligated to pay all associated costs. For the year ended September 30, 2019 the City Electric System recorded a short-term and long-term liability to TMPA for its percentage share of the remediation liabilities. As of September 30, 2020, the non-current liability balance is \$17,634,544, and the current portion of the liability (due in one year) is \$7,357,637.

On February 10, 2021, TMPA's Gibbons Creek power plant was sold to GCERG. BTU removed the decommissioning/environmental remediation liability and the associated regulatory asset as of that date.

See Note 14 – Texas Municipal Power Agency.

Changes to the liability to TMPA during fiscal year 2021, including current portion are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due in One Year
TMPA decommissioning liability	\$ 24,992,181	\$ -	\$ 24,992,181	\$ -	\$ -

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

8. BONDS AVAILABLE FOR SALE

Authorized general obligation bonds available for future issue are as follows:

	<u>Year Authorized</u>	<u>Unissued Amount</u>
Streets	1984	\$ 8,225,000
Parks and Recreation Facilities	1984	1,775,000
Railroad Grade Separation	1984	2,850,000
Sanitary Landfill	1984	200,000
Total		<u>\$ 13,050,000</u>

During FY 1984, the City Council voted to comply with the option provided by state law that does not require voter approval on revenue bonds prior to issuance.

9. NATURE AND PURPOSE OF CLASSIFICATION OF FUND EQUITY

The fund balance classifications for Governmental Funds are:

- Nonspendable – includes fund balance amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the City through the adoption of an ordinance by the City Council. In order for fund balance to be committed, the City Council must adopt an ordinance stating the purpose for which the fund balance is committed. These committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (adoption of an ordinance) it employed to previously commit these amounts.
- Assigned – includes fund balance amounts that are self-imposed by the City to be used for a particular purpose. Fund balance can be assigned by the City Manager, the Chief Financial Officer or their designee. This authority was delegated to the City Manager and the Chief Financial Officer by formal resolution of the City Council. Assignments also include encumbrances for streets, drainage and capital projects.
- Unassigned – includes the residual fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Similarly, committed fund balances are reduced first followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications are available.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The City's classification of fund balances is as follows at September 30, 2021:

	General Fund	Debt Service Fund	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total
Nonspendable:						
Permanent Funds Corpus	\$ 43,218	\$ -	\$ -	\$ -	\$ 1,296,303	\$ 1,339,521
Other Purposes	54,119	-	3,627	-	-	57,746
Restricted for:						
Debt Service	-	21,661,156	-	-	-	21,661,156
Hotel/Motel	-	-	2,422,213	-	-	2,422,213
Municipal Court	160,403	-	188,283	-	-	348,686
TIRZ Development	-	-	3,093,947	-	-	3,093,947
Capital Projects	-	-	-	38,490,807	-	38,490,807
Cemeteries	-	-	-	-	87,626	87,626
Libraries	-	-	-	-	4,684	4,684
Police	225,320	-	-	-	-	225,320
Record Preservation	35,546	-	-	-	-	35,546
Other Purposes	1,000,292	-	12,412	-	-	1,012,704
Tax Abatements	3,038,926	-	-	-	-	3,038,926
Animal Center	259,597	-	-	-	-	259,597
Committed to:						
Parks	784,029	-	15,183,119	-	-	15,967,148
Libraries	329,804	-	-	-	-	329,804
Streets	-	-	9,945,050	-	-	9,945,050
Drainage	3,909,727	-	923,707	-	-	4,833,434
Severance Reserve	374,598	-	-	-	-	374,598
Other Purposes	-	-	2,281,348	-	-	2,281,348
Assigned to:						
Parks	179,940	-	-	-	-	179,940
Streets and Drainage	48,887	-	-	-	-	48,887
Other Purposes	3,157,296	-	-	-	-	3,157,296
Unassigned	37,335,487	-	(38,423)	-	-	37,297,064
Total fund balances	<u>\$ 50,937,189</u>	<u>\$ 21,661,156</u>	<u>\$ 34,015,283</u>	<u>\$ 38,490,807</u>	<u>\$ 1,388,613</u>	<u>\$ 146,493,048</u>

Net position has been restricted at September 30, 2021 as follows:

	Business-Type Activities					
	City Electric	Rural Electric	Water	Waste Water	Other Enterprise	Total
Restricted for:						
BVSWMA, Inc.	\$ -	\$ -	\$ -	\$ -	\$ 22,003,903	\$ 22,003,903
Debt Reserve	6,090,539	-	-	-	-	6,090,539
Debt Service	2,478,125	276,875	1,425,297	1,805,706	-	5,986,003
Rate Stabilization	1,726,328	-	-	-	-	1,726,328
Net Pension Asset	2,909,507	-	341,560	411,657	415,607	4,078,331
Collateral Deposits	554,036	-	-	-	-	554,036
Total	<u>\$ 13,758,535</u>	<u>\$ 276,875</u>	<u>\$ 1,766,857</u>	<u>\$ 2,217,363</u>	<u>\$ 22,419,510</u>	<u>\$ 40,439,140</u>

10. RETIREMENT PLAN

Plan Description

The City of Bryan participates as one of 895 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.tmrs.com.

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

Benefits Provided

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

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percentage had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service regardless of age. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Employees covered by benefit terms

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	653
Inactive employees entitled to but not yet receiving benefits	488
Active employees	<u>888</u>
Total	2,029

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Bryan were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 15.19% and 9.18% in calendar years 2020 and 2021, respectively. The City's contributions to TMRS for the year ended September 30, 2021 were \$9,921,334, and were equal to the required contributions.

Net Pension Asset

The City's Net Pension Asset (NPA) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the NPA was determined by an actuarial valuation as of that date.

Actuarial assumptions:

The Total Pension Liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for the time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.0%	5.30%
Core Fixed Income	10.0%	1.25%
Non-Core Fixed Income	20.0%	4.14%
Real Return	10.0%	3.85%
Real Estate	10.0%	4.00%
Absolute Return	10.0%	3.48%
Private Equity	10.0%	7.75%
Total	100%	

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Discount Rate

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

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (a) - (b)
Balance at 12/31/2019	\$ 366,822,333	\$ 321,341,356	\$ 45,480,977
Changes for the year:			
Service Cost	10,515,585	-	10,515,585
Interest	24,643,477	-	24,643,477
Change of benefit terms	-	-	-
Difference between expected and actual experience	1,130,387	-	1,130,387
Contributions - employer	-	64,152,235	(64,152,235)
Contributions - employee	-	4,586,237	(4,586,237)
Net investment income	-	24,391,784	(24,391,784)
Benefit payments, including refunds of employee contributions	(13,983,161)	(13,983,161)	-
Administrative expense	-	(157,833)	157,833
Other changes	-	(6,158)	6,158
Net changes	22,306,288	78,983,103	(56,676,815)
Balance at 12/31/2020	<u>\$ 389,128,621</u>	<u>\$ 400,324,459</u>	<u>\$ (11,195,838)</u>

Sensitivity of the net pension liability/(asset) to changes in the discount rate

The following presents the net pension liability/(asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate 5.75%	Discount Rate 6.75%	1% Increase in Discount Rate 7.75%
City's Net Pension Liability/(Asset)	\$ 45,889,654	\$ (11,195,838)	\$ (57,985,138)

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

Pension Expense and Deferred Outflows/Inflows of Resources related to Pensions

For the year ended September 30, 2021 the city recognized pension expense of \$6,382,853.

At September 30, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,133,756	\$ -
Changes in actuarial assumptions	384,197	-
Difference between projected and actual investment earnings	-	(9,092,227)
Contributions subsequent to the measurement date	7,256,611	-
Total	<u>\$ 8,774,564</u>	<u>(9,092,227)</u>

Deferred outflows of resources of \$7,256,611 related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended September 30</u>
2022	\$ (2,750,512)
2023	708,355
2024	(5,080,425)
2025	<u>(451,692)</u>
Total	<u>\$ (7,574,274)</u>

11. EMPLOYEE HEALTH BENEFITS

The City established the Employee Benefits Trust Fund effective October 1, 1986, covering health benefits for eligible employees. At that time the Council approved a formal trust agreement establishing the Fund. Employee premium costs are shared by the City and the employee, while dependent coverage is paid by the employee. The City's contract with its third party administrator and reinsurer sets an individual stop loss deductible in the amount of \$170,000 and a maximum aggregate stop loss deductible of \$14,131,473 for the twelve month period which began January 1, 2021 and ends December 31, 2021. These stop loss levels apply to both medical and prescription drug coverage. Dental coverage is not included. There were no significant reductions in insurance coverage in the current year from coverage in the prior year. For the City's aggregate stop loss coverage, there

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

have been no settlements that have exceeded insurance coverage for the past three calendar years. The City's insurance carrier has paid out \$165,186 for calendar year 2019, \$1,225,404 for calendar year 2020, and \$497,531 for calendar year 2021, to date in settlements that exceeded the deductible applicable to individual stop loss coverage.

The following schedule represents the changes in claims liabilities for the year:

	<u>FY 2021</u>	<u>FY 2020</u>
Beginning balance unpaid claims	\$ 2,871,714	\$ 1,395,116
Incurred claims	10,189,529	13,683,870
Claim payments	<u>(11,751,828)</u>	<u>(12,207,272)</u>
Ending balance unpaid claims	<u>\$ 1,309,415</u>	<u>\$ 2,871,714</u>
Amounts due in one year	\$ 1,309,415	\$ 2,871,714

12. OTHER POST-EMPLOYMENT BENEFITS

Effective January 1, 1991, by action of the City Council, the City began offering post-retirement health care benefits to employees. Effective January 1, 1993, retiree spouses were granted eligibility for benefits. Dependents were granted eligibility effective January 1, 1994. This plan is a single employer defined benefit, other post-employment benefit plan. A separate, audited GAAP-basis post-employment benefit plan report is not available.

On February 28, 2017, the City established the City of Bryan Post-employment Benefits Trust (Trust). The Trust is a single employer irrevocable trust established by action of the City Council. This trust is held by Public Agency Retirement Services (PARS) who is the administrator of the plan. US Bank serves as the trustee.

To qualify for healthcare an employee must be at least 60 years of age and have five years of TMRS service credit or have at least 20 years of service credit. In order to be eligible, employees must elect to retire at time of separation, must elect in writing to continue health benefits coverage at the time of separation, and must pay the appropriate premium. Coverage can continue for life.

Employees terminating before normal retirement conditions are not eligible for retiree health coverage. Employees who retire under a disability retirement are not eligible for retiree health coverage.

Eligible retirees may continue health insurance benefits for eligible spouses and dependents covered at the time of retirement. A dependent not covered under the plan at this time is not eligible for coverage. If the retiree elects to continue coverage for any dependent and on any subsequent date elects to discontinue coverage, the dependent is no longer eligible for coverage.

Survivors of employees who die while actively employed are not eligible for retiree health coverage. However, surviving spouses and dependents of Texas public officers (as defined by Texas Government Code, Chapter 615) killed in the line of duty are entitled to purchase continued health insurance benefits. The surviving spouse is entitled to continue to purchase health insurance coverage until the

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

date the surviving spouse becomes eligible for federal Medicare benefits. Surviving dependent minor children are entitled to continue health insurance coverage until the dependent reaches the age of 18 years or a later date to the extent required by state or federal law. A surviving dependent who is not a minor child is entitled to continue health insurance coverage until the earlier of: (1) the date the dependent becomes eligible for group health insurance through another employer or (2) the date the dependent becomes eligible for federal Medicare benefits. Eligible survivors are entitled to purchase the continued coverage at the group rate for that coverage that exists at the time of payment.

Surviving covered spouses and dependents of deceased retired employees may continue health care coverage for up to 36 months through COBRA.

Once the retiree or spouse is enrolled in Medicare, the City's plan becomes the secondary payer. The retiree is responsible for payment of any Medicare premiums. The City does not provide any cash payment in lieu of electing the City's health care plan. Retirees who do not elect to continue coverage at time of separation are not eligible to opt back in.

The City does not offer life insurance coverage for retirees or their dependents. Employees who retire are eligible to convert their group life insurance coverage to a Whole Life Policy without accidental death and dismemberment until the employee reaches age 100 or a Group Term Life with AD&D until the employee reaches age 70.

The City's health care plan includes medical, dental, and prescription coverage. Retiree health plan coverage is the same as coverage provided to active City employees in accordance with the terms and conditions of the current City of Bryan Health Plan. The City also offers a fully insured optional vision plan that retirees and their dependents may purchase. The City Council reserves the right to modify premium amounts, to modify eligibility requirements and to modify or discontinue retiree health benefits.

In the year ended September 30, 2021, retirees paid \$656,690 in premiums and \$2,222,925 in claims and premiums were paid for post-retirement health care and administrative charges. As of September 30, 2021, the City has 85 retirees and beneficiaries participating in the plan.

The City also provides health benefits as required by the Federal Government under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"). COBRA requires employers that sponsor group health plans to provide continuation of group coverage to employees and their dependents under certain circumstances where coverage would otherwise end. Terminated employees who qualify under COBRA pay premium costs for themselves and dependents.

COBRA participants are reimbursed at the same levels as active employees. Participants paid premiums of \$8,363 and incurred claims and administrative expenses of \$7,015 during the year ended September 30, 2021. As of September 30, 2021, the City has 2 COBRA participants.

Future year estimated claims for all health plan participants are actuarially determined by the reinsurer. All assets of the Employee Benefits Trust Fund are available for future claim payments for health plan participants.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Prior to January 1, 2010, all retirees electing health plan coverage received a health premium subsidy averaging 40%. Beginning January 1, 2010, the City implemented new eligibility requirements for subsidized retiree premiums. The new eligibility requirements require retirees to meet the 'Rule of 80' (sum of age plus years of service at retirement must equal at least 80), in order to receive the subsidized retiree premium. Retirees not meeting the 'Rule of 80' may still elect the City's retiree health plan coverage, but will not receive a subsidy.

Funding Policy and Annual OPEB Cost

During FY 2017, the City Council adopted a funding policy for the City's OPEB liability. During FY 2021 and 2020 \$500,000 was contributed to the Trust. The long term policy of the City is to contribute \$500,000 every year until the liability is fully funded, subject to annual appropriations and availability of funds.

The following is a summary of the employees covered by the Plan at December 31, 2020 (the measurement date):

Inactive plan members or beneficiaries currently receiving benefits	79
Inactive plan members entitled but not yet receiving benefits	0
Active plan members	<u>879</u>
Total plan members	958

Contributions to the Plan

For the year ended September 30, 2021, the City's contribution rate was \$2,238,608, or 3.46% of covered-employee payroll. (See the Required Supplementary section of this report for more information on contributions to the Plan). Employees are not required to contribute to the plan.

Net OPEB Liability

The City's net OPEB liability was measured as of December 31, 2020 (the measurement date), and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. As of the measurement date the total OPEB liability was \$18,301,354 and the net OPEB liability (net of plan fiduciary net position of \$2,539,815) was \$15,761,539.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The total OPEB liability, and the Actuarial Determined Contribution (ADC) at the measurement date were determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Individual Entry-Age Normal
Amortization Method	Level percentage of payroll
Amortization Period	Closed, 27 years as of September 30, 2021
Asset Valuation	Market Value
Investment Rate of Return	6.25%, net of investment expenses, including inflation
Inflation	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Payroll Growth	1.50%
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates being multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Participation Rates	It was assumed that 65% of retirees who are eligible for the rule of 80 discount and 10% of those who are not eligible for the rule of 80 discount would choose to receive coverage through the City.
Health Care Cost Trend Rates	Initial rates of 7.00% declining to ultimate rates of 4.15% after 15 years; Ultimate trend rate includes a 1.00% adjustment for the excise tax.

The actuarial assumptions used at the measurement date valuation were based on the results of an actuarial experience study performed as of December 31, 2018 and a measurement date of December 31, 2020.

For the purposes of the valuation performed as of December 31, 2019, the expected rate of return on OPEB portfolio investments is 5.8% (see the table below). Based on the most recent expected rate of return from the City's Investment Manager for the OPEB Trust (Highmark Capital) of 5.89%, management, in consultation with the City's actuary (GRS Consulting), has assumed a rate of return on Trust assets resulting in a Single Discount Rate of 6.25%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal or in excess of the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return	Allocation-weighted Long-term Expected Real Rate of Return
Domestic Equity - Large Cap	26.50%	4.90%	1.30%
Domestic Equity - Small/Mid Cap	12.50%	5.40%	0.68%
Non-US Equity - Developed	6.00%	5.32%	0.32%
Non-US Equity - Emerging	3.25%	6.26%	0.20%
US Corporate Bonds - Core	43.50%	1.40%	0.61%
US Corporate Bonds - High Yield	1.50%	3.46%	0.05%
US Treasuries (Cash Equivalents)	5.00%	0.09%	0.00%
Real Estate	1.75%	4.43%	0.08%
Total	100.00%		3.24%
Expected Inflation			2.50%
Total Return			5.74%
Total Return, rounded			5.80%

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning Balance at 12/31/2019	\$ 17,496,567	\$ 1,803,830	\$ 15,692,737
Service cost	533,421	-	533,421
Interest on the total OPEB liability	1,071,099	-	1,071,099
Changes of benefit terms	-	-	-
Difference between expected and actual experience	451,655	-	451,655
Changes of assumptions	-	-	-
Employer contributions	-	1,751,388	(1,751,388)
Net investment income (loss)	-	247,603	(247,603)
Benefits payments	(1,251,388)	(1,251,388)	-
Administrative expense	-	(11,618)	11,618
Other	-	-	-
Net changes	804,787	735,985	68,802
Ending Balance at 12/31/2020	\$ 18,301,354	\$ 2,539,815	\$ 15,761,539

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

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

The following shows the sensitivity of the net OPEB liability to a 1.0% increase and a 1.0% decrease in the discount rate assumption:

	1% Decrease	Discount Rate	1% Increase
	5.25%	6.25%	7.25%
Net OPEB Liability	\$ 17,770,466	\$ 15,761,539	\$ 14,005,319

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following shows the sensitivity of the net OPEB liability to a 1.0% increase and a 1.0% decrease in the healthcare cost trend rate assumption:

	1% Decrease	Current Rate Assumption	1% Increase
Net OPEB Liability	\$ 13,541,881	\$ 15,761,539	\$ 18,443,058

OPEB Expense and Deferred Outflows of Resources

For the year ended September 30, 2021, the City recognized OPEB expense of \$1,566,182. At September 30, 2021, the City reported deferred outflows of resources related to OPEB from the following sources and in the following amounts:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,656,269	\$ -
Changes in actuarial assumptions	-	(1,277,404)
Difference between projected and actual investment earnings	-	(133,896)
Contributions subsequent to the measurement date	2,183,132	-
Total	<u>\$ 3,839,400</u>	<u>\$ (1,411,300)</u>

The \$2,183,132 reported as deferred outflows of resources related to OPEB resulting from contributions made after the measurement date will be recognized as a reduction of the net OPEB liability for the year ending September 30, 2022. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30	Net Deferred Outflows (Inflows)
2022	\$ 21,386
2023	20,791
2024	(99)
2025	26,762
2026	50,684
Thereafter	125,445
Total	<u>\$ 244,969</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

See page 40 for the statement of fiduciary net position for the OPEB Trust Fund.

13. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, as amended, is available to all employees, and permits them to defer a portion of their salary until future years. The plan funds are not available to employees until termination, retirement, death, or emergency.

All amounts of compensation deferred under the plan (until paid or made available to the employee or other beneficiary) were placed in trust for the exclusive benefit of the participants and the beneficiaries. This is in accordance with changes made to Section 457 of the Internal Revenue Code. Since the City is no longer the Plan Administrator or the trustee, the assets of the Plan are no longer a reportable fund in the City's basic financial statements.

Similar to the Section 457, the City of Bryan offered its employees the Retiree Health Savings (RHS) Plan. The plan allowed employees to make pre-tax contributions from their salary or accrued leave time to fund medical expenses for employees and their family on a tax-free basis during retirement. Once an employee elected to participate, this cannot ever be changed or revoked unless there is employment separation.

Like the Section 457, all amounts of compensation deferred under the plan (until paid or made available to the employee or other beneficiary) were placed in trust for the exclusive benefit of the participants and the beneficiaries. The City is not the Plan Administrator or the trustee; therefore, the assets of the Plan are not a reportable fund in the City's basic financial statements.

The City does not contribute to either plan.

14. TEXAS MUNICIPAL POWER AGENCY

The Texas Municipal Power Agency ("TMPA") was created in July 1975 by concurrent ordinances of the Texas cities of Bryan, Denton, Garland, and Greenville ("Member Cities") pursuant to Acts 1995 64th Leg. Ch. 143, sec 1 (the "Act"). Under the provisions of the Act, TMPA is a separate municipal corporation. TMPA is exempt from federal income tax under section 115 of the Internal Revenue Code.

Until September 18, 2018, TMPA operated the Gibbons Creek power plant, a coal-fired generating plant located in Grimes County, Texas with a net generating capability of 470 megawatts. The plant began commercial operation on October 1, 1983. On June 6, 2019, the TMPA Board of Directors voted to permanently retire the plant and TMPA is now engaged in the decommissioning of the plant. Additionally, TMPA owns and operates approximately 350 circuit miles of transmission lines and 14 substations within ERCOT. TMPA also owns approximately 10,500 acres of land adjacent to the plant previously used to mine lignite for generation.

TMPA is governed by a Board of Directors made up of two representatives from each Member City and is empowered to plan, finance, acquire, construct, own, operate and maintain facilities to be used

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

in the business of generation, transmission and sale of electric energy to each Member City. Each of the Member Cities entered into separate but identical Power Sales Contracts with TMPA (as amended, the "TMPA Agreements"). For more than 40 years, the TMPA Agreement governed the relationship between, and the rights and obligations of, TMPA and each of the Member Cities with respect to, among other items, generation, including Gibbons Creek, transmission and sale of electric energy to each Member City. Under the terms of the TMPA Agreement, each of the Member Cities was unconditionally obligated to pay to TMPA, without offset or counterclaim and without regard to whether energy was delivered by TMPA to the Member Cities, its percentage of TMPA's Annual System Cost as defined in the TMPA Agreement, including the payment of TMPA's debt service requirements and operating and maintenance expenses in the following percentages: City of Bryan – 21.7%; City of Denton – 21.3%; City of Garland – 47.0% and City of Greenville – 10.0%. On September 1, 2018 TMPA made the final debt service payment on TMPA's generation debt which extinguished the Member City's unconditional obligation with respect to such TMPA debt. The TMPA Agreement has expired by its terms and none of the Member Cities elected to extend the TMPA Agreement beyond September 30, 2018.

Effective September 1, 2016, TMPA and the Member Cities entered into a Joint Operating Agreement ("JOA"). In general, the purposes of the JOA include: (i) funding TMPA operations such as mine reclamation, transmission service, and plant decommissioning following expiration of the Power Sales Contract ("PSC") (ii) subject to certain exceptions, requiring Member City approval for the issuance of new debt, the execution of certain significant contracts, and the sale of property exceeding \$10 million in value (iii) specifying provisions for determining how costs of TMPA and proceeds from the sale of assets are to be allocated among the Member Cities (iv) providing for the establishment by TMPA of reserve funds for the decommissioning of the plant and the indemnification of TMPA Board Members and Member City officials, employees, contractors, and agents and (v) dividing the operations of TMPA into three business functions-mine, generation, and transmission-and requiring separate budgets and books for each business function.

The PSC provided that upon dissolution of TMPA, the assets of TMPA will automatically be transferred to the Member Cities, with each Member City receiving an undivided interest in the assets of TMPA in proportion to the amount paid by the Member City to TMPA. The JOA, for purposes of implementing the automatic transfer of assets upon dissolution of TMPA, requires TMPA to periodically make this calculation for each business unit, and sets out formulas for making these calculations. Under the JOA, these ownership calculations are relevant not only to the allocation of assets upon dissolution of TMPA, but also to the allocation of certain proceeds from the sale of assets, and in some cases, the allocation of TMPA costs.

If requested by a majority of the Member Cities, TMPA is required by the JOA to transfer a divided interest in the transmission system to each Member City. Under this partition process, the objective is for each City to receive ownership of transmission facilities in the vicinity of the Member City, and in proportion to the Member City's ownership interest in the transmission business. Any such transfer of transmission assets must be in compliance with relevant bond covenants, including those requiring defeasance of all or a portion of transmission debt.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The JOA includes a reclamation plan for the mine, requires the development of a decommissioning plan, and sets out standards for environmental remediation. TMPA is required to comply with these plans and standards.

Under the JOA, in discharging its contractual obligations, including mine reclamation, decommissioning, transmission service, environmental remediation, indemnification, and other obligations, TMPA is rendering services to the Member Cities. The JOA obligates each Member City to pay the cost of these services, and to collect rates and charges for electric service sufficient to enable it to pay to TMPA all amounts due under the JOA for these services. A Member City's payment obligations under the JOA are payable exclusively from such electric utility revenues and constitute an operating expense of its electric system.

Unless terminated earlier through the mutual consent of all parties, the JOA remains in effect until the dissolution of TMPA.

Gibbons Creek power plant's operational status with ERCOT transitioned to: Seasonal Operations, effective September 26, 2017 (operated from May 21, 2018 through September 18, 2018); Reserve Shutdown, effective October 1, 2018; and Indefinite Mothball, effective June 1, 2019. On June 28, 2019, a notification to ERCOT was made to remove Gibbons Creek from the ERCOT system, effective October 23, 2019. The unit was actually removed from the ERCOT system on October 30, 2019. Due to the significant decline in the service utility of the generation assets, such assets were largely impaired as of September 30, 2017, with a final impairment on September 30, 2018. Effective September 1, 2018, the only debt remaining at TMPA is Transmission Debt.

In 2016 and 2017, TMPA issued requests for proposals ("RFPs") regarding the proposed sale of Gibbons Creek power plant and certain transmission assets. Proposals received in connection with the 2016 and 2017 RFP's were pursued, but negotiations were ultimately discontinued.

In 2019, TMPA issued a request for proposal (RFP) involving the sale of generation assets. In 2019 and throughout 2020, TMPA was in negotiations regarding the proposal from Gibbons Creek Environmental Redevelopment Group, LLC. ("GCERG"). In December 2020, TMPA and GCERG came to an agreement on terms for the sale of the Gibbons Creek Steam Electric Station and the assumption of all environmental liabilities. At that time the TMPA Board authorized the TMPA General Manager to take the necessary steps to complete the transaction. During January, 2021 the governing bodies of the four member cities approved the sale and the finalization of closure related documents.

The sale of the generation assets was finalized on February 10, 2021, and resulted in the extinguishment of BTU's portion of TMPA's decommissioning/environmental remediation liability of approximately \$25.0 million during FY 2021.

During the years ended September 30, 2021, the City Electric System paid TMPA \$7,354,157 for power purchases and related activity under the contract. As of September 30, 2021, the City Electric System had payables to TMPA amounting to \$0.

At September 30, 2021, BTU's portion of outstanding TMPA bonds and note purchase agreement was approximately \$44.9 million.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

TMPA's Annual Financial Report for the year ended September 30, 2021 reported the following:

	FY 2021
Total Assets	\$ 232,913,000
Total Deferred Outflows of Resources	-
Total Liabilities	234,138,000
Total Deferred Inflows of Resources	6,168,000
Total Net Position	<u>\$ (7,393,000)</u>
Change in Net Position	
for year ended September 30, 2021	\$ 4,805,000

TMPA's audited financial statements may be obtained by writing TMPA, P.O. Box 7000, Bryan, TX 77805.

15. BRAZOS VALLEY SOLID WASTE MANAGEMENT AGENCY

In 2010, the City Councils of Bryan and College Station approved, through an interlocal agreement, the creation of a local government corporation, BVSWMMA, Inc., which currently owns and manages landfill operations for both Cities. The expectation was that a combined landfill operation will minimize solid waste management costs for both Cities. BVSWMMA, Inc. superseded a previous agreement established in 1990 which combined landfill operations under the then newly created Brazos Valley Solid Waste Management Agency (BVSWMMA). The powers of BVSWMMA, Inc. are vested in a seven member Board of Directors, consisting of appointees from each City Council.

The bylaws for BVSWMMA, Inc., establish powers that include the issuance of debt, acquisition of land and equipment, the hiring of a general manager and staff to maintain and operate the facilities and the establishment of tipping fees. BVSWMMA, Inc., revenues are derived from tipping fees paid by landfill customers that include the Cities of Bryan and College Station, other unaffiliated businesses and the general public.

BVSWMMA, Inc. owns two landfill sites. The initial landfill site known as Rock Prairie Landfill, located in College Station, was closed in 2011 as it reached operating capacity. The Twin Oaks Landfill, located in Grimes County, was opened in 2011 and has an expected capacity of over 50 years.

In 2010, the City issued \$5,145,000 in Certificates of Obligation, Series 2010 to finance the construction of the Twin Oaks Landfill site. BVSWMMA has agreed to pay the City an amount equal to the future debt service requirements of these certificates of obligation. In April 2020, the City refunded the Series 2010 with the Series 2020 refunding bonds. The savings from refunding were passed through to BVSWMMA. At September 30, 2021, the City reported a receivable in the amount of \$2,461,413 of which \$285,000 is due and payable to the City within one year.

The City of Bryan and the City of College Station each recognize a 50% ownership in BVSWMMA, Inc. The City of Bryan's 50% ownership is reflected in the Solid Waste Fund.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

BVSWMA's audited annual financial statements for the year ended September 30, 2021 reported the following:

	<u>FY 2021</u>
Total Assets	\$ 56,315,102
Total Liabilities	12,074,651
Total Deferred Inflow of Resources	<u>232,646</u>
Total Net Position	<u>\$ 44,007,805</u>
Change in net position for the year ended September 30, 2021	\$ 4,746,397
Bryan's undivided 50% share of changes in net position for the year ended September 30, 2021	\$ 2,373,199

Audited financial statements for BVSWMA, Inc. may be obtained by writing BVSWMA, Inc., 2690 Hwy. 30, Anderson, TX 77830

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

16. INTERFUND BALANCES

Interfund receivable and payable balances at September 30, 2021 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	City Electric	\$ 992,908
	Nonmajor governmental	100,175
	Nonmajor enterprise	758,321
Nonmajor governmental	City Electric	200,902
City Electric	Rural Electric	5,211,348
Water	City Electric	591,792
Wastewater	City Electric	445,601
Nonmajor enterprise funds	City Electric	277,486
Total		<u>\$ 8,578,533</u>
<u>Interfund Advance</u>		
Debt Service Fund	City Electric	14,215,107
	Water	1,688,773
	Wastewater	2,011,249
	Nonmajor enterprise	2,030,550
	Internal Service Funds	520,952
		<u>\$ 20,466,631</u>

Interfund receivable and payable balances result from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur. Transactions are recorded in the accounting system and payments between funds are made. The interfund balances presented agree with the sum of interfund balances in the balance sheet for governmental funds and statement of net position for proprietary funds.

Interfund advances represent amounts owed between funds for the establishment of pension obligation bonds.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

17. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2021 are as follows:

<u>Transfers In</u>	<u>Transfers Out</u>						<u>Total</u>
	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>City Electric Fund</u>	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Nonmajor Enterprise Funds</u>	
General Fund	\$ -	\$ 2,710,000	\$ 13,828,834	\$ 912,119	\$ 652,203	\$ 604,265	\$ 18,707,421
Debt Service	117,726	2,272,149	210,636	26,188	31,561	31,865	2,698,300
Nonmajor governmental funds	932,178	1,216,031	-	-	-	-	2,148,209
City Electric Fund	21,217	173,415	-	575,547	548,455	611,662	1,930,296
Water Fund	12,668	-	-	-	-	12,668	25,336
Wastewater Fund	234,548	-	-	-	-	31,158	265,706
Nonmajor enterprise funds	316,757	3,500,000	-	18,536	3,373	-	3,838,666
Internal service funds	136,744	-	-	50,622	46,728	-	334,094
Total transfers out	<u>\$ 1,771,838</u>	<u>\$ 9,871,595</u>	<u>\$ 14,039,470</u>	<u>\$ 1,583,012</u>	<u>\$ 1,282,320</u>	<u>\$ 1,291,619</u>	<u>\$ 29,948,029</u>

Transfers are primarily used to move funds from:

- The proprietary funds to the General Fund for use of City owned rights-of-way and as payments in lieu of property taxes
- The transfers to the Debt Service Fund as payments in for debt service payments as they become due and payments towards the interfund advance
- Funds that are no longer needed and are closed by transferring all balances to other appropriate funds
- The transfers from the General Fund as payments in for associated costs

The sum of all transfers presented agrees with the sum of interfund transfers presented in the governmental and proprietary fund financial statements.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

18. ADMINISTRATIVE ALLOCATIONS TO OTHER FUNDS

The General Fund provides general and administrative support services to the Funds listed below. Costs of these services are allocated as follows:

	<u>General Fund</u>
<u>Administrative costs allocated to:</u>	
City Electric Fund	\$ 3,597,230
Water Fund	528,707
Wastewater Fund	522,593
Nonmajor Enterprise Fund (Solid Waste Fund)	533,317
Internal Service Fund (Insurance Fund)	241,320
Street Improvement	138,309
Drainage Fund	187,130
Employee Benefits Fund	189,336
Warehouse Fund	73,528
Bryan Commerce & Development	49,915
Coulter Airfield Fund	<u>112,693</u>
	<u>\$ 6,174,078</u>

19. LITIGATION MATTERS

There are currently sixteen litigation matters in which the City is involved. In five of these matters, in the event of an unfavorable outcome in the lawsuits, the City would be covered by insurance and the financial statements of the City would not be materially affected. Four of these matters are administrative appeals and the financial statements of the City would not be materially affected in the event of an unfavorable outcome. Three of the matters relate to the City acquiring property interests and would resolve the amount of compensation City would pay in exchange for the interests. Two matters involve City asserting claims against others. Subject to following comment regarding The Turner Lawsuit, in all other claims asserted against City, in the event of an unfavorable outcome in the lawsuits the financial statements of the City would not be materially affected.

On April 26, 2021, Randy Turner and many other plaintiffs filed a lawsuit ("The Turner Lawsuit" or the "lawsuit") against several hundred defendants, including the City Electric System, in state district court. The lawsuit alleges numerous causes of action regarding personal injuries and alleged property damage arising from the 2021 Winter Weather Event (See note 1, page 58). The Turner Lawsuit has been transferred to a multi-district litigation (MDL) pre-trial court, where over 150 other similar lawsuits have been transferred. On or about January 28, 2022, the plaintiffs in the MDL amended their petitions to add most of the existing defendants to most of the existing lawsuits pending in the MDL, such that the City Electric System is now named as a defendant in a total of 104 lawsuits pending in the MDL. The amended petitions in which BTU is named are very similar in allegations and causes of action alleged, including the Turner Lawsuit. The City Electric System denies

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

any wrongdoing, denies any liability for the alleged injuries or damages, and intends to vigorously defend itself against the claims.

As of the date of this report, management, in consultation with counsel, have determined that we do not believe any potential loss is estimable and as such have not determined that a liability to the City Electric System exists. We currently are not in a position to comment on the potential outcome, likelihood of result, estimate of any potential loss, or whether any such loss would be material.

20. RISK MANAGEMENT

In fiscal year 1989, the City decided not to purchase commercial liability insurance. At that time, City management believed that it was more economical to manage liability risks internally and set aside assets for the payment of claims in an internal service fund. The “Insurance Fund” was established to service all claims for risk of losses relating to general liability and workers’ compensation.

In fiscal year 1994, the City began purchasing excess liability insurance to reduce its exposure to catastrophic losses. Liability insurance providing a \$5,000,000 limit per occurrence/\$7,000,000 aggregate limit for general liability with a \$500,000 self-insured retention for claims was purchased with coverage effective October 1, 2020. Liability insurance providing a \$5,000,000 limit per occurrence/aggregate limit for public officials, employment practices, and police liability with a \$500,000 self-insured retention was purchased with coverage effective October 1, 2020. Auto liability insurance providing a \$3,000,000 limit for each occurrence with a \$500,000 deductible was purchased with coverage effective October 1, 2020. Worker’s compensation coverage is provided at Texas Statutory limits with \$1,000,000 retention. There have been no settlements that have exceeded insurance coverage for each of the past three fiscal years.

All funds of the City participate in the Insurance Fund. The costs of providing claims servicing and claims payment are allocated by charging each fund a “premium” based upon a percentage of the respective fund’s estimated current-year payroll and expenses and management’s estimate of projected current costs. These charges consider exposure and recent trends in actual claims experience of the City as a whole and make provision for catastrophic losses.

The Insurance Fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The City has recorded a potential liability in the amount of \$968,039 for claims that have been incurred but not reported as of September 30, 2021. Because actual claims liabilities depend on such complex factors as changes in legal doctrines and damage awards, the process used in computing liability does not necessarily result in an exact amount. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The schedule below represents the changes in estimated claims liabilities:

	2021	2020
Unpaid claims at beginning of fiscal year	\$ 932,869	\$ 1,224,575
Change in unpaid claims	485,725	(81,480)
Claim payments	(256,947)	(210,226)
Total unpaid claims at end of fiscal year	<u>\$ 1,161,647</u>	<u>\$ 932,869</u>
Amounts due in one year	\$ 519,112	\$ 489,455

Texas law limits recovery, under legislatively defined governmental functions, to \$500,000 per occurrence. Claims proceeding from proprietary functions are not limited.

21. COMMITMENTS AND CONTINGENCIES

Traditions Development

In 1999, the City embarked on a major development program for the City's west side encompassing approximately 850 acres. The City identified the land for possible development, located in Brazos County east of Highway 47 and south of Villa Maria Road. The City believed that a public interest would be served by purchasing this land and that economic development would be stimulated by developing this land into a first class resort, golf course, and planned community known as the Bryan Resort Project (subsequently known as the Traditions Development).

As a result, the City and Jordan Community Properties, L.P. entered into a Master Economic Development Agreement ("MEDA") in 1999. One of the provisions of the MEDA was for the City to create a local government corporation to aid the City in completion of certain provisions in the MEDA. The local government corporation created was Bryan Commerce and Development, Incorporated ("BCDI"). BCDI purchased the land, identified by the City, for development. The City agreed to provide public infrastructure improvements including all major arterial streets, all major utilities including electrical, gas, water, sewer, telephone, cable, drainage structures, water delivery systems, street lighting, landscaping of median entryways, all signage for the project, traffic signals, entryway structures, and lighting necessary for the project.

The partnership between BCDI and Jordan Community Properties, L.P. was named Bryan/Jordan L.P. (subsequently known as Bryan/Traditions, L.P.). Bryan/Jordan L.P. was formed as a limited partnership, in 2000, under the laws of the State of Texas. The partners in Bryan/Jordan L.P. were CFJ Properties, Inc., a Texas corporation and the general partner, BCDI, a Texas local government corporation, a limited partner, and Jordan Community Properties, L.P., a Texas limited partnership and a limited partner. The partnership interest was as follows: 1%, 55% and 44% for Jordan Properties, Inc. or an affiliate thereof, Jordan L.P. and BCDI, respectively.

The purpose of Bryan/Jordan L.P. was to develop a portion of the land, purchased by BCDI, into a planned community, including a residential community and a commercial development. This community would become known as Traditions. In order for Bryan/Jordan L.P. to develop the land,

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

BCDI would periodically contribute portions of the land, as a partnership contribution, to Bryan/Jordan, L.P. by a special warranty deed.

Several changes to the original partnership agreement have taken place since 2000. The following is a history of the changes that have occurred.

In 2004, the partnership agreement was amended to reflect the change in names of certain partners. CFJ Properties, Inc. was now known as Rosemel Properties, Inc. and Jordan Community Properties, L.P. was now known as Melrose Community Properties, L.P. In addition, the name of the partnership was changed from Bryan/Jordan, L.P. to Bryan/Traditions, L.P.

In 2009, the partnership agreement was amended and restated ("Amendment") to reflect certain changes. Traditions Acquisition Partnership, GP, LLC, a Texas limited liability company, acquired the general partnership interest originally owned by CFJ Properties, Inc. and subsequently known as Rosemel Properties, Inc. Traditions Acquisition Partnership GP, a Texas limited partnership, acquired the limited partnership interest originally owned by Jordan Community Properties, Inc. subsequently known as Melrose Community Properties, L.P. Concurrent with the Amendment, Traditions Acquisition Partnership, L.P. agreed to acquire a group of loans payable from Bryan/Traditions, L.P. and payable to M&I Bank, relating to the Melrose entities, with a balance at the closing date of \$1,840,432. Traditions Acquisition Partnership, L.P. executed a release that released the guarantors from their respective obligations for the loan from M&I Bank to Bryan/Traditions, L.P. In consideration for Traditions Acquisition Partnership, L.P.'s contribution, the Amendment specified the deeding of 34 existing lots, within the Traditions Development, from Bryan/Traditions, L.P. to Traditions Acquisition Partnership.

Other special provisions of the Amendment provided that:

- BCDI agreed to provide funding for the construction of a future bridge, roadways or other infrastructure as future development occurs.
- Upon Traditions Acquisition Partnership's completion of a club house to certain specifications, additional provisions were activated. Traditions Acquisition Partnership completed the club house as specified in the Agreement on March 1, 2011. The subsequent provisions included that Traditions Acquisition Partnership is entitled to receive the first \$150,000 of the net sales proceeds of each of the next 20 lots developed by Bryan/Traditions, L.P., and additionally, that Traditions Acquisition Partnership has the option to purchase 50 acres of BCDI land known as Parcel 35 for \$1. If they choose to exercise the option to purchase Parcel 35, they forgo a number of construction commitments by the City.

Prior to FY 2017, Traditions Acquisition Partnership had received proceeds for all 20 of the committed 20 lots from which the partnership is entitled to receive the first \$150,000 of net sales proceeds, thereby fulfilling that obligation under the Amendment. Also in 2016, Traditions Acquisition Partnership exercised its option to purchase Parcel 35 for \$1, eliminating the City's future obligations for a bridge, roadways and other infrastructure under the Amendment.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Except as noted above, the partnership interest is: 1%, 55% and 44% for Traditions Acquisition Partnership, GP, LLC, Traditions Acquisition Partnership GP and BCDI, respectively, on lot sales and 25% and 75% for Traditions Acquisition Partnership GP and BCDI, respectively, on larger parcel sales.

In 2000, the City approved an Ordinance creating Tax Increment Reinvestment Zone Ten ("TIRZ Ten"). TIRZ Ten, which includes most of the Traditions Development, funds public infrastructure improvements as further described in Note 26.

The Traditions Development currently includes a Jack Nicklaus designed golf course, an 800 acre high-end housing development and the new Atlas/Lake Walk development. At September 30, 2020, BCDI holds approximately 190 acres under the Agreement that remain to be developed. The Partnership is expected to stay operational until all Partnership property is sold. There is no debt outstanding related to land held by BCDI in the Traditions development. The City anticipates that the proceeds from BCDI's portion of future land sales will exceed the cost of future City infrastructure required by the Traditions Development.

Through September 30, 2021, the City of Bryan has invested \$41.7 million towards land, infrastructure and operating costs in the Traditions development. Funding sources include TIRZ Ten tax revenues, Traditions land sales, Water and Wastewater Funds, the General Fund and Special Projects Funds.

City of Bryan and Brazos County Economic Development Foundation Inc.

In 2009, the City of Bryan and Brazos County entered into an agreement to create the City of Bryan and Brazos County Economic Development Foundation Inc. ("BBCEDF"), a local government corporation formed under Subchapter D of Chapter 431 of the Texas Transportation Code. The BBCEDF was created to promote, develop, encourage and maintain employment, commerce, and economic development in the City and the County. In 2009, the BBCEDF purchased 191 acres of land in north Brazos County to be developed as a business park. Also in 2009, the BBCEDF entered into an option agreement that gave BBCEDF the right to purchase up to 724 adjacent acres. In fiscal year 2016, BBCEDF exercised the option to purchase all remaining acres under the option agreement. In fiscal year 2017, BBCEDF purchased an adjacent 119 acres. The business park, known as the Texas Triangle Park, is currently the primary focus for economic development for the BBCEDF. Through September 30, 2019, BBCEDF sold 403 acres of the Texas Triangle Park and holds approximately 616 acres currently for sale.

The City of Bryan's 50% ownership in BBCEDF is reflected on the Statement of Net Position as Investment in Economic Development Foundation.

Research Valley BioCorridor

In December 2011, the Cities of Bryan and College Station (the "Cities") adopted an inter-local agreement (ILA) for the development of the Research Valley BioCorridor. The purpose of the BioCorridor is to attract bio-related industries that develop life-changing medical technologies, build tax base, and attract high-paying jobs and investment to the Cities. The ILA outlines a number of ways the Cities will work together to create and manage an environment conducive for development and

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

growth of the BioCorridor. The agreement applies to four tracts of land totaling approximately 196 acres owned by Bryan Commerce and Development, of which, approximately 147 acres are located in College Station.

The agreement provides for the joint construction and cost-sharing of HSC Parkway, the major roadway within the BioCorridor, creation of joint development standards, ad valorem revenue sharing on real and personal properties, sewer service to be provided by Bryan; Water service to be provided by College Station and a swap of exclusive sewer service territories that enables each City to more effectively provide service due to terrain and proximity to existing sewer systems.

Through September 30, 2021, The City of Bryan has expended \$5.6 million on roadways and sewer improvements under the agreement. Ad valorem taxes to be shared under the agreement are based on the lower of the Cities of Bryan and College Station's O&M tax rates, subject to a minimum rate of \$0.24 per \$100 valuation, and will be split on a 50/50 basis. Through September 30, 2021, the City of Bryan has paid a total of \$90,806 to the City of College Station under the tax sharing agreement.

Bryan Texas Utilities

BTU purchase and construction commitments were \$368.6 million at September 30, 2021. This amount primarily includes provisions for future fuel and energy purchases.

On April 5 and November 15, 2018, BTU executed forward market power purchases for a 5-year term from 2023 to 2027, to support BTU's projected baseload energy requirements over those respective years. BTU transacted with two counterparties for the total power purchase of approximately 5,106,820 MWh.

On October 8, 2018, BTU entered into a 15 year power purchase agreement with an energy developer that will construct a photovoltaic solar power plant in northeast Texas. Under the agreement, which has an estimated commercial operation date in FY 2023, BTU will purchase the output from 100MW of generating capacity.

On May 24, 2017, BTU executed forward market power purchases for the years 2018 through 2022, to replace BTU's share of expected capacity from Gibbons Creek over those respective years. BTU transacted with two counterparties for the total purchase of approximately 3,905,160 MWh.

On October 6, 2015, following a resource planning study, BTU executed forward market power purchases for the years 2018 through 2022. Spread over five years, BTU transacted with four counterparties for the total purchase of approximately 949,000 MWh.

On August 28, 2014, BTU entered into a 25-year power purchase agreement with Los Vientos Windpower, LLC, a subsidiary of Duke Energy. Under the agreement, BTU purchases 33% of the output from wind turbines with a generating capacity of 110 MW from the Los Vientos V wind project in Starr County, Texas; which began commercial operation in December, 2015.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

On October 14, 2010, BTU entered into a 15-year power purchase agreement with Peñascal II Wind Power, LLC, a subsidiary of Iberdrola Renewables; now known as Avangrid Texas Renewables, LLC (Avangrid). Under the agreement, which extends from January 1, 2011 to December 31, 2025, BTU will purchase the output from wind turbines representing 30MW of generating capacity from Avangrid's existing Peñascal 2 Wind Project in Kenedy County, Texas.

On April 30, 2010, BTU entered into a 25 year power purchase agreement with Fotowatio Renewable Ventures (FRV). FRV owns and operates a photovoltaic solar power plant in Presidio County, Texas. Under the agreement, which extends from 2013 to 2037, BTU will purchase the output from the 10MW facility.

Crossfulton Investments, Ltd.

In 2012, the City of Bryan entered into an economic development agreement with Crossfulton Investments, Ltd. related to a retail center development located in west Bryan. The agreement provides sales tax revenue sharing of up to \$5,000,000 through 2029 to reimburse a portion of the cost of design, development and construction of the retail center. The reimbursements are based on sales tax collections from the retail businesses at the location. As of September 30, 2021, the developer has not provided the required information on sales tax to the City therefore no payment to Crossfulton has been made. The City estimates the liability to be \$3.0 million as of September 30, 2021. These amounts have been committed in the General Fund fund balance during FY 2021. Additionally, the City agreed to reimburse up to \$250,000 for construction costs of the traffic signal at Villa Maria and Jaguar which was paid in FY 2016.

Encumbrances

The General Fund committed and assigned fund balance includes the impact of encumbrances. Encumbrances are commitments related to contracts for goods or services. At year end the amount of encumbrances expected to be honored in the next year in the General Fund were \$3.3 million.

22. ACCOUNTS RECEIVABLE

As of September 30, 2021, the receivables not expected to be collected within one year are notes receivable as follows:

	General Fund	Debt Service Fund	Special Revenue Funds	Total
Notes receivable	\$ 17,605	\$ 2,176,413	\$ 1,881,081	\$ 4,075,099

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

23. RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

Below is a reconciliation of the various restricted cash, cash equivalents and investments reported as of September 30, 2021:

	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Airport Fund	Total
Debt Reserve	\$ 6,090,539	\$ -	\$ -	\$ -	\$ -	\$ 6,090,539
Debt Service	2,478,125	276,875	1,425,297	1,801,626	-	5,981,923
Rate Stabilization	1,726,328	-	-	-	-	1,726,328
Customer Deposits Liability	4,764,123	1,567,928	-	-	-	6,332,051
TMPA decommissioning	7,842,767	-	-	-	-	7,842,767
Over-Recovered Fuel Cost	2,347,818	-	-	-	-	2,347,818
Capital Debt Proceeds	6,273,876	324,395	275,500	-	49,573	6,923,344
	<u>\$ 31,523,576</u>	<u>\$ 2,169,198</u>	<u>\$ 1,700,797</u>	<u>\$ 1,801,626</u>	<u>\$ 49,573</u>	<u>\$ 37,244,770</u>

*This table does not include investments in Brazos Valley Solid Waste Management Agency or City of Bryan and Brazos County Economic Development Foundation Inc.

24. FUND DEFICITS

The Community Development Fund, a Special Revenue Fund, has a deficit unassigned fund balance as of September 30, 2021 in the amount of \$38,423. This is the result of expenditures incurred in advance of processing the related grant requests. The City will submit grant fund requests to cover the fund deficit in fiscal year 2022. The Warehouse Fund, an Internal Service Fund, has a deficit unrestricted net position as of September 30, 2021 in the amount of \$11,996 but an overall net position of \$74,002.

25. TAX INCREMENT REINVESTMENT ZONES

Chapter 311 of the Texas Tax Code allows for the creation of Tax Increment Reinvestment Zones ("TIRZ"). TIRZ are statutory tools available to municipalities in Texas to promote development or redevelopment in an area that would not occur in the foreseeable future solely through private investment. TIRZ are also a means to allow a community to enhance their ability to attract economic development or to allow businesses currently located within their area to expand. Once a City has designated a TIRZ, the governing bodies of the county and school district may choose to participate.

When a TIRZ is formed, a base value for the property located within the TIRZ is established. At the date of creation the appraised value is normally accepted as the base value. As the property within the TIRZ develops, property taxes are collected based upon appreciated appraised values at the rate established annually by the participating entities. Each participant in the TIRZ remits the amount of taxes attributable to the increase in the appraised values to the Tax Increment Financing Zone to be used to fund the project plan. Project plans normally include the creation of infrastructure such as roads, street improvements, water and sewer systems, lighting, landscaping, etc. A TIRZ may be terminated either on the date designated in the ordinance creating the zone, or the date on which all project costs, tax increment debt, and associated interest have been paid. A TIRZ may also be terminated by a subsequent ordinance providing for an earlier or later termination date.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

As of September 30, 2021, the City had four active Tax Increment Financing Zones:

Tax Increment Reinvestment Zone #10: In 2000, the City approved an ordinance creating a TIRZ known as “Reinvestment Zone Number Ten, City of Bryan, Texas” (“Zone Ten”). Zone Ten encompasses a portion of the west side of the City in the area known as Traditions. The development includes a Jack Nicklaus designed golf course and an 800-acre high end housing development. Through the fiscal year ended September 30, 2021, the City estimates that it has funded \$29.4 million in public infrastructure improvements and associated costs within Zone Ten. Combination Tax and Surplus Utility System Revenue Certificates of Obligation, Series 2000A, in the aggregate principal amount of \$17,000,000 were issued by the City to provide funds to commence certain of the public infrastructure improvements. In 2005, the Series 2000A bonds were refunded through the City’s issuance of \$13,696,712 of General Obligation refunding bonds. In 2015, the 2005 GO Ref bonds were refunded through the City’s issuance of \$12,150,000 of General Obligation refunding bonds of which \$7,965,728 was assigned to Zone Ten. The outstanding debt balance as of September 30, 2021 is \$2,634,897 with debt service payments through 2025. The City contributes all of its incremental tax revenues to Zone Ten. Brazos County has agreed to allow 80% of its maintenance and operations rate to be diverted to Zone Ten through 2025.

Tax Increment Reinvestment Zone #19: In 2005, the City approved an ordinance creating a TIRZ known as “Reinvestment Zone Number Nineteen, City of Bryan, Texas” (“Zone Nineteen”). The development consists of 122 acres in the central portion of the City of Bryan in the vicinity of Nash Street. Through the fiscal year ended September 30, 2021, the City estimates that it has funded \$2.6 million in public infrastructure improvements and associated costs within Zone Nineteen. Tax and Revenue Certificates of Obligation, Series 2005, in the aggregate principal amount of \$1,747,642 were issued by the City to provide funds to commence certain of the public infrastructure improvements within Zone Nineteen. Subsequently, in 2007, the City issued Tax and Revenue Certificates of Obligation, Series 2007, in the aggregate principal amount of \$200,000 for TIRZ Nineteen projects. In 2013 and 2014, the Series 2005 bonds were refunded through the City’s issuance of \$1,534,542 of General Obligation refunding bonds. In 2016, the 2007 CO Ref bonds were refunded through the City’s issuance of \$7,755,000 of General Obligation refunding bonds of which \$108,803 was assigned to Zone Nineteen. The outstanding debt balance as of September 30, 2021 is \$732,276 with debt service payments through 2031. The City contributes all of its incremental tax revenues to Zone Nineteen. Brazos County agreed to allow 100% of its maintenance and operations rate to be diverted to Zone Nineteen through 2013.

Tax Increment Reinvestment Zone #21: In 2006, the City approved an ordinance creating a TIRZ known as “Reinvestment Zone Number Twenty-One, City of Bryan, Texas” (“Zone Twenty-One”). Zone Twenty-One is located in Downtown Bryan and was created to support the re-development of the Downtown district. Through the fiscal year ended September 30, 2021, the City estimates that it has funded \$772,000 in public infrastructure improvements and associated costs within Zone Twenty-One.

Tax Increment Reinvestment Zone #22: In 2007, the City approved an ordinance creating a TIRZ known as “Reinvestment Zone Number Twenty-Two, City of Bryan, Texas” (“Zone Twenty-Two”). Zone Twenty-Two is a retail development on the east side of the City of Bryan in the vicinity of Bryan Towne Center. Through the fiscal year ended September 30, 2021, the City estimates that it has

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

funded \$8.57 million in public infrastructure improvements and associated costs within Zone Twenty-Two. Tax and Revenue Certificates of Obligation, Series 2007, in the aggregate principal amount of \$3,721,414 were issued by the City to provide funds to commence certain of the public infrastructure improvements within Zone Twenty-Two. Subsequently, in 2008, the City issued Tax and Revenue Certificates of Obligation, Series 2008, in the aggregate principal amount of \$287,914 for TIRZ Twenty-Two projects. In September 2013, bond funds of \$1,481,500 were assigned to Zone Twenty-Two from Tax and Revenue Certificates of Obligation, Series 2010. In 2016, the 2007 CO Ref bonds were refunded through the City's issuance of \$7,755,000 of General Obligation refunding bonds of which \$2,404,981 was assigned to Zone Twenty-Two. In 2018, the 2008 CO bonds were refunded through the City's issuance of \$6,265,000 of General Obligation refunding bonds of which \$162,649 was assigned to Zone Twenty-Two. In 2020, the 2010 CO bonds were refunded through the City's issuance of \$7,125,000 of General Obligation refunding bonds of which \$927,209 was assigned to Zone Twenty-Two. The outstanding debt balance as of September 30, 2021 is \$2,207,817 with debt service payments through 2030. The City contributes all of its incremental tax revenues to Zone Twenty-Two. Brazos County has agreed to allow 100% of its maintenance and operations rate to be diverted to Zone Twenty-Two through 2023.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

The following schedule is a five year history of relevant data with regard to these TIRZ:

Zone/ Fiscal Year	Net Taxable Value	Base Value	Captured Value	TIRZ Tax Levy
<u># 10</u>				
2021	\$ 374,010,862	\$ 637,640	\$373,373,222	\$ 2,318,812
2020	360,471,723	637,640	359,834,083	2,245,873
2019	338,330,180	637,640	337,692,540	2,089,770
2018	299,121,995	637,640	298,484,355	1,856,355
2017	240,320,359	637,640	239,682,719	1,461,676
<u># 19</u>				
2021	68,467,694	2,213,289	66,254,405	411,629
2020	67,573,647	2,213,289	65,360,358	405,485
2019	59,270,949	2,213,289	57,057,660	354,667
2018	50,851,435	2,213,289	48,638,146	308,802
2017	33,997,545	2,213,289	31,784,256	203,778
<u># 21</u>				
2021	77,093,364	41,070,995	36,022,369	482,253
2020	74,139,645	41,070,995	33,068,650	464,249
2019	65,709,705	41,070,995	24,638,710	411,239
2018	60,549,105	41,070,995	19,478,110	379,392
2017	59,789,233	41,070,995	18,718,238	374,960
<u># 22</u>				
2021	66,384,360	2,464,400	63,919,960	418,215
2020	62,967,063	2,464,400	60,502,663	396,686
2019	58,419,168	2,464,400	55,954,768	368,035
2018	53,693,670	2,464,400	51,229,270	338,265
2017	40,702,500	2,464,400	38,238,100	256,422

TIRZ tax levy above includes 100% of levy on the taxable values within the TIRZ boundaries. Actual levy to be collected for the TIRZ is based on captured values.

26. TAX ABATEMENTS

As of September 30, 2021, the City of Bryan provides tax abatement economic development incentives through four programs:

Chapter 311 Texas Tax Code

The City uses Tax Increment Financing as a tool to assist with needed improvements to infrastructure and buildings within a designated reinvestment zone. The cost of projects and improvements to the reinvestment zone is repaid by the future tax revenues of each taxing unit that levies taxes against

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

the property. The City can choose to dedicate all, a portion of, or none of the tax revenue gained as a result of improvements within the reinvestment zone.

Chapter 312 Texas Tax Code

The City allows for the creation of tax abatement agreements between the taxpayer and the city exempting all or part of the value increase from real property and/or tangible personal property from taxation for up to 10 years. In return, the developer is required to make certain improvements to their property or meet certain performance benchmarks.

Chapter 351 Texas Tax Code

The City can reimburse all or portions of Hotel Occupancy Tax (HOT) collected by the City. Reimbursed funds can be used for the management and supervision of certain promotional services, programs and activities that are eligible to be funded with revenue derived by the City from Hotel HOT (collectively "Statutorily Authorized Promotional Programs" or "SAPP(s)") specifically permitted under the Texas Tax Code Section 351.101(a) (1-5), including, by way of example, advertising, solicitation, and promotional programs promoting visitor attractions, points of interest, entertainment opportunities, recreational facilities, and historical sites to attract tourists and convention delegates or registrants to the City.

Chapter 380 Local Government Code

The City uses Economic Development Agreements to provide a grant or a loan of city funds or services to promote economic development. Under a Chapter 380 agreement, a developer and the City negotiate a contract to provide incentives such as permit fee waivers, payments of portions of sales and property tax, grants for façade and safety improvements, assistance with infrastructure and other items in return for the project meeting performance benchmarks.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

At September 30, 2021, the City had established the following abatement agreements:

Property Owner	Date of Abatement	FY 2021 Appraised Values	FY 2021 Taxable Values	FY 2021 Abated Values	FY 2021 Eligible Taxes Levied *	FY 2021 Taxes Abated *
Chapter 311						
TIRZ 10	2001-2025	\$ 374,010,862	\$ 374,010,862	\$ 373,373,222	\$ 2,334,524	\$ 2,325,467
TIRZ 19	2006-2028	68,467,694	68,467,694	66,254,405	396,359	396,055
TIRZ 21	2007-2026	77,093,364	77,093,364	36,022,369	223,873	222,828
TIRZ 22 NORTH	2008-2027	19,610,596	19,610,596	19,184,286	120,669	120,669
TIRZ 22 TARGET	2008-2027	46,773,764	46,773,764	44,735,674	281,387	281,387
Total Chapter 311		<u>\$ 585,956,280</u>	<u>\$ 585,956,280</u>	<u>\$ 539,569,956</u>	<u>\$ 3,356,813</u>	<u>\$ 3,346,406</u>
Chapter 312						
Lubrizol	2018-2027	37,733,877	37,733,877	21,884,410	137,653	137,653
Total Chapter 312		<u>\$ 37,733,877</u>	<u>\$ 37,733,877</u>	<u>\$ 21,884,410</u>	<u>\$ 137,653</u>	<u>\$ 137,653</u>
Chapter 351						
Atlas Hotel ¹	2015-2025	N/A	N/A	-	139,739	131,783
Total Chapter 351		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,739</u>	<u>\$ 131,783</u>
Chapter 380						
Property Tax						
Adam Development	2019-2030	54,903,018	54,903,018	53,846,868	377,250	377,250
BCS Modern Living, LLC - Jordan Center	2019-2025	453,630	453,630	-	-	-
BRV Partners, L.P. (Bowie School Renovation)	10 years	100,875	100,875	-	-	-
Caljo, Inc. (Callaway Jones)	2018-2022	1,659,684	1,659,684	1,408,684	8,875	-
Capitol Flooring	2020-2025	139,652	139,652	-	-	-
Cozumel Investors, Ltd. (The Ranch at Turkey Creek)	2018-2025	3,973,479	3,973,479	-	-	-
Clay Street Townhomes (Rock Pad, LLC)	2019-2025	3,327,145	3,327,145	3,010,305	9,467	9,467
EPMC Group (Legacy BTX Development)	7 years	714,204	714,204	-	-	-
Fujifilm	2014-2024	73,864,237	73,864,237	72,489,627	65,832	65,832
The American Trade Group	2019-2025	462,563	462,563	-	-	-
RELLIS Campus Data and Research Center, LLC	2023-2027	N/A	N/A	-	-	-
Total Property Tax		<u>139,598,487</u>	<u>139,598,487</u>	<u>130,755,484</u>	<u>461,424</u>	<u>452,549</u>
Sales Tax						
CrossFulton	2012-2027	N/A	N/A	N/A	N/A	-
Total Sales Tax		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Chapter 380		<u>\$ 139,598,487</u>	<u>\$ 139,598,487</u>	<u>\$ 130,755,484</u>	<u>\$ 461,424</u>	<u>\$ 452,549</u>
Total		<u>\$ 763,288,644</u>	<u>\$ 763,288,644</u>	<u>\$ 692,209,850</u>	<u>\$ 4,095,630</u>	<u>\$ 4,068,391</u>

The City of Bryan has other contracts providing other economic incentives to attract businesses to the city. A full listing of these incentives are found on our website: <https://www.bryantx.gov/economic-development/>.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

27. FINANCIAL HEDGING

BTU's Energy Risk Management Policy (Risk Policy) allows for the purchase and sale of certain financial instruments defined as hedge instruments. The essential goal of the Risk Policy is to provide a framework for the operation of a fuel and energy purchasing and hedging program to better manage BTU's risk exposures in order to stabilize pricing and costs for the benefit of BTU's customers.

BTU applies GASB Statement No. 53 – Accounting and Financial Reporting for Derivative Instruments ("GASB 53"), which addresses the recognition, measurement, and disclosures related to derivative instruments. BTU utilizes natural gas commodity swaps to hedge its exposure to fluctuating fuel prices. Since these derivatives are entered into for risk mitigation purposes, the instruments are considered potential hedging derivative instruments under GASB 53.

BTU's hedging program considers a two-step approach to reducing exposure to the fluctuations in the natural gas market. Forecasted natural gas exposure is first determined by estimating natural gas supply needs on an ongoing basis. Fifty percent of that exposure is hedged through two separate but related transactions. First, BTU executes NYMEX swaps to approximate the forward price of Houston Ship Channel (HSC) natural gas. This transaction is considered the hedging derivative. These monthly hedges are settled approximately three days prior to the month where fuel will be purchased. When the NYMEX swap settles, a second derivative, an HSC swap, is executed to hedge the actual HSC settlement price for the next month's delivered fuel. The HSC swap, while itself a hedging derivative with the hedgeable item being the HSC daily settlement price, is also the hedgeable item for the NYMEX swap. In effect, BTU is using the NYMEX swap to mitigate fluctuations in natural gas prices at a point in time based on the forward gas price curve. Because the HSC swap is illiquid on a longer term basis, it would be costly (and ineffective) to enter into long-term derivatives approximating the HSC daily settlement using the HSC swap. Therefore, the NYMEX swap is used to hedge the HSC swap price on a longer-term basis. When the NYMEX swap expires, the HSC swap is put on to reduce the cash flow fluctuations in the daily market settlement price.

To measure the effectiveness of the NYMEX swap, the hedgeable instrument is the HSC swap and the effectiveness test used is the regression analysis as prescribed by GASB 53.

To measure the effectiveness of the HSC swap, the hedgeable instrument is the HSC daily settlement price and meets the criteria for the consistent critical terms method as prescribed by GASB 53. BTU evaluated all potential hedging derivative instruments for effectiveness as of September 30, 2021, and determined the derivatives to be effective in substantially offsetting the changes in cash flows of the hedgeable items.

For the fiscal years ended September 30, 2021, the total fair value of outstanding hedging derivative instruments was a net asset of \$1,865,652. The fair value of those derivative financial instruments maturing within one year are reported on the Statements of Net Position as current assets of \$1,865,652 at September 30, 2021.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

Hedge accounting treatment outlined in GASB 53 and GASB 63 requires changes in the fair value of derivative instruments deemed effective in offsetting changes in cash flows of hedged items be reported as deferred (inflows) outflows of resources on the Statements of Net Position. During the fiscal year ended September 30, 2021, the fair value of the City Electric System's hedging derivative instruments - NYMEX-based commodity swaps - increased by \$1,476,788; which is reported in the Statements of Net Position as an increase of deferred inflows of resources. The deferred inflows are reported until respective contract expirations occur in conjunction with hedged expected physical fuel purchases. When fuel purchase transactions occur, the deferred balance associated with the expired fuel hedging contract is recorded as an adjustment to fuel expense. Reported on the Statement of Net Position, at September 30, 2021, the deferred inflows of resources related to hedging derivatives was \$1,865,651.

The following information details the City Electric System's hedging derivative instruments as of September 30, 2021:

Type	Terms	Volume Hedged (MMBtu)	Execution Dates	Maturity Dates	Reference Index	Fair Value
Commodity Swaps	BTU pays prices of \$2.43 – 2.704	734,000	Oct 2019 - Jun 2021	Oct 2021 - Sep 2022	NYMEX	\$1,865,652

The estimated fair value of the hedging derivative instruments is classified as a level 2 measurement under the hierarchy estimated by GASB 72 and are valued at the difference between the closing futures price at the end of the reporting period, and the futures price at the time the positions were established, less applicable commissions.

Fuel swap contracts represent a financial obligation to buy or sell the underlying settlement point price. If held to expiration, as is BTU's policy, the financial difference determined by mark-to-market valuation must be settled on a cash basis.

Credit Risk - BTU's hedging derivative instruments generate exposure to a certain amount of risk that could give rise to financial loss. Since current hedges have a net asset position, BTU is exposed to counterparty credit risk. However, BTU has the ability to require collateralization of the fair value of derivative instruments in asset positions as defined by the credit terms in counterparty contracts.

Basis Risk - BTU is exposed to basis risk because the expected gas purchases being hedged will settle based on a pricing point (HSC) different than the pricing point of the hedge transactions (NYMEX). For September 2021, prompt month prices were \$4.370/MMBtu and \$4.971/MMBtu, for NYMEX and HSC, respectively.

Termination Risk - Exposure to termination risk occurs because BTU or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract. BTU's fuel hedges are exchange-traded instruments, and consequently, termination risk is mitigated by rules established by NYMEX, which is governed by the Commodity Futures Trade Commission.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2021

28. SUBSEQUENT EVENTS

For the fiscal year ended September 30, 2021, the City of Bryan issued revenue bonds dated September 23, 2021 ("2021A Revenue Bonds") totaling \$73,882,257, which includes a net premium of \$7,087,257, for the City Electric System. Funds from the bond issuance were received on October 20, 2021.

For the fiscal year ended September 30, 2021, the City of Bryan issued revenue bonds dated September 21, 2021 ("2021 Revenue Bonds") totaling \$19,675,000 for the Rural Electric System. Funds from the bond issuance were received October 20, 2021.

On November 1, 2021, the City of Bryan issued Waterworks and Sewer System Revenue Bonds, New Series 2021, (the "Bonds") for \$15,655,000. The Bonds mature serially beginning July 1, 2022, through July 1, 2046, with coupon rates from 0.16% to 2.52%. The proceeds from the sale of the Bonds are restricted for the Aquifer Storage and Recover project.

TMPA completed the sale of the mine land at the former Gibbons Creek power plant during December 2021. BTU received \$15,025,532 of proceeds from the sale on December 23, 2021, of which \$10,713,204 was attributed to the City System and \$4,312,328 was attributed to the Rural System.

On February 8, 2022, the City Council approved and authorized publication of notice of intention to issue certificates of obligation in a principal amount not to exceed \$29,150,000 for constructing, acquiring, improving, renovating, expanding and developing parks and recreation facilities and related infrastructure, vehicles and equipment, including the regional park project; constructing, improving, renovating, extending, expanding and developing streets and related infrastructure, vehicles and equipment, including drainage, traffic signalization, lighting, sidewalks, soundwalls and landscaping, and acquiring right-of-way related thereto; constructing, renovating and improving Fire Department facilities and purchasing firefighting equipment, including fire trucks; and related professional services, including legal, fiscal, engineering and design fees.

CITY OF BRYAN, TEXAS

Required Supplementary Information

Schedule of Contributions

Texas Municipal Retirement System

Last Ten Fiscal Years (will ultimately be displayed)

	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 7,686,872	\$ 8,279,509	\$ 8,521,169	\$ 8,887,727	\$ 9,224,947	\$ 9,525,048	\$ 9,921,334
Contributions in relation to the actuarially determined contribution	7,686,872	8,279,509	8,521,169	8,887,727	9,224,947	9,525,048	9,921,334
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 48,991,679	\$ 54,614,239	\$ 55,894,466	\$ 58,312,792	\$ 61,308,968	\$ 62,882,877	\$ 64,682,955
Contributions as a percentage of covered payroll	15.69%	15.16%	15.25%	15.24%	15.05%	15.15%	15.34%

Note to Schedule of Contributions

Only seven years of data are presented in accordance with GASB Standard No. 68 as the data for the years other than what is presented is not available. Additionally, GASB Standard No. 68 requires that the information on this schedule correspond with the period covered as of the City's fiscal year end of September 30, not the measurement date of the Actuary's report.

Methods and Assumptions Used to Determine the Contribution Ratio

Actuarial Cost Method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining Amortization period	20 Years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014-2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information	There were no benefit changes during the year.

Notes: The actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

CITY OF BRYAN, TEXAS

Required Supplementary Information

Schedule of Changes in the City's Net Pension Liability (Asset) and Related Ratios

Texas Municipal Retirement System

Last Ten Calendar Years (will ultimately be displayed)

	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability							
Service Cost	\$ 7,088,933	\$ 7,796,505	\$ 8,498,467	\$ 8,991,102	\$ 9,355,492	\$ 9,823,079	\$ 10,515,585
Interest (on the Total Pension Liability)	18,281,849	19,160,943	19,655,455	20,795,590	21,996,726	23,265,601	24,643,477
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	(1,764,543)	(1,545,768)	450,762	395,105	631,794	26,678	1,130,387
Change of assumptions	-	3,577,731	-	-	-	719,741	-
Benefit payments, including refunds of employee contributions	(11,117,789)	(11,685,311)	(12,067,133)	(11,853,082)	(13,285,700)	(13,553,597)	(13,983,161)
Net Change in Total Pension Liability	12,488,450	17,304,100	16,537,551	18,328,715	18,698,312	20,281,502	22,306,288
Total Pension Liability - Beginning	263,183,703	275,672,153	292,976,253	309,513,804	327,842,519	346,540,831	366,822,333
Total Pension Liability - Ending (a)	\$ 275,672,153	\$ 292,976,253	\$ 309,513,804	\$ 327,842,519	\$ 346,540,831	\$ 366,822,333	\$ 389,128,621
Plan Fiduciary Net Position							
Contributions - Employer	\$ 7,667,195	\$ 7,727,068	\$ 8,035,947	\$ 8,656,073	\$ 8,972,275	\$ 9,290,815	\$ 64,152,235
Contributions - Employee	3,312,987	3,490,130	3,741,223	3,964,541	4,123,958	4,335,533	4,586,237
Net Investment Income	12,827,812	349,403	15,980,505	34,922,324	(8,610,807)	43,051,984	24,391,784
Benefit payments, including refunds of employee contributions	(11,117,789)	(11,685,311)	(12,067,133)	(11,853,082)	(13,285,700)	(13,553,597)	(13,983,161)
Administrative expense	(133,929)	(212,814)	(180,465)	(180,962)	(166,408)	(243,255)	(157,833)
Other	(11,011)	(10,511)	(9,723)	(9,171)	(8,694)	(7,307)	(6,158)
Net Change in Plan Fiduciary Net Position	12,545,265	(342,034)	15,500,354	35,499,723	(8,975,376)	42,874,172	78,983,103
Plan Fiduciary Net Position - Beginning	224,239,250	236,784,515	236,442,481	251,942,835	287,442,558	278,467,184	321,341,356
Plan Fiduciary Net Position - Ending (b)	\$ 236,784,515	\$ 236,442,481	\$ 251,942,835	\$ 287,442,558	\$ 278,467,184	\$ 321,341,356	\$ 400,324,459
Net Pension Liability (Asset) - Ending (a) - (b)	\$ 38,887,638	\$ 56,533,772	\$ 57,570,969	\$ 40,399,961	\$ 68,073,647	\$ 45,480,977	\$ (11,195,838)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.89%	80.70%	81.40%	87.68%	80.36%	87.60%	102.88%
Covered Payroll	\$ 47,328,382	\$ 49,849,779	\$ 53,382,332	\$ 56,512,266	\$ 58,913,678	\$ 61,936,186	\$ 65,517,665
Net Pension Liability (Asset) as a Percentage of Covered Payroll	82.17%	113.41%	107.85%	71.49%	115.55%	73.43%	-17.09%

Note to Schedule of Changes in the City's Net Pension Liability and Related Ratios

Only seven years of data is presented in accordance with GASB Standard No. 68 as the data for the years other than calendar years that are presented is not available. Additionally, GASB Standard No. 68 requires that the information on this schedule correspond with the period covered as of December 31, the measurement date of the City's net pension liability/asset.

CITY OF BRYAN, TEXAS

Required Supplementary Information

Schedule of Contributions

Other Post Employment Benefits - City of Bryan

Last Ten Fiscal Years (will ultimately be displayed) ending September 30

	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,498,635	\$ 1,528,513	\$ 1,559,061	\$ 1,590,296
Actual Contributions	1,471,374	1,624,112	2,072,827	2,238,608
Contribution deficiency (excess)	\$ 27,261	\$ (95,599)	\$ (513,766)	\$ (648,312)
Covered Employee Payroll	\$ 58,312,792	\$ 61,308,968	\$ 62,882,877	\$ 64,682,955
Actual Contribution as a % of Covered Payroll	2.52%	2.65%	3.30%	3.46%

Note to Schedule of Contributions

Only four years of data are presented in accordance with GASB Standard No. 75 as the data for the years other than what is presented is not available. Additionally, GASB Standard No. 75 requires that the information on this schedule correspond with the period covered as of the City's fiscal year end of September 30, not the measurement date of the Actuary's report.

Methods and Assumptions Used to Determine the Contribution Ratio

Actuarial Cost Method	Individual Entry-Age Normal
Amortization Method	Level percentage of payroll
Amortization Period	Closed, 27 years as of September 30, 2021
Asset Valuation	Market Value
Investment Rate of Return	6.50%, net of investment expenses, including inflation
Inflation	2.50%
Salary Increases	3.50% to 10.50%, including inflation
Payroll Growth	1.50%
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates being multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Participation Rates	It was assumed that 65% of retirees who are eligible for the rule of 80 discount and 10% of those who are not eligible for the rule of 80 discount would choose to receive coverage through the City.
Health Care Cost Trend Rates	Initial rates of 7.50% declining to ultimate rates of 5.25% after 11 years; Ultimate trend rate includes a 1.00% adjustment for the excise tax.

Other Information

Notes: There were no benefits changes this year. The actuarially determined contribution rates are calculated as of December 31 and become effective in January 13 months later.

CITY OF BRYAN, TEXAS

Required Supplementary Information

Schedule of Changes in the City's Net OPEB Liability and Related Ratios

Other Post Employment Benefits - City of Bryan

Last Ten Calendar Years (will ultimately be displayed)

Measurement period ending December 31	2017	2018	2019	2020
Total OPEB Liability				
Service Cost	\$ 478,077	\$ 492,419	\$ 546,768	\$ 533,421
Interest (on the Total Opeb Liability)	1,021,963	1,052,909	1,103,438	1,071,099
Difference between expected and actual experience	-	306,887	1,378,181	451,655
Change of assumptions	-	-	(1,671,518)	-
Benefit payments, including refunds of employee contributions	(983,981)	(1,078,262)	(1,125,781)	(1,251,388)
Net Change in Total OPEB Liability	516,059	773,953	231,088	804,787
Total OPEB Liability - Beginning	15,975,467	16,491,526	17,265,479	17,496,567
Total OPEB Liability - Ending (a)	\$ 16,491,526	\$ 17,265,479	\$ 17,496,567	\$ 18,301,354
Plan Fiduciary Net Position				
Contributions - Employer	\$ 1,608,981	\$ 1,578,262	\$ 1,625,781	\$ 1,751,388
Net Investment Income	17,311	(46,639)	221,183	247,603
Benefit payments	(983,981)	(1,078,262)	(1,125,781)	(1,251,388)
Plan administrative expense	(770)	(4,565)	(7,690)	(11,618)
Net Change in Plan Fiduciary Net Position	641,541	448,796	713,493	735,985
Plan Fiduciary Net Position - Beginning	-	641,541	1,090,337	1,803,830
Plan Fiduciary Net Position - Ending (b)	\$ 641,541	\$ 1,090,337	\$ 1,803,830	\$ 2,539,815
Net OPEB Liability - Ending (a) - (b)	\$ 15,849,985	\$ 16,175,142	\$ 15,692,737	\$ 15,761,539
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	3.89%	6.32%	10.31%	13.88%
Covered Employee Payroll	\$ 56,523,781	\$ 58,936,756	\$ 61,961,283	\$ 65,543,364
Net OPEB Liability as a Percentage of Covered Employee Payroll	28.04%	27.44%	25.33%	24.05%

Notes to Schedule of Changes in the City's Net OPEB Liability and Related Ratios

Only four years of data is presented in accordance with GASB Standard No. 75 as the data for the years other than calendar years that are presented are not available. Additionally, GASB Standard No. 75 requires that the information on this schedule correspond with the period covered as of December 31, the measurement date of the City's net OPEB liability.

For the year ending September 30, 2021 the changes of assumptions reflect lower participation assumptions, updates to health care trend assumptions to reflect the repeal of the "Cadillac Tax", a change in the Single Discount Rate from 6.50% to 6.25% as of December 31, 2019, and revised TMRS demographic and salary increase assumptions.

CITY OF BRYAN, TEXAS

Required Supplementary Information

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 26,183,247	\$ 26,183,247	\$ 26,324,055	\$ 140,808
Sales	22,540,000	22,540,000	25,477,704	2,937,704
Franchise	2,090,900	2,090,900	2,037,423	(53,477)
Alcoholic beverage	150,000	150,000	179,443	29,443
Bingo	200,000	200,000	251,717	51,717
Charges for services:				
Ambulance charges	2,244,000	2,244,000	1,656,907	(587,093)
Recreational charges	1,502,000	1,502,000	825,542	(676,458)
Health and public safety	1,373,240	1,373,240	1,626,642	253,402
Miscellaneous charges	158,292	158,292	243,932	85,640
Fines and court charges:				
Municipal court	1,529,000	1,529,000	1,256,660	(272,340)
Licenses and permits	671,404	671,404	1,382,111	710,707
Grants:				
Texas Attorney General - LEOSE	-	-	10,011	10,011
Contributions to Library - College Station	1,221,045	1,221,045	1,203,537	(17,508)
Other	91,350	91,350	150,734	59,384
Investment earnings	200,000	200,000	95,373	(104,627)
Other	1,589,585	1,589,585	1,980,693	391,108
Total revenues	61,744,063	61,744,063	64,702,484	2,958,421
Expenditures:				
Current:				
General government and administration:				
Executive	3,440,852	3,440,852	3,098,832	(342,020)
City Secretary	1,273,645	1,273,645	1,047,404	(226,241)
Legal services	873,858	873,858	792,433	(81,425)
Payments to other agencies	4,748,959	6,360,959	5,913,308	(447,651)
Fiscal services	1,714,388	1,714,388	1,796,731	82,343
Information technology	6,595,985	6,595,985	6,707,230	111,245
Human resources	745,682	745,682	777,556	31,874
Fleet services	874,653	874,653	812,589	(62,064)
Facility services	1,985,896	1,985,896	1,963,471	(22,425)
Total general government and administration	22,253,918	23,865,918	22,909,554	(956,364)
Development services:				
Planning	2,089,366	2,089,366	2,199,115	109,749
Engineering	1,583,869	1,583,869	1,466,182	(117,687)
Building	451,757	451,757	398,003	(53,754)
Special projects	241,700	241,700	225,761	(15,939)
Total development services	4,366,692	4,366,692	4,289,061	(77,631)
Public works services:				
Drainage and streets	2,046,925	2,046,925	1,728,075	(318,850)
Traffic operations	1,816,137	1,816,137	1,819,929	3,792
Total public works services	3,863,062	3,863,062	3,548,004	(315,058)

continued

CITY OF BRYAN, TEXAS

Required Supplementary Information

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual (continued)

For the Fiscal Year Ended September 30, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Over (Under)
	Original	Final		
Public safety:				
Police services	22,993,844	22,993,844	22,075,815	(918,029)
Fire and emergency medical services	18,578,386	18,766,386	19,147,091	380,705
Animal Center	1,058,395	1,058,395	898,475	(159,920)
Municipal court	1,496,394	1,496,394	1,321,668	(174,726)
Total public safety	44,127,019	44,315,019	43,443,049	(871,970)
Cultural and recreational:				
Library services	2,890,171	2,890,171	2,754,046	(136,125)
Parks and recreation services	5,654,339	5,654,339	4,123,304	(1,531,035)
Total cultural and recreational	8,544,510	8,544,510	6,877,350	(1,667,160)
Administrative reimbursement	(6,174,078)	(6,174,078)	(6,174,078)	-
Capital outlay	1,127,801	1,127,801	2,125,375	997,574
Total expenditures	78,108,924	79,908,924	77,018,315	(2,890,609)
(Excess) deficiency of expenditures (over) under revenues	(16,364,861)	(18,164,861)	(12,315,831)	5,849,030
Other financing sources (uses):				
Sale of capital assets	-	-	105,467	105,467
Transfers in	17,825,800	17,825,800	18,707,421	881,621
Transfers out	(700,718)	(700,718)	(1,771,838)	(1,071,120)
Total other financing sources (uses)	17,125,082	17,125,082	17,041,050	(84,032)
Net change in fund balance	760,221	(1,039,779)	4,725,219	5,764,998
Fund Balance, October 1, 2020	32,419,760	46,211,970	46,211,970	-
Fund Balance, September 30, 2021	\$ 33,179,981	\$ 45,172,191	\$ 50,937,189	\$ 5,764,998

Supplementary Information

- Non-Major Governmental Funds
 - Special Revenue Funds
 - Capital Project Funds
 - Permanent Funds
- Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual
 - Debt Service Fund
 - Community Development Fund
 - Hotel/Motel Tax Fund
 - Oil and Gas Fund
 - Capital Reserve Fund
 - Midtown Park Operations Fund
 - Midtown Park Construction Fund
 - Phillips Event Center (“PEC”) Fund
 - Queen and Palace Theaters Fund
 - Court Technology Fund
 - Street Improvement Fund
 - Drainage Improvement Fund
 - TIRZ #10-22
- Non-Major Enterprise Funds
- Internal Service Funds

**COMBINING FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS**

Special Revenue Funds

Grant Fund – To account for the receipt and expenditure of grant revenues for all governmental funds other than the Community Development Fund. The source of funds is grants awarded to the City. The use of these funds is restricted by the terms of each grant.

Community Development Fund – To account for Federal grant revenues provided through the Department of Housing and Urban Development for the development of environmental and economic opportunities, principally for persons of low and moderate income. The use of these funds is restricted by the terms of the grants.

Hotel and Motel Room Tax Fund – To account for the receipt and expenditure of funds received by the City from the assessment of hotel and motel occupancy tax. Usage of funds is restricted to construction and maintenance of convention and civic facilities, and the promotion of tourism and the arts within the City of Bryan.

Oil and Gas Fund – This fund was established by City of Bryan Ordinance to account for revenues associated with oil and gas leases, royalties and mineral property taxes. The use of these funds is committed for projects of a non-recurring nature determined by City Council.

Capital Reserve Fund – This fund was established by City of Bryan Ordinance to accumulate miscellaneous one-time revenues. The use of these funds is committed for projects of a non-recurring nature determined by City Council.

Midtown Park Operations – This fund was established by City of Bryan Ordinance to track funds used for the operations of Midtown Park. The source of start-up revenues for this fund are derived primarily from the Capital Reserve Fund, and the fund is expected to be self-funding following the startup phase.

Midtown Park Construction – This fund was established by City of Bryan Ordinance to track funds used for the construction of Midtown Park. The source of revenues for this fund are derived primarily from the Capital Reserve Fund and Oil & Gas Fund.

Phillips Event Center Fund – This fund was established by City of Bryan Ordinance to track funds used for the operations of the Phillips Event Center. The source of start-up revenues for this fund are derived primarily from the General Fund, and the fund is expected to be self-funding following the startup phase.

Queen and Palace Theater Fund – This fund was established by City of Bryan Ordinance to track funds used for the operations of the Queen and Palace Theater. The source of start-up revenues for this fund are derived primarily from the General Fund, and the fund is expected to be self-funding following the startup phase.

Sidewalks Fund – This fund was established by City of Bryan Ordinance to collect and track funds from developers and property owners for the construction and maintenance of sidewalks. The use of these funds is committed for this purpose. Funds received are refunded to the remitter if not used within 10 years.

Court Technology Fund – To account for revenues derived from a portion of court fees dedicated to use for technology improvements for Municipal Court functions. These funds are restricted to technology necessary for the Court’s operations.

Street Improvement Fund – To account for revenue derived from a fee assessed on utility bills for the purpose of street improvements. The use of these funds is committed to the purposes of planning, constructing, operating, monitoring and maintaining the transportation system of the City

Drainage Improvement Fund – To account for revenue derived from a fee assessed on utility bills for the purpose of drainage improvements. The use of these funds is committed for the planning, constructing, operating, monitoring, and maintaining the City’s drainage system.

Tax Increment Reinvestment Zone #10 Fund – To account for revenues derived from captured assessed valuation in, and bond proceeds for, the Traditions Tax Increment Reinvestment Zone. Bond proceeds are used for various public improvements within the zone. The taxes from the captured assessed valuation will be used to retire the debt and handle other operating expenses within the zone. The use of these funds is restricted to the geographical area within this zone.

Tax Increment Reinvestment Zone #19 Fund – To account for revenues derived from captured assessed valuation in, and bond proceeds for, the Villa Maria-FM 158 Corridor Tax Increment Reinvestment Zone. Bond proceeds are used for various public improvements within the zone. The taxes from the captured assessed valuation will be used to retire the debt and handle other operating expenses within the zone. The use of these funds is restricted to the geographical area within this zone.

Tax Increment Reinvestment Zone #21 Fund – To account for revenues derived from captured assessed valuation in, and bond proceeds for, the Downtown Bryan Tax Increment Reinvestment Zone. The taxes from the captured assessed valuation will be used to handle operating expenses within the zone. The use of these funds is restricted to the geographical area within this zone.

Tax Increment Reinvestment Zone #22 Fund – To account for revenues derived from captured assessed valuation in, and bond proceeds for the Lauth Development Tax Increment Reinvestment Zone. Bond proceeds are used for various public improvements within the zone. The taxes from the captured assessed valuation will be used to retire the debt and handle other operating expenses within the zone. The use of these funds is restricted to the geographical area within this zone.

Destination Bryan - was created for the promotion of tourism and the hotel convention industry, and to be the City of Bryan’s destination marketing organization, now and in the future. In 2021, the City of Bryan entered into a funding agreement with Destination Bryan, a local 501(c)(6) tax exempt, Texas non-profit corporation. Since Destination Bryan’s funding is primarily derived from the funding agreement with the City of Bryan. Destination Bryan is considered a blended component unit. Destination Bryan is not separately presented here as it is separately presented in the supplementary section of this report.

Capital Project Funds

2016 Certificates of Obligation Fund – To account for the construction of streets, drainage, sidewalks, lighting, soundwalls, landscaping, traffic signal improvements and the acquisition of fire-fighting equipment and improving fire department facilities.

2018 Certificates of Obligation Fund – To account for the construction of streets, drainage, sidewalks, lighting, soundwalls, landscaping, traffic signal improvements and the acquisition of fire-fighting equipment and improving fire department facilities.

2020 Certificates of Obligation Fund - Park – To account for the construction, acquisition, improvement, renovation, expansion, and development of parks and recreation facilities and related infrastructure, vehicles, and equipment.

2020 Certificates of Obligation Fund - General – To account for the construction of streets, drainage, sidewalks, lighting, soundwalls, landscaping, traffic signal improvements and the acquisition of fire-fighting equipment and improving fire department facilities.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the City's programs.

Relating to Bryan cemeteries:

Brandon Cemetery
J. W. English Cemetery
L. B. Hervey Cemetery
Mills Trust Cemetery
Cemetery
M. C. Astin Cemetery
Bade Trust Cemetery

Relating to Bryan libraries:

F. L. Henderson Library
Rountree Library

CITY OF BRYAN, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds

As of September 30, 2021

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 41,269,520	\$ 40,001,984	\$ 1,272,508	\$ 82,544,012
Investments	3,703,897	3,629,254	115,450	7,448,601
Receivables:				
Accounts	759,222	-	-	759,222
Less allowance for uncollectible	(55,986)	-	-	(55,986)
Notes	2,007,458	-	-	2,007,458
Less allowance for uncollectible - Notes	(97,421)	-	-	(97,421)
Grants	166,946	-	-	166,946
Interest	71,563	20,295	655	92,513
Due from other funds	200,902	-	-	200,902
Inventory	50,289	-	-	50,289
Intangible asset (net)	-	-	-	-
Prepaid and other assets	12,773	-	-	12,773
Total assets	<u>\$ 48,089,163</u>	<u>\$ 43,651,533</u>	<u>\$ 1,388,613</u>	<u>\$ 93,129,309</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	933,613	3,945,897	-	4,879,510
Accrued liabilities	39,097	-	-	39,097
Retainage payable	303,907	1,169,880	-	1,473,787
Due to other funds	55,226	44,949	-	100,175
Total liabilities	<u>1,331,843</u>	<u>5,160,726</u>	<u>-</u>	<u>6,492,569</u>
Deferred inflows:				
Unavailable notes receivable	1,910,037	-	-	1,910,037
Other unavailable revenue	10,832,000	-	-	10,832,000
Total deferred inflows	<u>12,742,037</u>	<u>-</u>	<u>-</u>	<u>12,742,037</u>
Fund balances:				
Nonspendable	3,627	-	1,296,303	1,299,930
Restricted	5,716,855	38,490,807	92,310	44,299,972
Committed	28,333,224	-	-	28,333,224
Unassigned (deficit)	(38,423)	-	-	(38,423)
Total fund balances	<u>34,015,283</u>	<u>38,490,807</u>	<u>1,388,613</u>	<u>73,894,703</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 48,089,163</u>	<u>\$ 43,651,533</u>	<u>\$ 1,388,613</u>	<u>\$ 93,129,309</u>

CITY OF BRYAN, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds - Special Revenue Funds

As of September 30, 2021

	Grant Fund	Community Development Fund	Hotel and Motel Tax Fund	Oil and Gas Fund	Capital Reserve Fund	Midtown Park Operations Fund	Midtown Park Construction Fund	Phillips Event Center	Queen and Palace Theater
<u>Assets</u>									
Cash and cash equivalents	\$ 9,720,500	\$ -	\$ 2,099,087	\$ 782,673	\$ 1,129,784	\$ 2,326,378	\$ 11,445,021	\$ 123,830	\$ 86,790
Investments	881,910	-	190,443	71,009	102,502	210,049	1,038,371	-	-
Receivables:	-	-	-	-	-	-	-	-	-
Accounts receivable	-	27	162,359	34,428	-	-	-	25,983	475
Less allowance for uncollectible	-	-	-	-	-	-	-	-	-
Notes	-	2,007,458	-	-	-	-	-	-	-
Less allowance for uncollectible	-	(97,421)	-	-	-	-	-	-	-
Grants	17,838	149,108	-	-	-	-	-	-	-
Interest	4,995	-	1,079	402	581	1,190	6,140	-	-
Due from other funds	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	50,289	-
Prepaid and other assets	-	3,627	-	-	-	-	-	3,556	-
Total assets	<u>\$ 10,625,243</u>	<u>\$ 2,062,799</u>	<u>\$ 2,452,968</u>	<u>\$ 888,512</u>	<u>\$ 1,232,867</u>	<u>\$ 2,537,617</u>	<u>\$ 12,489,532</u>	<u>\$ 203,658</u>	<u>\$ 87,265</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>									
Liabilities:									
Accounts payable	173	112,499	28,126	13,005	-	2,150	-	104,210	-
Accrued liabilities	-	14,429	2,629	-	-	-	-	5,539	-
Retainage payable	-	5,879	-	-	-	-	-	-	-
Due to other funds	-	54,751	-	-	-	-	-	-	475
Total liabilities	<u>173</u>	<u>187,558</u>	<u>30,755</u>	<u>13,005</u>	<u>-</u>	<u>2,150</u>	<u>-</u>	<u>109,749</u>	<u>475</u>
Deferred inflows:									
Deferred notes receivable	-	1,910,037	-	-	-	-	-	-	-
Other deferred revenue	10,591,868	-	-	-	-	-	-	22,579	-
Total deferred inflows	<u>10,591,868</u>	<u>1,910,037</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,579</u>	<u>-</u>
Fund Balances:									
Nonspendable	-	3,627	-	-	-	-	-	-	-
Restricted:									
Hotel/Motel	-	-	2,422,213	-	-	-	-	-	-
Sidewalks	-	-	-	-	-	-	-	-	-
Municipal Court	-	-	-	-	-	-	-	-	-
TIRZ Development	-	-	-	-	-	-	-	-	-
Committed:									
Streets	-	-	-	-	-	-	-	-	-
Drainage	-	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	2,535,467	12,489,532	71,330	86,790
Other Purposes	33,202	-	-	875,507	1,232,867	-	-	-	-
Unassigned (deficit)	-	(38,423)	-	-	-	-	-	-	-
Total fund balances	<u>33,202</u>	<u>(34,796)</u>	<u>2,422,213</u>	<u>875,507</u>	<u>1,232,867</u>	<u>2,535,467</u>	<u>12,489,532</u>	<u>71,330</u>	<u>86,790</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 10,625,243</u>	<u>\$ 2,062,799</u>	<u>\$ 2,452,968</u>	<u>\$ 888,512</u>	<u>\$ 1,232,867</u>	<u>\$ 2,537,617</u>	<u>\$ 12,489,532</u>	<u>\$ 203,658</u>	<u>\$ 87,265</u>

CITY OF BRYAN, TEXAS

Combining Balance Sheet (continued)
Nonmajor Governmental Funds - Special Revenue Funds
As of September 30, 2021

	Sidewalks Fund	Court Technology Fund	Street Improvement Fund	Drainage Improvement Fund	Tax Increment Reinvestment Zone #10 Fund	Tax Increment Reinvestment Zone #19 Fund	Tax Increment Reinvestment Zone #21 Fund	Tax Increment Reinvestment Zone #22 Fund	Destination Bryan	Total
<u>Assets</u>										
Cash and cash equivalents	\$ 210,738	\$ 172,540	\$ 9,173,306	\$ 942,721	\$ 1,898,109	\$ 142,772	\$ 643,105	\$ 149,211	\$ 222,955	\$ 41,269,520
Investments	19,119	15,654	832,265	85,530	172,210	12,953	58,345	13,537	-	3,703,897
Receivables:										
Accounts receivable	-	-	447,068	74,598	2,250	-	-	-	12,034	759,222
Less allowance for uncollectible	-	-	(48,320)	(7,666)	-	-	-	-	-	(55,986)
Notes	-	-	-	-	-	-	-	-	-	2,007,458
Less allowance for uncollectible	-	-	-	-	-	-	-	-	-	(97,421)
Grants	-	-	-	-	-	-	-	-	-	166,946
Interest	108	89	4,714	50,810	975	73	330	77	-	71,563
Due from other funds	-	-	172,173	28,729	-	-	-	-	-	200,902
Prepaid and other assets	-	-	-	-	-	-	-	-	-	50,289
Prepaid and other assets	-	-	-	-	-	-	-	-	5,590	12,773
Total assets	<u>\$ 229,965</u>	<u>\$ 188,283</u>	<u>\$ 10,581,206</u>	<u>\$ 1,174,722</u>	<u>\$ 2,073,544</u>	<u>\$ 155,798</u>	<u>\$ 701,780</u>	<u>\$ 162,825</u>	<u>\$ 240,579</u>	<u>\$ 48,089,163</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>										
Liabilities:										
Accounts payable	-	-	427,736	161,407	-	-	-	-	84,307	933,613
Accrued liabilities	-	-	-	-	-	-	-	-	16,500	39,097
Retainage payable	-	-	208,420	89,608	-	-	-	-	-	303,907
Due to other funds	-	-	-	-	-	-	-	-	-	55,226
Total liabilities	<u>-</u>	<u>-</u>	<u>636,156</u>	<u>251,015</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,807</u>	<u>1,331,843</u>
Deferred inflows:										
Deferred notes receivable	-	-	-	-	-	-	-	-	-	1,910,037
Other deferred revenue	217,553	-	-	-	-	-	-	-	-	10,832,000
Total deferred inflows	<u>217,553</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,742,037</u>
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	-	3,627
Restricted:										
Hotel/Motel	-	-	-	-	-	-	-	-	-	2,422,213
Sidewalks	12,412	-	-	-	-	-	-	-	-	12,412
Municipal Court	-	188,283	-	-	-	-	-	-	-	188,283
TIRZ Development	-	-	-	-	2,073,544	155,798	701,780	162,825	-	3,093,947
Committed:										
Streets	-	-	9,945,050	-	-	-	-	-	-	9,945,050
Drainage	-	-	-	923,707	-	-	-	-	-	923,707
Parks	-	-	-	-	-	-	-	-	-	15,183,119
Other Purposes	-	-	-	-	-	-	-	-	139,772	2,281,348
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	(38,423)
Total fund balances	<u>12,412</u>	<u>188,283</u>	<u>9,945,050</u>	<u>923,707</u>	<u>2,073,544</u>	<u>155,798</u>	<u>701,780</u>	<u>162,825</u>	<u>139,772</u>	<u>34,015,283</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 229,965</u>	<u>\$ 188,283</u>	<u>\$ 10,581,206</u>	<u>\$ 1,174,722</u>	<u>\$ 2,073,544</u>	<u>\$ 155,798</u>	<u>\$ 701,780</u>	<u>\$ 162,825</u>	<u>\$ 240,579</u>	<u>\$ 48,089,163</u>

CITY OF BRYAN, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds - Capital Project Funds

As of September 30, 2021

	2016 Certificates of Obligation Fund	2018 Certificates of Obligation Fund	2020 Certificates of Obligation Fund-Park	2020 Certificates of Obligation Fund-General	Total
<u>Assets</u>					
Cash and cash equivalents	\$ 1,245,247	\$ 2,595,249	\$ 30,527,440	\$ 5,634,048	\$40,001,984
Investments	112,977	235,459	2,769,659	511,159	3,629,254
Interest receivable	640	1,334	15,426	2,895	20,295
Total assets	<u>\$ 1,358,864</u>	<u>\$ 2,832,042</u>	<u>\$ 33,312,525</u>	<u>\$ 6,148,102</u>	<u>\$ 43,651,533</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	104,991	93,351	3,632,858	114,697	3,945,897
Retainage payable	152	7,427.00	1,088,044	74,257	1,169,880
Due to other funds	-	-	-	44,949	44,949
Total liabilities	<u>105,143</u>	<u>100,778</u>	<u>4,720,902</u>	<u>233,903</u>	<u>5,160,726</u>
Fund balances:					
Restricted to capital projects	<u>1,253,721</u>	<u>2,731,264</u>	<u>28,591,623</u>	<u>5,914,199</u>	<u>38,490,807</u>
Total fund balances	<u>1,253,721</u>	<u>2,731,264</u>	<u>28,591,623</u>	<u>5,914,199</u>	<u>38,490,807</u>
Total liabilities and fund balances	<u>\$ 1,358,864</u>	<u>\$ 2,832,042</u>	<u>\$ 33,312,525</u>	<u>\$ 6,148,102</u>	<u>\$ 43,651,533</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Nonmajor Governmental Funds - Permanent Funds

For the Fiscal Year Ended September 30, 2021

	Brandon Cemetery Fund	J.W. English Cemetery Fund	L.B. Hervey Cemetery Fund	Mills Trust Cemetery Fund	Cemetery Fund	M.C. Astin Cemetery Fund	Bade Trust Cemetery Fund	F.L. Henderson Library Fund	Rountree Library Fund	Totals
Revenues:										
Contributions	\$ -	\$ -	\$ -	\$ -	\$ 123,675	\$ -	\$ -	\$ -	\$ -	\$ 123,675
Investment earnings	4	15	24	2	2,140	101	1	8	13	2,308
Total revenues	<u>4</u>	<u>15</u>	<u>24</u>	<u>2</u>	<u>125,815</u>	<u>101</u>	<u>1</u>	<u>8</u>	<u>13</u>	<u>125,983</u>
Expenditures:										
General government and administration	-	-	-	-	747	-	-	-	-	747
Capital outlay	-	-	-	-	(1,745)	-	-	-	-	(1,745)
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(998)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(998)</u>
Net change in fund balances	4	15	24	2	126,813	101	1	8	13	126,981
Fund balances, October 1, 2020	<u>2,758</u>	<u>9,871</u>	<u>15,684</u>	<u>989</u>	<u>1,152,826</u>	<u>65,101</u>	<u>946</u>	<u>5,408</u>	<u>8,049</u>	<u>1,261,632</u>
Fund balances, September 30, 2021	<u>\$ 2,762</u>	<u>\$ 9,886</u>	<u>\$ 15,708</u>	<u>\$ 991</u>	<u>\$ 1,279,639</u>	<u>\$ 65,202</u>	<u>\$ 947</u>	<u>\$ 5,416</u>	<u>\$ 8,062</u>	<u>\$ 1,388,613</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Fiscal Year Ended September 30, 2021

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total
Revenues:				
Property taxes	\$ 5,104,292	\$ -	\$ -	\$ 5,104,292
Hotel occupancy taxes	1,393,369	-	-	1,393,369
Transportation and drainage assessments	7,169,131	-	-	7,169,131
Fines and court charges	26,206	-	-	26,206
Grants	2,656,171	-	-	2,656,171
Investment earnings	177,063	50,375	2,308	229,746
Oil and gas royalties	184,687	-	-	184,687
Destination Bryan	206,296	-	-	206,296
Other	1,684,857	-	123,675	1,808,532
Total revenues	<u>18,602,072</u>	<u>50,375</u>	<u>125,983</u>	<u>18,778,430</u>
Expenditures:				
Current:				
General government and administration	1,017,873	-	747	1,018,620
Development services	2,516,049	-	-	2,516,049
Public works services	980,589	-	-	980,589
Public safety	456,913	-	-	456,913
Cultural and recreational	2,799,975	-	-	2,799,975
Capital outlay	5,686,455	28,303,472	(1,745)	33,988,182
Total expenditures	<u>13,457,854</u>	<u>28,303,472</u>	<u>(998)</u>	<u>41,760,328</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,144,218</u>	<u>(28,253,097)</u>	<u>126,981</u>	<u>(22,981,898)</u>
Other financing sources (uses):				
Transfers in	2,148,209	-	-	2,148,209
Transfers out	(9,871,595)	-	-	(9,871,595)
Total other financing sources (uses)	<u>(7,723,386)</u>	<u>-</u>	<u>-</u>	<u>(7,723,386)</u>
Net change in fund balances	(2,579,168)	(28,253,097)	126,981	(30,705,284)
Fund balances, October 1, 2020	<u>36,594,451</u>	<u>66,743,904</u>	<u>1,261,632</u>	<u>104,599,987</u>
Fund balances, September 30, 2021	<u>\$ 34,015,283</u>	<u>\$ 38,490,807</u>	<u>\$ 1,388,613</u>	<u>\$ 73,894,703</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds - Special Revenue Funds

As of September 30, 2021

	Grant Fund	Community Development Fund	Hotel and Motel Tax Fund	Oil and Gas Fund	Capital Reserve Fund	Midtown Park Operations Fund	Midtown Park Construction Fund	Phillips Event Center	Queen and Palace Theater
Revenues:									
Property taxes	\$ -	\$ -	\$ -	\$ 195,236	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel occupancy taxes	-	-	1,393,369	-	-	-	-	-	-
Transportation and drainage assessments	-	-	-	-	-	-	-	-	-
Grants	454,246	2,201,925	-	-	-	-	-	-	-
Fines and court charges	-	-	-	-	-	-	-	-	-
Investment earnings	120,415	-	3,228	1,599	(4,291)	3,761	20,031	-	-
Oil and gas royalties	-	-	-	184,687	-	-	-	-	-
Destination Bryan	-	-	-	-	-	-	-	-	-
Other	-	152,673	-	-	-	625	-	1,496,559	35,000
Total revenues	<u>574,661</u>	<u>2,354,598</u>	<u>1,396,597</u>	<u>381,522</u>	<u>(4,291)</u>	<u>4,386</u>	<u>20,031</u>	<u>1,496,559</u>	<u>35,000</u>
Expenditures:									
Current:									
General government and administration	-	-	-	-	-	-	-	-	-
Development services	-	2,347,169	-	-	-	-	-	-	-
Public works services	-	-	-	-	-	-	-	-	-
Public safety	436,575	-	-	-	-	-	-	-	-
Cultural and recreational	384	-	430,884	-	-	281,692	-	1,984,017	102,998
Capital outlay	104,500	-	-	-	-	21,869	6,601	163,034	-
Total expenditures	<u>541,459</u>	<u>2,347,169</u>	<u>430,884</u>	<u>-</u>	<u>-</u>	<u>303,561</u>	<u>6,601</u>	<u>2,147,051</u>	<u>102,998</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,202</u>	<u>7,429</u>	<u>965,713</u>	<u>381,522</u>	<u>(4,291)</u>	<u>(299,175)</u>	<u>13,430</u>	<u>(650,492)</u>	<u>(67,998)</u>
Other financing sources (uses):									
Transfers in	-	-	-	-	-	-	-	721,822	154,788
Transfers out	-	-	(956,031)	-	(4,075,000)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(956,031)</u>	<u>-</u>	<u>(4,075,000)</u>	<u>-</u>	<u>-</u>	<u>721,822</u>	<u>154,788</u>
Net change in fund balances	33,202	7,429	9,682	381,522	(4,079,291)	(299,175)	13,430	71,330	86,790
Fund balances, October 1, 2020	<u>-</u>	<u>(42,225)</u>	<u>2,412,531</u>	<u>493,985</u>	<u>5,312,158</u>	<u>2,834,642</u>	<u>12,476,102</u>	<u>-</u>	<u>-</u>
Fund balances, September 30, 2021	<u>\$ 33,202</u>	<u>\$ (34,796)</u>	<u>\$ 2,422,213</u>	<u>\$ 875,507</u>	<u>\$ 1,232,867</u>	<u>\$ 2,535,467</u>	<u>\$ 12,489,532</u>	<u>\$ 71,330</u>	<u>\$ 86,790</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (continued)

Nonmajor Governmental Funds - Special Revenue Funds

As of September 30, 2021

	Sidewalks Fund	Court Technology Fund	Street Improvement Fund	Drainage Improvement Fund	Tax Increment Reinvestment Zone #10 Fund	Tax Increment Reinvestment Zone #19 Fund	Tax Increment Reinvestment Zone #21 Fund	Tax Increment Reinvestment Zone #22 Fund	Destination Bryan	Total
Revenues:										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,606,422	\$ 396,055	\$ 222,828	\$ 683,751	\$ -	\$ 5,104,292
Hotel occupancy taxes	-	-	-	-	-	-	-	-	-	1,393,369
Transportation and drainage assessments	-	-	6,143,945	1,025,186	-	-	-	-	-	7,169,131
Grants	-	-	-	-	-	-	-	-	-	2,656,171
Fines and court charges	-	26,206	-	-	-	-	-	-	-	26,206
Investment earnings	439	308	17,339	1,411	9,472	646	1,390	1,315	-	177,063
Oil and gas royalties	-	-	-	-	-	-	-	-	-	184,687
Destination Bryan	-	-	-	-	-	-	-	-	206,296	206,296
Other	-	-	-	-	-	-	-	-	-	1,684,857
Total revenues	439	26,514	6,161,284	1,026,597	3,615,894	396,701	224,218	685,066	206,296	18,602,072
Expenditures:										
Current:										
General government and administration	-	-	-	-	-	-	-	-	1,017,873	1,017,873
Development services	-	-	-	-	25,000	-	58,880	85,000	-	2,516,049
Public works services	-	-	772,312	208,277	-	-	-	-	-	980,589
Public safety	-	20,338	-	-	-	-	-	-	-	456,913
Cultural and recreational	-	-	-	-	-	-	-	-	-	2,799,975
Capital outlay	-	-	3,535,114	1,719,486	-	65,601	10,000	-	60,250	5,686,455
Total expenditures	-	20,338	4,307,426	1,927,763	25,000	65,601	68,880	85,000	1,078,123	13,457,854
Excess (deficiency) of revenues over (under) expenditures	439	6,176	1,853,858	(901,166)	3,590,894	331,100	155,338	600,066	(871,827)	5,144,218
Other financing sources (uses):										
Transfers in	-	-	260,000	-	-	-	-	-	1,011,599	2,148,209
Transfers out	-	-	(466,611)	(131,749)	(3,273,257)	(397,904)	-	(571,043)	-	(9,871,595)
Total other financing sources (uses)	-	-	(206,611)	(131,749)	(3,273,257)	(397,904)	-	(571,043)	1,011,599	(7,723,386)
Net change in fund balances	439	6,176	1,647,247	(1,032,915)	317,637	(66,804)	155,338	29,023	139,772	(2,579,168)
Fund balances, October 1, 2020	11,973	182,107	8,297,803	1,956,622	1,755,907	222,602	546,442	133,802	-	36,594,451
Fund balances, September 30, 2021	\$ 12,412	\$ 188,283	\$ 9,945,050	\$ 923,707	\$ 2,073,544	\$ 155,798	\$ 701,780	\$ 162,825	\$ 139,772	\$ 34,015,283

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds - Capital Project Funds

For the Fiscal Year Ended September 30, 2021

	2016 Certificates of Obligation Fund	2018 Certificates of Obligation Fund	2020 Certificates of Obligation Fund-Park	2020 Certificates of Obligation Fund-General	Total
Revenues:					
Investment earnings	\$ 2,078	\$ 3,712	\$ 37,923	\$ 6,662	\$ 50,375
Total revenues	<u>2,078</u>	<u>3,712</u>	<u>37,923</u>	<u>6,662</u>	<u>50,375</u>
Expenditures:					
Current:					
Capital outlay	(8,139)	589,105	24,837,533	2,884,973	28,303,472
Total expenditures	<u>(8,139)</u>	<u>589,105</u>	<u>24,837,533</u>	<u>2,884,973</u>	<u>28,303,472</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,217</u>	<u>(585,393)</u>	<u>(24,799,610)</u>	<u>(2,878,311)</u>	<u>(28,253,097)</u>
Net change in fund balances	10,217	(585,393)	(24,799,610)	(2,878,311)	(28,253,097)
Fund balances, October 1, 2020	<u>1,243,504</u>	<u>3,316,657</u>	<u>53,391,233</u>	<u>8,792,510</u>	<u>66,743,904</u>
Fund balances, September 30, 2021	<u>\$ 1,253,721</u>	<u>\$ 2,731,264</u>	<u>\$ 28,591,623</u>	<u>\$ 5,914,199</u>	<u>\$ 38,490,807</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Nonmajor Governmental Funds - Permanent Funds

For the Fiscal Year Ended September 30, 2021

	Brandon Cemetery Fund	J.W. English Cemetery Fund	L.B. Hervey Cemetery Fund	Mills Trust Cemetery Fund	Cemetery Fund	M.C. Astin Cemetery Fund	Bade Trust Cemetery Fund	F.L. Henderson Library Fund	Rountree Library Fund	Totals
Revenues:										
Contributions	\$ -	\$ -	\$ -	\$ -	\$ 123,675	\$ -	\$ -	\$ -	\$ -	\$ 123,675
Investment earnings	4	15	24	2	2,140	101	1	8	13	2,308
Total revenues	4	15	24	2	125,815	101	1	8	13	125,983
Expenditures:										
General government and administration	-	-	-	-	747	-	-	-	-	747
Capital outlay	-	-	-	-	(1,745)	-	-	-	-	(1,745)
Total expenditures	-	-	-	-	(998)	-	-	-	-	(998)
Net change in fund balances	4	15	24	2	126,813	101	1	8	13	126,981
Fund balances, October 1, 2020	2,758	9,871	15,684	989	1,152,826	65,101	946	5,408	8,049	1,261,632
Fund balances, September 30, 2021	<u>\$ 2,762</u>	<u>\$ 9,886</u>	<u>\$ 15,708</u>	<u>\$ 991</u>	<u>\$ 1,279,639</u>	<u>\$ 65,202</u>	<u>\$ 947</u>	<u>\$ 5,416</u>	<u>\$ 8,062</u>	<u>\$ 1,388,613</u>

CITY OF BRYAN, TEXAS

Debt Service Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 10,067,000	\$ 10,067,000	\$ 10,081,895	\$ 14,895
Investment earnings	109,090	109,090	31,417	(77,673)
Interfund advance	-	-	20,446,631	20,446,631
Other	368,096	368,096	368,096	-
Total revenues	<u>10,544,186</u>	<u>10,544,186</u>	<u>30,928,039</u>	<u>20,383,853</u>
Expenditures:				
Debt service:				
Bond and principal retirement	8,189,940	8,189,940	8,166,498	(23,442)
Interest and fiscal charges	5,131,600	5,131,600	5,972,967	841,367
Total expenditures	<u>13,321,540</u>	<u>13,321,540</u>	<u>14,139,465</u>	<u>817,925</u>
Excess of revenues over expenditures	(2,777,354)	(2,777,354)	16,788,574	19,565,928
Other financing sources (uses):				
Transfers in	2,272,148	2,272,148	2,698,300	426,152
Long-term debt issued	-	-	54,700,000	54,700,000
Debt issuance costs	-	-	(192,500)	(192,500)
Payment to pension agent	-	-	(54,194,253)	(54,194,253)
Premium (discount) on refunding bonds	-	-	(313,247)	(313,247)
Total other financing sources (uses)	<u>2,272,148</u>	<u>2,272,148</u>	<u>2,698,300</u>	<u>426,152</u>
Net change in fund balance	(505,206)	(505,206)	19,486,874	19,992,080
Fund Balance, October 1, 2020	1,555,416	2,174,282	2,174,282	-
Fund Balance, September 30, 2021	<u>\$ 1,050,210</u>	<u>\$ 1,669,076</u>	<u>\$ 21,661,156</u>	<u>\$ 19,992,080</u>

CITY OF BRYAN, TEXAS

Community Development Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Grants	\$ 2,300,217	\$ 2,300,217	\$ 2,201,925	\$ (98,292)
Other	94,000	94,000	152,673	58,673
Total revenues	<u>2,394,217</u>	<u>2,394,217</u>	<u>2,354,598</u>	<u>(39,619)</u>
Expenditures:				
Development services	<u>2,394,217</u>	<u>2,644,217</u>	<u>2,347,169</u>	<u>(297,048)</u>
Total expenditures	<u>2,394,217</u>	<u>2,644,217</u>	<u>2,347,169</u>	<u>(297,048)</u>
Net change in fund balance	-	(250,000)	7,429	257,429
Fund balance, October 1, 2020	<u>(22,446)</u>	<u>(42,225)</u>	<u>(42,225)</u>	<u>(19,779)</u>
Fund balance, September 30, 2021	<u><u>\$ (22,446)</u></u>	<u><u>\$ (292,225)</u></u>	<u><u>\$ (34,796)</u></u>	<u><u>\$ 237,650</u></u>

CITY OF BRYAN, TEXAS

Hotel and Motel Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Hotel occupancy taxes	\$ 900,000	\$ 900,000	\$ 1,393,369	\$ 493,369
Investment earnings	40,850	40,850	3,228	(37,622)
Total revenues	<u>940,850</u>	<u>940,850</u>	<u>1,396,597</u>	<u>455,747</u>
Expenditures:				
Cultural and recreational	<u>1,588,683</u>	<u>1,588,683</u>	<u>430,884</u>	<u>(1,157,799)</u>
Total expenditures	<u>1,588,683</u>	<u>1,588,683</u>	<u>430,884</u>	<u>(1,157,799)</u>
Excess (deficiency) of revenues over (under) expenditures	(647,833)	(647,833)	965,713	1,613,546
Other financing uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(956,031)</u>	<u>(956,031)</u>
Net change in fund balance	(647,833)	(647,833)	9,682	657,515
Fund balance, October 1, 2020	<u>2,441,079</u>	<u>2,412,531</u>	<u>2,412,531</u>	<u>96,452</u>
Fund balance, September 30, 2021	<u>\$ 1,793,246</u>	<u>\$ 1,764,698</u>	<u>\$ 2,422,213</u>	<u>\$ 753,967</u>

CITY OF BRYAN, TEXAS

Oil & Gas Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Oil and gas royalties	\$ 218,500	\$ 218,500	\$ 184,687	\$ (33,813)
Property Taxes - Mineral	195,236	195,236	195,236	-
Investment earnings	20,000	20,000	1,599	(18,401)
Total revenues	<u>433,736</u>	<u>433,736</u>	<u>381,522</u>	<u>(52,214)</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	433,736	433,736	381,522	(52,214)
Fund balance, October 1, 2020	<u>2,086,042</u>	<u>493,985</u>	<u>493,985</u>	<u>407,943</u>
Fund balance, September 30, 2021	<u>\$ 2,519,778</u>	<u>\$ 927,721</u>	<u>\$ 875,507</u>	<u>\$ 355,729</u>

CITY OF BRYAN, TEXAS

Capital Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Investment earnings	\$ 26,471	\$ 26,471	\$ (4,291)	\$ (30,762)
Total revenues	<u>26,471</u>	<u>26,471</u>	<u>(4,291)</u>	<u>(30,762)</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	26,471	26,471	(4,291)	(30,762)
Other financing uses:				
Transfers out	<u>(575,000)</u>	<u>(4,075,000)</u>	<u>(4,075,000)</u>	<u>-</u>
Total other financing uses	<u>(575,000)</u>	<u>(4,075,000)</u>	<u>(4,075,000)</u>	<u>-</u>
Net change in fund balance	(548,529)	(4,048,529)	(4,079,291)	(30,762)
Fund balance, October 1, 2020	<u>3,428,914</u>	<u>5,312,158</u>	<u>5,312,158</u>	<u>20,069,419</u>
Fund balance, September 30, 2021	<u>\$ 2,880,385</u>	<u>\$ 1,263,629</u>	<u>\$ 1,232,867</u>	<u>\$ 20,038,657</u>

CITY OF BRYAN, TEXAS

Midtown Park Operations Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Investment earnings	\$ 13,500	\$ 13,500	\$ 3,761	\$ (9,739)
Other	-	-	625	625
Total revenues	<u>13,500</u>	<u>13,500</u>	<u>4,386</u>	<u>(9,114)</u>
Expenditures:				
Cultural and Recreational	936,004	936,004	281,692	\$ (654,312)
Capital outlay	-	-	21,869	21,869
Total expenditures	<u>936,004</u>	<u>936,004</u>	<u>303,561</u>	<u>(632,443)</u>
Net change in fund balance	(922,504)	(922,504)	(299,175)	623,329
Fund balance, October 1, 2020	<u>-</u>	<u>2,834,642</u>	<u>2,834,642</u>	<u>3,334,642</u>
Fund balance, September 30, 2021	<u><u>\$ (922,504)</u></u>	<u><u>\$ 1,912,138</u></u>	<u><u>\$ 2,535,467</u></u>	<u><u>\$ 3,957,971</u></u>

CITY OF BRYAN, TEXAS

Midtown Park Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Investment earnings	\$ 60,000	\$ 60,000	\$ 20,031	\$ (39,969)
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>20,031</u>	<u>(39,969)</u>
Expenditures:				
Capital outlay	<u>5,000,000</u>	<u>5,000,000</u>	<u>6,601</u>	<u>(4,993,399)</u>
Total expenditures	<u>5,000,000</u>	<u>5,000,000</u>	<u>6,601</u>	<u>(4,993,399)</u>
Net change in fund balance	(4,940,000)	(4,940,000)	13,430	4,953,430
Fund balance, October 1, 2020	<u>-</u>	<u>12,476,102</u>	<u>12,476,102</u>	<u>14,376,102</u>
Fund balance, September 30, 2021	<u><u>\$ -</u></u>	<u><u>\$ 7,536,102</u></u>	<u><u>\$ 12,489,532</u></u>	<u><u>\$ 19,329,532</u></u>

CITY OF BRYAN, TEXAS

Phillips Event Center Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Golf Course Operating Revenue	\$ -	\$ -	\$ 929,817	\$ 929,817
Facilities Operating Revenue	-	-	566,742	566,742
Total revenues	-	-	1,496,559	1,496,559
Expenditures:				
Golf Course:				
Cultural and recreational	-	500,000	808,251	308,251
Golf Course Expenditures	-	500,000	808,251	308,251
Facilities:				
Cultural and recreational	-	1,147,000	799,152	(347,848)
Facilities Expenditures	-	1,147,000	799,152	(347,848)
Other:				
Cultural and recreational	-	600,000	376,614	(223,386)
Capital Outlay	-	50,000	163,034	113,034
Total other expenditures	-	650,000	539,648	(110,352)
Total Expenditures	-	2,297,000	2,147,051	(149,949)
Excess (deficiency) of revenues over (under) expenditures	-	(2,297,000)	(650,492)	1,646,508
Other financing sources:				
Transfer in	\$ -	\$ -	\$ 721,822	\$ 721,822
Total other financing sources	-	-	721,822	721,822
Net change in fund balance	-	(2,297,000)	71,330	2,368,330
Fund balance, October 1, 2020	-	-	-	-
Fund balance, September 30, 2021	\$ -	\$ (2,297,000)	\$ 71,330	\$ 2,368,330

CITY OF BRYAN, TEXAS

Queen and Palace Theaters Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Other	\$ -	\$ -	\$ 35,000	\$ 35,000
Total revenues	-	-	35,000	35,000
Expenditures:				
Facilities:				
Cultural & Recreational	-	-	10,811	10,811
Facilities Expenditures	-	-	10,811	10,811
Other:				
Cultural & Recreational	-	250,000	92,187	(157,813)
Total other expenditures	-	250,000	92,187	(157,813)
Total Expenditures	-	250,000	102,998	(147,002)
Excess (deficiency) of revenues over (under) expenditures	-	(250,000)	(67,998)	182,002
Other financing sources:				
Transfer in	-	-	154,788	154,788
Total other financing sources	-	-	154,788	154,788
Net change in fund balance	-	(250,000)	86,790	336,790
Fund balance, October 1, 2020	-	-	-	-
Fund balance, September 30, 2021	\$ -	\$ (250,000)	\$ 86,790	\$ 336,790

CITY OF BRYAN, TEXAS

Court Technology Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Technology fee	\$ 25,000	\$ 25,000	\$ 26,206	\$ 1,206
Investment earnings - Interest income	2,500	2,500	308	(2,192)
Total revenues	<u>27,500</u>	<u>27,500</u>	<u>26,514</u>	<u>(986)</u>
Expenditures:				
Public safety	29,500	29,500	20,338	(9,162)
Total expenditures	<u>29,500</u>	<u>29,500</u>	<u>20,338</u>	<u>(9,162)</u>
Net change in fund balance	(2,000)	(2,000)	6,176	8,176
Fund balance, October 1, 2020	<u>204,052</u>	<u>182,107</u>	<u>182,107</u>	<u>(11,945)</u>
Fund balance, September 30, 2021	<u>\$ 202,052</u>	<u>\$ 180,107</u>	<u>\$ 188,283</u>	<u>\$ (3,769)</u>

CITY OF BRYAN, TEXAS

Street Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Transportation assessments	\$ 5,870,000	\$ 5,870,000	\$ 6,143,945	\$ 273,945
Investment earnings	140,000	140,000	17,339	(122,661)
Total revenues	<u>6,010,000</u>	<u>6,010,000</u>	<u>6,161,284</u>	<u>151,284</u>
Expenditures:				
Public works services	3,087,352	3,087,352	772,312	(2,315,040)
Capital outlay	6,711,178	6,711,178	3,535,114	(3,176,064)
Total expenditures	<u>9,798,530</u>	<u>9,798,530</u>	<u>4,307,426</u>	<u>(5,491,104)</u>
Excess (deficiency) of revenues over (under) expenditures	(3,788,530)	(3,788,530)	1,853,858	5,642,388
Other financing sources (uses):				
Transfers in	260,000	260,000	260,000	-
Transfers out	<u>(460,304)</u>	<u>(460,304)</u>	<u>(466,611)</u>	<u>(6,307)</u>
Total other financing sources (uses)	<u>(200,304)</u>	<u>(200,304)</u>	<u>(206,611)</u>	<u>(6,307)</u>
Net change in fund balance	(3,988,834)	(3,988,834)	1,647,247	5,636,081
Fund balance, October 1, 2020	<u>586,040</u>	<u>8,297,803</u>	<u>8,297,803</u>	<u>7,711,763</u>
Fund balance, September 30, 2021	<u>\$ (3,402,794)</u>	<u>\$ 4,308,969</u>	<u>\$ 9,945,050</u>	<u>\$ 13,347,844</u>

CITY OF BRYAN, TEXAS

Drainage Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Drainage assessments	\$ 962,000	\$ 962,000	\$ 1,025,186	\$ 63,186
Investment earnings	47,000	47,000	1,411	(45,589)
Total revenues	<u>1,009,000</u>	<u>1,009,000</u>	<u>1,026,597</u>	<u>17,597</u>
Expenditures:				
Public works services	192,130	192,130	208,277	16,147
Capital outlay	765,000	1,765,000	1,719,486	(45,514)
Total expenditures	<u>957,130</u>	<u>1,957,130</u>	<u>1,927,763</u>	<u>(29,367)</u>
Excess (deficiencies) of revenues over (under) expenditures	51,870	(948,130)	(901,166)	46,964
Other financing uses:				
Transfers out	<u>(129,296)</u>	<u>(129,296)</u>	<u>(131,749)</u>	<u>(2,453)</u>
Net change in fund balance	(77,426)	(1,077,426)	(1,032,915)	44,511
Fund balance, October 1, 2020	<u>2,079,241</u>	<u>1,956,622</u>	<u>1,956,622</u>	<u>1,477,381</u>
Fund balance, September 30, 2021	<u>\$ 2,001,815</u>	<u>\$ 879,196</u>	<u>\$ 923,707</u>	<u>\$ 1,521,892</u>

CITY OF BRYAN, TEXAS

Tax Increment Reinvestment Zone #10 Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 3,501,417	\$ 3,501,417	\$ 3,606,422	\$ 105,005
Investment earnings	30,000	30,000	9,472	(20,528)
Total revenues	<u>3,531,417</u>	<u>3,531,417</u>	<u>3,615,894</u>	<u>84,477</u>
Expenditures:				
Development services	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	-
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	-
Excess of revenues over expenditures	3,506,417	3,506,417	3,590,894	84,477
Other financing uses:				
Transfers out	<u>(3,273,257)</u>	<u>(3,273,257)</u>	<u>(3,273,257)</u>	-
Total other financing uses	<u>(3,273,257)</u>	<u>(3,273,257)</u>	<u>(3,273,257)</u>	-
Net change in fund balance	233,160	233,160	317,637	84,477
Fund balance, October 1, 2020	<u>1,670,178</u>	<u>1,755,907</u>	<u>1,755,907</u>	<u>85,729</u>
Fund balance, September 30, 2021	<u>\$ 1,903,338</u>	<u>\$ 1,989,067</u>	<u>\$ 2,073,544</u>	<u>\$ 170,206</u>

CITY OF BRYAN, TEXAS

Tax Increment Reinvestment Zone #19 Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 391,066	\$ 391,066	\$ 396,055	\$ 4,989
Investment earnings	6,000	6,000	646	(5,354)
Total revenues	<u>397,066</u>	<u>397,066</u>	<u>396,701</u>	<u>(365)</u>
Expenditures:				
Development services	-	52,000	-	(52,000)
Capital outlay	<u>52,000</u>	<u>70,000</u>	<u>65,601</u>	<u>(4,399)</u>
Total expenditures	<u>52,000</u>	<u>122,000</u>	<u>65,601</u>	<u>(56,399)</u>
Excess of revenues over expenditures	345,066	275,066	331,100	56,034
Other financing uses:				
Transfers out	<u>(397,904)</u>	<u>(397,904)</u>	<u>(397,904)</u>	-
Total other financing uses	<u>(397,904)</u>	<u>(397,904)</u>	<u>(397,904)</u>	-
Net change in fund balance	(52,838)	(122,838)	(66,804)	56,034
Fund balance, October 1, 2020	<u>11,518</u>	<u>222,602</u>	<u>222,602</u>	<u>411,084</u>
Fund balance, September 30, 2021	<u>\$ (41,320)</u>	<u>\$ 99,764</u>	<u>\$ 155,798</u>	<u>\$ 56,034</u>

CITY OF BRYAN, TEXAS

Tax Increment Reinvestment Zone #21 Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 214,697	\$ 214,697	\$ 222,828	\$ 8,131
Investment earnings	5,000	5,000	1,390	(3,610)
Total revenues	<u>219,697</u>	<u>219,697</u>	<u>224,218</u>	<u>4,521</u>
Expenditures:				
Development services	625,000	625,000	58,880	(566,120)
Capital outlay	-	-	10,000	10,000
Total expenditures	<u>625,000</u>	<u>625,000</u>	<u>68,880</u>	<u>(556,120)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(405,303)</u>	<u>(405,303)</u>	<u>155,338</u>	<u>560,641</u>
Net change in fund balance	(405,303)	(405,303)	155,338	560,641
Fund balance, October 1, 2020	<u>410,328</u>	<u>546,442</u>	<u>546,442</u>	<u>136,114</u>
Fund balance, September 30, 2021	<u>\$ 5,025</u>	<u>\$ 141,139</u>	<u>\$ 701,780</u>	<u>\$ 696,755</u>

CITY OF BRYAN, TEXAS

Tax Increment Reinvestment Zone #22 Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

As of September 30, 2021

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 656,068	\$ 656,068	\$ 683,751	\$ 27,683
Investment earnings	7,550	7,550	1,315	(6,235)
Total revenues	<u>663,618</u>	<u>663,618</u>	<u>685,066</u>	<u>21,448</u>
Expenditures:				
Development services	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	-
Total expenditures	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	-
Excess of revenues over expenditures	578,618	578,618	600,066	21,448
Other financing uses:				
Transfers out	<u>(571,044)</u>	<u>(571,044)</u>	<u>(571,043)</u>	1
Total other financing uses	<u>(571,044)</u>	<u>(571,044)</u>	<u>(571,043)</u>	1
Net change in fund balance	7,574	7,574	29,023	21,449
Fund balance, October 1, 2020	<u>105,450</u>	<u>133,802</u>	<u>133,802</u>	<u>28,352</u>
Fund balance, September 30, 2021	<u>\$ 113,024</u>	<u>\$ 141,376</u>	<u>\$ 162,825</u>	<u>\$ 49,801</u>

COMBINING FINANCIAL STATEMENTS

NONMAJOR ENTERPRISE FUNDS

Solid Waste Fund – To account for the provision of residential and commercial garbage collection and the City's interest in the Brazos Valley Solid Waste Management Agency's landfill operations. All activities necessary to provide such services are accounted for in this fund, including but not limited to, administrative, operations, maintenance, new construction, financing and related debt services, and billing and collection.

Bryan Airport Fund – To account for the revenues received and the expenses incurred by the City in the operation of Bryan's Coulter Airfield.

Bryan Commerce and Development – To account for economic development activities and public facility development by the City. The activities related to the acquisition of property for development are included in this fund.

CITY OF BRYAN, TEXAS

Combining Statement of Net Position

Nonmajor Enterprise Funds

As of September 30, 2021

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 7,468,423	\$ 215,409	\$ 252,196	\$ 7,936,028
Investments	677,586	19,534	22,881	720,001
Accounts receivable	578,992	13,310	-	592,302
Less allowance for uncollectible	(51,853)	-	-	(51,853)
Grants receivable	-	6,635	-	6,635
Interest receivable	3,837	133	130	4,100
Inventories	-	54,752	-	54,752
Due from other funds	277,486	-	-	277,486
Total current assets	<u>8,954,471</u>	<u>309,773</u>	<u>275,207</u>	<u>9,539,451</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	45,455	-	45,455
Investments	-	4,118	-	4,118
Investment in BVSWMMA	22,003,903	-	-	22,003,903
Net pension asset	397,609	17,998	-	415,607
Capital assets:				
Land	-	654,670	13,914,509	14,569,179
Buildings	174,581	2,567,184	2,911,588	5,653,353
Equipment	10,654,662	57,628	-	10,712,290
Improvements other than buildings	441,290	3,794,240	-	4,235,530
Construction in progress	-	130,615	-	130,615
Less accumulated depreciation	(7,996,466)	(4,266,241)	(133,448)	(12,396,155)
Total capital assets (net of accumulated depreciation)	<u>3,274,067</u>	<u>2,938,096</u>	<u>16,692,649</u>	<u>22,904,812</u>
Total noncurrent assets	<u>25,675,579</u>	<u>3,005,667</u>	<u>16,692,649</u>	<u>45,373,895</u>
Total assets	<u>\$ 34,630,050</u>	<u>\$ 3,315,440</u>	<u>\$ 16,967,856</u>	<u>\$ 54,913,346</u>
<u>Deferred Outflows</u>				
Pensions	311,619	14,106	-	325,725
Other post employment benefits	189,030	8,401	-	197,431
Total deferred outflows	<u>\$ 500,649</u>	<u>\$ 22,507</u>	<u>\$ -</u>	<u>\$ 523,156</u>

CITY OF BRYAN, TEXAS

Combining Statement of Net Position

Nonmajor Enterprise Funds

As of September 30, 2021

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 112,763	\$ 131,752	\$ 9,103	\$ 253,618
Accrued liabilities	180,929	7,763	-	188,692
Due to other funds	758,321	-	-	758,321
Accrued interest	-	3,409	-	3,409
Accrued vacation and sick pay	113,296	2,605	-	115,901
Current liabilities payable from restricted assets:				
Bonds payable, net	-	55,301	-	55,301
Customer deposits	-	14,760	-	14,760
Total current liabilities	1,165,309	215,590	9,103	1,390,002
Noncurrent liabilities:				
Bonds payable, net	-	915,039	-	915,039
Interfund advance	1,942,615	87,934	-	2,030,549
Net other post employment benefits liability (OPEB)	786,028	34,935	-	820,963
Accrued vacation and sick pay	182,149	4,188	-	186,337
Total noncurrent liabilities	2,910,792	1,042,096	-	3,952,888
Total liabilities	4,076,101	1,257,686	9,103	5,342,890
<u>Deferred Inflows</u>				
Pensions	322,900	14,617	-	337,517
Other post employment benefits	69,484	3,088	-	72,572
Total deferred inflows	\$ 392,384	\$ 17,705	\$ -	\$ 410,089
<u>Net Position</u>				
Net investment in capital assets	3,274,067	1,890,569	16,692,649	21,857,285
Restricted for BVSWMMA	22,003,903	-	-	22,003,903
Restricted for net pension asset	397,609	17,998	-	415,607
Unrestricted	4,986,635	153,989	266,104	5,406,728
Total net position	\$ 30,662,214	\$ 2,062,556	\$ 16,958,753	\$ 49,683,523

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2021

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Operating revenues:				
Solid waste	\$ 8,375,518	\$ -	\$ -	\$ 8,375,518
Other	-	596,830	239,140	835,970
Total operating revenues	<u>8,375,518</u>	<u>596,830</u>	<u>239,140</u>	<u>9,211,488</u>
Operating expenses:				
Personnel services	3,123,835	190,266	-	3,314,101
Maintenance	331,916	15,953	1,577	349,446
Other services and charges	1,378,554	56,625	1,217,855	2,653,034
Other expenses	470,303	216,101	-	686,404
General and administrative	533,317	112,693	-	646,010
Total operating expenses	<u>5,837,925</u>	<u>591,638</u>	<u>1,219,432</u>	<u>7,648,995</u>
Operating income (loss) before depreciation	<u>2,537,593</u>	<u>5,192</u>	<u>(980,292)</u>	<u>1,562,493</u>
Depreciation	<u>916,283</u>	<u>222,795</u>	<u>133,448</u>	<u>1,272,526</u>
Operating income (loss)	<u>1,621,310</u>	<u>(217,603)</u>	<u>(1,113,740)</u>	<u>289,967</u>
Nonoperating revenues (expenses):				
Investment earnings	11,729	331	(10,420)	1,640
Interest expense	-	(25,506)	-	(25,506)
Distributive share of BVSWM net income	2,373,199	-	-	2,373,199
Other - net	13,957	5,817	-	19,774
Total nonoperating revenues (expenses)	<u>2,398,885</u>	<u>(19,358)</u>	<u>(10,420)</u>	<u>2,369,107</u>
Income (loss) before contributions and transfers	4,020,195	(236,961)	(1,124,160)	2,659,074
Transfers in	103,666	235,000	3,500,000	3,838,666
Transfers out	(1,290,239)	(1,380)	-	(1,291,619)
Change in net position	<u>2,833,622</u>	<u>(3,341)</u>	<u>2,375,840</u>	<u>5,206,121</u>
Net position, October 1, 2020	<u>27,828,592</u>	<u>2,065,897</u>	<u>14,582,913</u>	<u>44,477,402</u>
Net position, September 30, 2021	<u>\$ 30,662,214</u>	<u>\$ 2,062,556</u>	<u>\$ 16,958,753</u>	<u>\$ 49,683,523</u>

CITY OF BRYAN, TEXAS

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2021

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 10,331,403	\$ 676,081	\$ 239,140	\$ 11,246,624
Payments to suppliers	(1,991,848)	(172,227)	(1,230,964)	(3,395,039)
Payments to employees	(5,183,088)	(284,349)	-	(5,467,437)
Payments for interfund services used	(533,317)	(112,693)	-	(646,010)
Other receipts	5,039	-	-	5,039
Net cash provided (used) by operating activities	2,628,189	106,812	(991,824)	1,743,177
Cash flows from noncapital financing activities:				
Transfers in	103,666	235,000	3,500,000	3,838,666
Transfers out	(1,290,239)	(1,380)	-	(1,291,619)
Net cash provided (used) by noncapital financing activities	(1,186,573)	233,620	3,500,000	2,547,047
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(961,342)	(127,315)	(7,121,054)	(8,209,711)
Proceeds from sale of assets	27,038	-	-	27,038
Gain on sale of assets	20,962	-	-	20,962
Principal paid on general obligation bonds	-	140	-	140
Principal paid on certificates of obligation	-	(50,000)	-	(50,000)
Interest paid on bonds, contractual obligations, and notes	(18,119)	(26,326)	-	(44,445)
Net cash provided (used) by capital and related financing activities	(931,461)	(203,501)	(7,121,054)	(8,256,016)
Cash flows from investing activities:				
Purchase of investment securities	(11,451)	(6,209)	(387)	(18,047)
Sale of investment securities	989,847	14,269	1,040,939	2,045,055
Interest on investments	21,009	1,529	(2,129)	20,409
Net cash provided (used) by investing activities	999,404	9,589	1,038,423	2,047,416
Net increase (decrease) in cash and cash equivalents	1,509,559	146,520	(3,574,455)	(1,918,376)
Cash and cash equivalents, October 1, 2020	5,958,864	114,344	3,826,651	9,899,859
Cash and cash equivalents, September 30, 2021	\$ 7,468,423	\$ 260,864	\$ 252,196	\$ 7,981,483

CITY OF BRYAN, TEXAS

Combining Statement of Cash Flows (continued)

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2021

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ 1,621,310	\$ (217,603)	\$ (1,113,740)	\$ 289,967
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	916,283	222,795	133,448	1,272,526
Other revenue	5,039	-	-	5,039
Change in assets and liabilities:				
Change in accounts receivable	51,755	12,549	-	64,304
Change in grant receivable	-	(6,635)	-	(6,635)
Change in inventory	-	(14,157)	-	(14,157)
Change in due from other funds	(38,485)	-	-	(38,485)
Change in accounts payable	(25,639)	115,931	(11,532)	78,760
Change in accrued liabilities	21,630	521	-	22,151
Deferred outflows/inflows of resources - OPEB & Net Pension	(76,628)	(3,436)	-	(80,064)
Change in customer deposits	-	(440)	-	(440)
Change in due to other funds	192,934	-	-	192,934
Change in interfund advance	1,942,615	87,934	-	2,030,549
Change in OPEB and Net Pension	(2,009,433)	(90,961)	-	(2,100,394)
Change in accrued vacation and sick pay	26,808	314	-	27,122
Net cash provided (used) by operating activities	<u>\$ 2,628,189</u>	<u>\$ 106,812</u>	<u>\$ (991,824)</u>	<u>\$ 1,743,177</u>
Reconciliation of total cash and cash equivalents:				
Current assets - cash and cash equivalents	\$ 7,468,423	\$ 215,409	\$ 252,196	\$ 7,936,028
Restricted assets - cash and cash equivalents	-	45,455	-	45,455
Total cash and cash equivalents	<u>\$ 7,468,423</u>	<u>\$ 260,864</u>	<u>\$ 252,196</u>	<u>\$ 7,981,483</u>
Noncash Investing, Capital, and Financing Activities				
Capital asset acquisitions included in accounts payable	\$ -	\$ 126,760	\$ -	\$ 126,760

During this past year, the Enterprise Funds investment in BVSWMA increased \$2,373,199 as a result of its operations.

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

COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUNDS

Warehouse Fund – To account for the operation of the City’s warehouse function (excluding electric inventory).

Insurance Fund – To account for funds accumulated by the City to cover general liability and workers’ compensation claims and associated administrative expenses.

Employee Benefit Fund – To account for the administration of health insurance for City employees. Resources are contributed by the City for employee health coverage and by the employee for optional dependent coverage.

CITY OF BRYAN, TEXAS
Internal Service Funds
Combining Statement of Net Position
As of September 30, 2021

<u>Assets</u>	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Current assets:				
Cash and cash equivalents	\$ 19,536	\$ 5,206,380	\$ 4,902,294	\$ 10,128,210
Investments	1,772	465,554	444,770	912,096
Interest receivable	10	2,637	2,481	5,128
Inventories	228,648	-	-	228,648
Total current assets	249,966	5,674,571	5,349,545	11,274,082
Noncurrent assets:				
Net Pension Asset	31,549	75,078	-	106,627
Capital assets:				
Buildings	-	23,420	-	23,420
Equipment	27,390	117,016	-	144,406
Improvements other than buildings	159,086	34,572	-	193,658
Less accumulated depreciation	(132,027)	(145,917)	-	(277,944)
Total capital assets (net of accumulated depreciation)	54,449	29,091	-	83,540
Total assets	\$ 335,964	\$ 5,778,740	\$ 5,349,545	\$ 11,464,249
<u>Deferred outflows</u>				
Pensions	24,726	58,841	-	83,567
Other post employment benefits	12,392	24,785	-	37,177
Total deferred outflows	\$ 37,118	\$ 83,626	\$ -	\$ 120,744
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	36	5,812	195,076	200,924
Claims payable	-	519,112	1,309,415	1,828,527
Accrued liabilities	9,843	22,546	-	32,389
Accrued vacation and sick pay	20,178	25,331	-	45,509
Total current liabilities	30,057	572,801	1,504,491	2,107,349
Noncurrent liabilities:				
Claims payable	-	642,535	-	642,535
Interfund Advance	154,139	366,813	-	520,952
Net other post employment benefit liability (OPEB)	52,402	104,804	-	157,206
Accrued vacation and sick pay	32,438	40,721	-	73,159
Total noncurrent liabilities	238,979	1,154,873	-	1,393,852
Total liabilities	269,036	1,727,674	1,504,491	3,501,201
<u>Deferred inflows</u>				
Pensions	25,621	60,972	-	86,593
Other post employment benefits	4,423	8,845	-	13,268
Total deferred inflows	\$ 30,044	\$ 69,817	\$ -	\$ 99,861
<u>Net Position</u>				
Net investment in capital assets	54,449	29,091	-	83,540
Restricted for Net Pension Asset	31,549	75,078	-	106,627
Unrestricted	(11,996)	3,960,706	3,845,054	7,793,764
Total net position	\$ 74,002	\$ 4,064,875	\$ 3,845,054	\$ 7,983,931

CITY OF BRYAN, TEXAS

Internal Service Funds

Combining Statement of Revenues, Expenses
and Changes in Fund Net Position

For the Fiscal Year Ended September 30, 2021

	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Operating revenues:				
Intragovernmental	\$ 95,016	\$ 2,417,975	\$ 11,790,000	\$ 14,302,991
Other	12	1,127,872	3,003,241	4,131,125
Total operating revenues	<u>95,028</u>	<u>3,545,847</u>	<u>14,793,241</u>	<u>18,434,116</u>
Operating expenses:				
Personnel services	238,039	519,970	-	758,009
Maintenance	962	-	-	962
Claims	-	972,932	11,751,828	12,724,760
Other services and charges	78,808	1,336,237	1,437,520	2,852,565
Other expenses	13,298	74,085	-	87,383
Total operating expenses	<u>331,107</u>	<u>2,903,224</u>	<u>13,189,348</u>	<u>16,423,679</u>
before depreciation	<u>331,107</u>	<u>2,903,224</u>	<u>13,189,348</u>	<u>16,423,679</u>
Operating gain(loss) before depreciation	(236,079)	642,623	1,603,893	2,010,437
Depreciation	<u>7,292</u>	<u>7,968</u>	<u>-</u>	<u>15,260</u>
Operating income (loss)	<u>(243,371)</u>	<u>634,655</u>	<u>1,603,893</u>	<u>1,995,177</u>
Nonoperating revenues:				
Investment earnings	(12)	6,890	8,330	15,208
Other	-	138,287	2,345,414	2,483,701
Total nonoperating revenues	<u>(12)</u>	<u>145,177</u>	<u>2,353,744</u>	<u>2,498,909</u>
Income (loss) before transfers	(243,383)	779,832	3,957,637	4,494,086
Transfers in	234,094	-	100,000	334,094
Transfers out	<u>(2,419)</u>	<u>(105,756)</u>	<u>-</u>	<u>(108,175)</u>
Change in net position	(11,708)	674,076	4,057,637	4,720,005
Net position, October 1, 2020	<u>85,710</u>	<u>3,390,799</u>	<u>(212,583)</u>	<u>3,263,926</u>
Net position, September 30, 2021	<u>\$ 74,002</u>	<u>\$ 4,064,875</u>	<u>\$ 3,845,054</u>	<u>\$ 7,983,931</u>

CITY OF BRYAN, TEXAS

Internal Service Funds

Combining Statement of Cash Flows

For the Fiscal Year Ended September 30, 2021

	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 1,689,869	\$ 1,127,872	\$ 3,003,241	\$ 5,820,982
Receipts for interfund services provided	-	2,784,788	11,790,000	14,574,788
Payments to suppliers	(1,555,247)	(2,159,119)	(14,630,393)	(18,344,759)
Payments to employees	(389,906)	(906,759)	-	(1,296,665)
Other receipts	-	138,287	2,345,414	2,483,701
Net cash provided (used) by operating activities	<u>(255,284)</u>	<u>985,069</u>	<u>2,508,262</u>	<u>3,238,047</u>
Cash flows from noncapital financing activities:				
Transfers in	234,094	-	100,000	334,094
Transfers out	<u>(2,419)</u>	<u>(105,756)</u>	<u>-</u>	<u>(108,175)</u>
Net cash provided (used) by noncapital activities	<u>231,675</u>	<u>(105,756)</u>	<u>100,000</u>	<u>225,919</u>
Cash flows from investing activities:				
Purchase of investment securities	(30)	(7,868)	(49,450)	(57,348)
Sale of investment securities	8,014	565,557	197,994	771,565
Interest on investments	<u>55</u>	<u>12,355</u>	<u>10,509</u>	<u>22,919</u>
Net cash provided (used) by investing activities	<u>8,039</u>	<u>570,044</u>	<u>159,053</u>	<u>737,136</u>
Net increase (decrease) in cash and cash equivalents	(15,570)	1,449,357	2,767,315	4,201,102
Cash and cash equivalents, October 1, 2020	<u>35,106</u>	<u>3,757,023</u>	<u>2,134,979</u>	<u>5,927,108</u>
Cash and cash equivalents, September 30, 2021	<u>\$ 19,536</u>	<u>\$ 5,206,380</u>	<u>\$ 4,902,294</u>	<u>\$ 10,128,210</u>
Reconciliation of operating income (loss) to net cash provided (used) operating activities:				
Operating Income (loss)	(243,371)	634,655	1,603,893	1,995,177
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	7,292	7,968	-	15,260
Other revenue	-	138,287	2,345,414	2,483,701
Change in assets and liabilities:				
Change in accounts receivable	145	-	-	145
Change in inventory	(21,517)	-	-	(21,517)
Change in accounts payable	(105)	(4,642)	121,254	116,507
Change in accrued liabilities	1,289	2,976	-	4,265
Change in claims payable	-	228,777	(1,562,299)	(1,333,522)
Change in vacation and sick pay	11,910	2,141	-	14,051
Change in Interfund Advance	154,139	366,813	-	520,952
Change in OPEB and Net Pension	<u>(165,066)</u>	<u>(391,906)</u>	<u>-</u>	<u>(556,972)</u>
Net cash provided (used) by operating activities	<u>\$ (255,284)</u>	<u>\$ 985,069</u>	<u>\$ 2,508,262</u>	<u>\$ 3,238,047</u>

STATISTICAL SECTION

This part of the City of Bryan's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Financial Trends (Tables 1 - 4) - These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity (Tables 5 – 15) - These schedules contain information to help the reader assess one of the government's most significant local revenue sources, the property tax.

Debt Capacity (Tables 16 - 22) - These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information (Tables 23 – 25) - These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information (Tables 26 - 28) - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

City of Bryan, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

Table 1

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 73,821,014	\$ 74,520,118	\$ 67,019,218	\$ 68,002,663	\$ 81,026,014	\$ 88,289,291	\$ 93,348,161	\$ 86,377,222	\$ 108,129,853	\$ 137,153,990
Restricted	24,404,041	18,624,433	23,068,934	22,972,793	18,104,805	19,918,996	20,799,558	20,528,578	21,514,186	26,640,847
Unrestricted	8,130,941	19,434,534	27,501,716	18,998,510	16,933,496	5,722,042	(3,265,076)	19,554,730	46,217,536	30,722,971
Total governmental activities net position	<u>\$ 106,355,996</u>	<u>\$ 112,579,085</u>	<u>\$ 117,589,868</u>	<u>\$ 109,973,966</u>	<u>\$ 116,064,315</u>	<u>\$ 113,930,329</u>	<u>\$ 110,882,643</u>	<u>\$ 126,460,530</u>	<u>\$ 175,861,575</u>	<u>\$ 194,517,808</u>
Business-type activities										
Net investment in capital assets	248,552,828	263,550,484	269,168,669	281,007,278	293,636,350	312,335,006	317,597,463	331,471,407	371,885,626	320,015,225
Restricted	34,775,027	36,745,716	34,139,444	39,419,987	34,672,042	28,731,318	36,067,616	34,500,061	33,508,196	40,439,140
Unrestricted	85,730,247	74,740,740	82,220,018	73,915,223	78,673,277	79,324,576	95,833,112	138,985,347	141,030,536	221,310,726
Total Business-type activities net position	<u>\$ 369,058,102</u>	<u>\$ 375,036,940</u>	<u>\$ 385,528,131</u>	<u>\$ 394,342,488</u>	<u>\$ 406,981,669</u>	<u>\$ 420,390,900</u>	<u>\$ 449,498,191</u>	<u>\$ 504,956,815</u>	<u>\$ 546,424,358</u>	<u>\$ 581,765,091</u>
Primary government										
Net investment in capital assets	322,373,842	338,070,602	336,187,887	349,009,941	374,662,364	400,624,297	410,945,624	417,848,629	480,015,479	457,169,215
Restricted	59,179,068	55,370,149	57,208,378	62,392,780	52,776,847	48,650,314	56,867,174	55,028,639	55,022,382	67,079,987
Unrestricted	93,861,188	94,175,274	109,721,734	92,913,733	95,606,773	85,046,618	92,568,036	158,540,077	187,248,072	252,033,697
Total primary government net position	<u>\$ 475,414,098</u>	<u>\$ 487,616,025</u>	<u>\$ 503,117,999</u>	<u>\$ 504,316,454</u>	<u>\$ 523,045,984</u>	<u>\$ 534,321,229</u>	<u>\$ 560,380,834</u>	<u>\$ 631,417,345</u>	<u>\$ 722,285,933</u>	<u>\$ 776,282,899</u>

City of Bryan, Texas
Change in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

Table 2

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General government and administration	\$ 12,567,217	\$ 12,725,727	\$ 11,862,127	\$ 9,775,235	\$ 18,119,110	\$ 17,481,720	\$ 17,843,501	\$ 17,828,658	\$ 16,179,781	\$ 17,129,907
Development services	4,946,473	5,324,990	5,265,275	5,403,697	6,556,417	8,956,465	6,077,939	8,063,283	6,438,717	6,746,206
Public works services	15,169,531	12,764,623	14,180,817	16,894,814	16,585,766	20,061,531	17,923,447	15,122,805	12,867,878	13,186,070
Public Safety	24,346,634	32,133,857	33,069,954	33,648,379	35,934,773	39,753,105	41,229,027	44,658,085	46,256,622	45,774,029
Cultural and Recreational	8,242,037	8,175,136	8,332,012	8,374,038	9,106,566	9,827,528	12,799,663	11,620,981	10,833,728	10,779,452
Interest on long-term debt	4,560,746	4,264,522	3,548,309	3,299,163	2,989,038	2,732,128	2,815,131	2,786,148	2,816,111	5,689,781
Total governmental activities expenses	69,832,638	75,388,855	76,258,494	77,395,326	89,291,670	98,812,477	98,688,708	100,079,960	95,392,837	99,305,445
Business-type activities:										
Electric	133,361,843	157,381,300	170,664,649	171,705,349	175,336,256	176,616,366	170,963,238	160,442,705	142,043,711	327,503,769
Rural Electric	28,603,608	29,583,733	33,312,663	36,214,517	40,163,724	41,664,199	46,189,436	38,857,150	36,280,420	47,333,876
Water	11,202,934	9,974,403	9,761,250	9,841,218	11,651,741	11,385,667	11,287,775	11,227,487	10,761,384	11,250,194
Wastewater	10,966,690	9,848,759	10,272,703	9,935,489	10,840,072	11,756,197	11,566,231	12,017,801	11,469,226	12,127,118
Other	12,195,441	7,949,095	7,851,301	7,860,010	8,128,393	8,486,233	8,575,416	8,272,034	7,753,652	8,859,868
Total business-type activities expenses	196,330,516	214,737,290	231,862,566	235,556,583	246,120,186	249,908,662	248,582,096	230,817,177	208,308,393	407,074,825
Total primary government expenses	\$ 266,163,154	\$ 290,126,145	\$ 308,121,060	\$ 312,951,909	\$ 335,411,856	\$ 348,721,139	\$ 347,270,804	\$ 330,897,137	\$ 303,701,230	\$ 506,380,270
Program Revenues										
Governmental activities:										
Fees, fines, and charges for services										
General government and administration	\$ 126,499	269,503	286,868	337,174	454,949	208,607	318,557	334,778	261,585	243,932
Development services	592,784	565,539	668,583	625,106	1,045,668	859,574	976,345	764,522	1,029,792	1,382,111
Public safety	4,028,727	4,717,287	4,568,322	4,684,494	4,866,930	5,400,679	5,606,498	5,421,746	6,074,324	4,566,415
Cultural and recreational	1,581,416	2,051,721	1,304,457	1,279,525	1,478,733	1,723,126	1,720,765	1,764,236	1,582,294	825,542
Operating grants and contributions	2,732,746	2,840,902	2,490,517	2,769,647	2,507,033	3,040,292	2,963,291	3,134,487	7,671,725	4,020,453
Capital grants and contributions	3,232,203	1,891,869	1,661,849	2,049,078	4,531,545	2,657,984	4,885,776	9,041,299	14,726,449	7,740,216
Total governmental activities program revenues	12,294,375	12,336,821	10,980,596	11,745,024	14,884,858	13,890,262	16,471,232	20,461,068	31,346,168	18,778,669
Business-type activities:										
Electric	145,990,914	157,857,718	183,923,241	184,252,089	187,624,655	190,064,226	199,082,844	204,747,110	185,889,665	362,660,519
Rural Electric	31,495,841	32,257,374	35,728,300	39,287,075	41,931,026	44,224,725	48,935,501	47,539,897	45,850,000	48,006,906
Water	12,879,376	12,723,839	11,678,692	12,390,019	12,656,177	13,428,055	14,014,033	13,101,114	14,449,661	13,252,956
Wastewater	13,072,233	12,429,017	12,496,697	12,883,147	13,007,294	13,111,988	13,343,497	13,122,328	13,387,061	13,625,996
Other Enterprise Funds	11,066,735	11,813,933	8,226,316	12,608,721	9,569,471	9,882,226	13,212,744	9,460,361	10,679,163	9,211,488
Operating grants and contributions	540,202	101,495	-	-	-	-	-	-	-	-
Capital grants and contributions	1,173,074	1,757,250	1,784,937	2,755,942	4,826,334	3,677,071	2,709,437	4,961,213	7,962,431	4,345,773
Total business-type activities program revenue	216,218,375	228,940,626	253,838,183	264,176,993	269,614,957	274,388,291	291,298,056	292,932,023	278,217,981	451,103,638
Total primary government program revenues	\$ 228,512,750	\$ 241,277,447	\$ 264,818,779	\$ 275,922,017	\$ 284,499,815	\$ 288,278,553	\$ 307,769,288	\$ 313,393,091	\$ 309,564,149	\$ 469,882,307
Net (expense)/revenue										
Governmental activities	\$ (57,538,263)	(63,052,034)	(65,277,898)	(65,650,302)	(74,406,812)	(84,922,215)	(82,216,846)	(79,618,892)	(64,046,669)	(80,526,776)
Business-type activities	19,887,859	14,203,333	21,975,617	28,620,410	23,494,771	24,479,639	42,715,960	62,114,846	69,909,588	44,028,813
Total primary government net expense	\$ (37,650,404)	\$ (48,848,701)	\$ (43,302,281)	\$ (37,029,892)	\$ (50,912,041)	\$ (60,442,576)	\$ (39,500,886)	\$ (17,504,046)	\$ 5,862,919	\$ (36,497,963)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenue and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 24,075,833	\$ 24,723,667	\$ 25,765,716	\$ 28,039,989	\$ 29,674,521	\$ 31,409,788	\$ 34,140,282	\$ 37,035,640	\$ 39,370,526	\$ 41,610,800
Sales taxes	14,814,831	15,984,919	17,882,449	17,788,430	19,025,856	19,608,634	21,290,148	23,580,209	24,465,953	25,477,704
Franchise taxes	1,963,381	2,108,521	2,380,787	2,191,346	2,037,593	2,179,203	2,230,544	2,081,194	1,938,892	2,037,423
Alcoholic beverage taxes	75,460	85,789	130,791	149,776	153,522	154,279	161,631	186,568	140,082	179,443
Bingo taxes	217,615	234,105	260,733	267,434	261,943	261,967	208,508	241,346	294,040	251,717
Hotel occupancy taxes	504,078	720,717	1,179,774	1,286,072	1,182,916	1,453,321	1,748,501	1,798,691	1,095,785	1,393,369
Transportation and drainage fees	6,324,068	6,302,953	6,398,465	6,553,176	6,589,263	6,639,924	6,721,956	6,847,716	6,988,935	7,169,131
Unrestricted investment earnings	278,636	206,083	290,514	523,146	483,317	454,389	639,513	2,134,759	1,352,938	371,744
Gain (loss) on disposition of capital assets	-	-	-	-	-	-	-	-	-	-
Miscellaneous	1,433,639	6,154,005	3,541,748	3,512,707	6,552,374	5,194,379	5,835,633	6,743,547	2,941,259	8,555,261
Transfers (net)	5,973,524	12,754,364	12,138,907	14,789,653	14,535,856	15,432,345	13,866,017	14,547,109	34,859,304	12,136,417
Total governmental activities:	55,661,065	69,275,123	69,969,883	75,101,729	80,497,161	82,788,229	86,842,733	95,196,779	113,447,714	99,183,009
Business-type activities:										
Unrestricted investment earnings	(84,846)	969,402	611,791	1,032,154	856,704	1,056,355	1,174,531	6,634,033	4,223,505	481,182
Miscellaneous	1,375,263	2,689,384	2,484,255	3,240,871	2,823,562	3,305,581	3,445,118	1,256,854	2,193,754	2,967,155
Special items - Gain on sale of capital assets	(6,894,344)	871,080	2,493,174	505,000	-	-	-	-	-	-
Transfers (net)	(5,973,524)	(12,754,364)	(12,138,907)	(14,789,653)	(14,535,856)	(15,432,345)	(13,866,017)	(14,547,109)	(34,859,304)	(12,136,417)
Total business-type activities	(11,577,451)	(8,224,498)	(6,549,687)	(10,011,628)	(10,855,590)	(11,070,409)	(9,246,368)	(6,656,222)	(28,442,045)	(8,688,080)
Total primary government	\$ 44,083,614	\$ 61,050,625	\$ 63,420,196	\$ 65,090,101	\$ 69,641,571	\$ 71,717,820	\$ 77,596,365	\$ 88,540,557	\$ 85,005,669	\$ 90,494,929
Change in Net Position										
Governmental activities	\$ (1,877,198)	6,223,089	4,691,986	9,451,427	6,090,349	(2,133,986)	4,625,887	15,577,887	49,401,045	18,656,233
Business-type activities	8,310,408	5,978,835	15,425,933	18,608,782	12,639,181	13,409,230	33,469,592	55,458,624	41,467,543	35,340,733
Total primary government	\$ 6,433,210	\$ 12,201,924	\$ 20,117,919	\$ 28,060,209	\$ 18,729,530	\$ 11,275,244	\$ 38,095,479	\$ 71,036,511	\$ 90,868,588	\$ 53,996,966

City of Bryan, Texas

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

Table 3

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Nonspendable	\$ 6,040,328	\$ 75,907	\$ 59,572	\$ 109,393	\$ 106,321	\$ 1,817	\$ 63,713	\$ 120,963	\$ 106,631	\$ 97,337
Restricted	-	636,118	719,860	720,583	841,565	2,036,743	2,606,587	2,755,245	3,977,076	4,720,084
Committed	-	2,268,582	2,366,766	2,384,963	2,778,145	3,211,078	3,511,715	2,882,323	6,726,575	5,398,158
Assigned	72,748	974,951	503,799	1,531,754	7,731,534	4,962,007	3,237,201	2,838,331	3,425,810	3,386,123
Unassigned	-	18,505,338	24,529,175	30,621,712	22,095,483	17,752,837	19,058,051	24,466,995	31,975,877	37,335,487
Total general fund	<u>\$ 6,113,076</u>	<u>\$ 22,460,896</u>	<u>\$ 28,179,172</u>	<u>\$ 35,368,405</u>	<u>\$ 33,553,048</u>	<u>\$ 27,964,482</u>	<u>\$ 28,477,267</u>	<u>\$ 33,063,857</u>	<u>\$ 46,211,969</u>	<u>\$ 50,937,189</u>
All other governmental funds										
Nonspendable:										
Permanent funds and other	\$ 777,742	\$ 819,709	\$ 852,374	\$ 895,724	\$ 938,069	\$ 994,989	\$ 1,051,295	\$ 1,102,032	\$ 1,176,117	\$ 1,299,930
Restricted:										
Capital Project Funds	3,597,077	2,512,231	8,286,216	7,465,788	13,327,432	4,261,143	6,661,659	5,470,389	51,115,106	38,490,807
Debt Service Fund	5,945,264	5,876,433	6,128,399	6,080,301	5,840,959	5,928,427	5,827,239	1,873,816	2,174,282	21,661,156
Permanent Funds:										
Cemeteries	1,028,230	1,035,463	1,044,069	1,018,042	346,358	29,507	38,989	80,468	84,412	87,626
Libraries	3,664	3,711	3,768	3,858	3,938	4,011	4,117	4,517	4,663	4,684
Special Revenue Funds:										
Grants	10,863	24,180	14,500	11,423	33,827	83,204	332	5,808	-	-
Hotel/Motel	610,183	653,604	1,122,712	1,784,048	2,171,320	2,050,708	2,416,862	2,781,618	2,412,531	2,422,213
Municipal Court	287,722	296,395	259,748	244,157	245,569	188,100	160,052	180,681	182,107	188,283
TIRZ Development	3,036,268	552,909	439,715	706,544	807,993	1,037,861	1,169,520	1,267,824	2,658,753	3,093,947
Other Purposes	-	5,728	1,240	1,808	-	-	-	-	11,973	12,412
Committed:										
Streets	10,097,187	12,515,747	13,648,319	12,387,623	11,773,499	8,111,108	6,290,734	7,538,322	8,297,803	9,945,050
Drainage	702,807	1,164,532	1,893,491	2,364,950	2,851,094	2,890,276	3,310,765	3,496,567	1,956,622	923,707
Parks	-	-	-	-	-	-	-	-	15,310,744	15,183,119
Other Purposes	700	-	-	-	1,551,036	3,902,621	4,621,792	5,488,499	5,806,143	2,281,348
Assigned:	-	-	-	-	-	-	-	-	15,628,798	-
Unassigned:										
Special Revenue Funds	(104)	-	(21,552)	(9,354)	(16,399)	-	(22,446)	(26,503)	(45,785)	(38,423)
Total all other governmental funds	<u>\$ 26,097,603</u>	<u>\$ 25,460,642</u>	<u>\$ 33,672,999</u>	<u>\$ 32,954,912</u>	<u>\$ 39,874,695</u>	<u>\$ 29,481,955</u>	<u>\$ 31,530,910</u>	<u>\$ 29,264,038</u>	<u>\$ 106,774,269</u>	<u>\$ 95,555,859</u>
Total governmental funds	\$ 32,210,679	\$ 47,921,538	\$ 61,852,171	\$ 68,323,317	\$ 73,427,743	\$ 57,446,437	\$ 60,008,177	\$ 62,327,895	\$ 152,986,238	\$ 146,493,048

City of Bryan, Texas

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

Table 4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Property taxes	\$ 24,151,882	\$ 24,780,426	\$ 25,561,961	\$ 28,274,580	\$ 29,693,884	\$ 31,385,195	\$ 34,112,352	\$ 36,998,975	\$ 39,431,870	\$ 41,510,242
Sales taxes	14,814,931	15,984,919	17,882,449	17,788,430	19,025,856	19,608,634	21,290,148	23,580,209	24,465,953	25,477,704
Franchise taxes	1,963,381	2,108,521	2,380,787	2,191,346	2,037,593	2,179,203	2,230,544	2,081,194	1,938,892	2,037,423
Alcoholic beverage taxes	75,460	85,789	130,791	149,776	153,522	154,279	161,631	186,568	140,082	179,443
Bingo taxes	217,615	234,105	260,733	267,434	261,943	261,967	208,508	241,346	294,040	251,717
Hotel occupancy taxes	504,078	720,717	1,179,774	1,286,072	1,182,916	1,453,321	1,748,501	1,798,691	1,095,785	1,393,369
Transportation and drainage fees	6,324,068	6,302,953	6,398,465	6,553,176	6,589,263	6,639,924	6,721,956	6,847,716	6,988,935	7,169,131
Charges for services	3,846,149	5,199,125	4,394,267	4,538,814	5,031,445	5,504,971	5,877,052	5,895,651	6,594,140	4,353,023
Fines and court charges	1,890,493	1,839,386	1,765,380	1,762,379	1,709,700	1,770,534	1,768,768	1,625,109	1,324,063	1,282,866
Licenses and permits	592,784	565,539	668,583	625,106	1,105,135	916,481	976,345	764,522	1,029,792	1,382,111
Grants	2,979,350	2,851,631	2,490,518	2,769,647	2,507,033	3,040,292	2,963,921	3,134,487	7,671,726	4,020,453
Investment earnings	240,139	180,942	264,450	486,542	450,313	424,969	593,701	1,964,336	1,282,397	356,536
Interfund Advance	-	-	-	-	-	-	-	-	-	20,446,631
Oil and gas royalties	-	-	-	-	-	-	-	-	211,887	184,687
Destination Bryan	-	-	-	-	-	-	-	-	-	206,296
Other	1,423,481	3,500,662	4,055,739	2,117,264	2,585,856	3,475,198	3,967,606	3,604,239	3,112,145	4,157,321
Total revenues	59,023,811	64,354,714	67,433,897	68,810,566	72,334,459	76,814,968	82,621,033	88,723,043	95,581,706	114,408,953
Expenditures:										
Current:										
General government and administration	12,000,933	13,193,580	13,284,344	13,667,518	17,579,763	16,066,047	18,812,321	19,262,481	20,204,393	17,754,096
Development services	4,168,041	4,537,856	4,548,936	4,624,579	5,791,992	8,130,645	5,247,240	7,226,350	6,327,073	6,805,110
Public works services	7,577,027	6,271,155	7,701,249	10,468,227	10,051,020	13,339,973	11,069,288	7,714,354	4,177,371	4,528,593
Public safety	27,017,326	29,048,683	30,160,267	30,954,028	33,636,636	37,174,641	38,860,500	41,429,739	43,615,531	43,899,962
Cultural and recreational	6,441,801	6,898,826	7,080,030	7,205,362	7,957,438	8,497,669	10,801,706	10,212,041	9,326,946	9,677,325
Administrative reimbursement	(3,515,703)	(3,425,498)	(3,396,294)	(3,476,440)	(3,066,657)	(3,037,162)	(3,351,396)	(5,934,384)	(6,093,231)	-
Capital outlay	4,548,182	2,792,337	3,984,249	4,768,236	8,511,681	17,529,177	14,191,321	7,236,977	24,646,941	36,113,557
Debt Service:										
Bond and principal retirement	6,702,344	7,932,739	6,714,987	7,141,927	7,841,492	7,649,158	7,801,531	7,951,005	8,354,991	8,166,498
Interest and fiscal charges	4,445,497	4,197,126	3,352,210	3,367,234	2,834,697	2,702,174	2,543,474	2,832,450	2,267,897	5,972,967
Debt issuance cost	-	421,506	66,571	71,009	149,526	-	186,174	74,520	318,825	192,500
Total expenditures	69,385,448	71,868,310	73,496,550	78,791,680	91,287,588	108,052,322	106,162,159	98,005,533	113,146,737	133,110,608
Excess of expenditures over revenues	(10,361,637)	(7,513,596)	(6,062,653)	(9,981,114)	(18,953,129)	(31,237,354)	(23,541,126)	(9,282,490)	(17,565,031)	(18,701,655)
Other financing sources (uses):										
Proceeds of long-term debt issued	-	-	7,760,021	-	9,275,000	-	11,965,000	-	70,365,000	54,700,000
Premium (discount) on long-term debt issued	-	-	12,517	-	430,700	-	359,538	-	2,594,393	(313,247)
Proceeds of refunding bonds issued	-	21,391,646	6,954,249	11,745,000	7,755,000	-	6,265,000	4,660,000	7,125,000	-
Payment to refunded bond escrow agent	-	(21,381,600)	(6,942,650)	(12,231,268)	(8,043,773)	-	(6,486,411)	(4,891,535)	(7,747,691)	(54,194,253)
Premium on refunding bonds	-	417,193	57,981	557,141	372,165	-	314,046	321,429	440,801	-
Sales of capital assets	47,265	13,115	12,258	1,591,734	23,693	51,367	61,557	397,064	836,126	105,467
Transfers in	16,968,347	23,478,903	14,799,448	18,127,404	17,024,652	17,648,735	18,180,784	17,666,298	58,846,311	23,553,930
Transfers out	(6,333,726)	(10,724,542)	(2,660,541)	(3,337,751)	(2,779,882)	(2,444,054)	(4,556,648)	(3,371,048)	(24,236,565)	(11,643,433)
Total other financing sources	10,681,886	13,194,715	19,993,283	16,452,260	24,057,555	15,256,048	26,102,866	14,782,208	108,223,375	12,208,464
Net change in fund balances	\$ 320,249	\$ 5,681,119	\$ 13,930,630	\$ 6,471,146	\$ 5,104,426	\$ (15,981,306)	\$ 2,561,740	\$ 5,499,718	\$ 90,658,344	\$ (6,493,191)
Debt service as a percentage of noncapital expenditures	17.19%	17.56%	14.48%	14.20%	12.90%	11.44%	11.25%	11.88%	12.00%	14.58%

City of Bryan, Texas

Governmental Activities Tax Revenues By Source

Last Ten Fiscal Years

(Accrual basis of accounting)

Table 5

Fiscal Year	Property Taxes	Sales Taxes	Franchise Taxes	Alcoholic Beverage Taxes	Bingo Taxes	Hotel Occupancy Taxes	Transportation and Drainage Assessments	Total
2012	\$ 24,075,833	\$ 14,814,931	\$ 1,963,381	\$ 75,460	\$ 217,615	\$ 504,078	\$ 6,324,068	\$ 47,975,366
2013	24,723,667	15,984,919	2,108,521	85,789	234,105	720,717	6,302,953	50,160,671
2014	25,765,716	17,882,449	2,380,787	130,791	260,733	1,179,774	6,398,465	53,998,715
2015	28,274,580	17,788,430	2,191,346	149,776	267,434	1,286,072	6,553,176	56,510,814
2016	29,674,521	19,025,856	2,037,593	153,522	261,943	1,182,916	6,589,263	58,925,614
2017	31,409,788	19,608,634	2,179,203	154,279	261,967	1,453,321	6,639,924	61,707,117
2018	34,140,282	21,290,148	2,230,544	161,631	208,508	1,748,501	6,721,956	66,501,570
2019	36,998,975	23,580,209	2,081,194	186,568	241,346	1,798,691	6,847,716	71,734,698
2020	39,431,870	24,465,953	1,938,892	140,082	294,040	1,095,785	6,988,935	74,355,557
2021	41,510,242	25,477,704	2,037,423	179,443	251,717	1,393,369	7,169,131	78,019,029
Change 2012-2021	72.41%	71.97%	3.77%	137.80%	15.67%	176.42%	13.36%	62.62%

City of Bryan, Texas

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Table 6

Fiscal Year	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
	Residential Property	Commercial Property					
2012	\$ 2,608,513,429	\$ 860,709,755	\$ 529,139,441	\$ 214,635,480	\$ 3,783,727,145	\$ 0.636400	\$ 3,783,727,145
2013	2,661,055,047	895,028,798	586,784,032	247,525,695	3,895,342,182	0.633308	3,895,342,182
2014	2,777,498,151	924,121,184	599,276,361	245,030,266	4,055,865,430	0.629990	4,055,865,430
2015	2,939,644,870	994,920,813	620,568,334	221,012,900	4,334,121,117	0.629990	4,334,121,117
2016	3,114,809,537	1,024,444,205	671,458,469	207,760,861	4,602,951,350	0.629990	4,602,951,350
2017	3,399,061,710	1,078,228,695	661,133,415	240,621,455	4,897,802,365	0.629990	4,897,802,365
2018	4,474,267,958	1,284,954,223	742,893,376	300,760,635	6,201,354,922	0.629990	6,201,354,922
2019	4,113,109,107	1,176,590,609	820,476,499	320,825,723	5,789,350,492	0.629990	5,789,350,492
2020	4,474,267,958	1,284,954,223	742,893,376	300,760,635	6,201,354,922	0.629990	6,201,354,922
2021	4,745,816,451	1,310,733,268	824,624,342	323,138,236	6,558,035,825	0.629000	6,558,035,825

Source: Brazos Central Appraisal District

City of Bryan, Texas

Property Tax Rates and Ratios Per \$100 Value
Direct and Overlapping Governments
Last Ten Fiscal Years

Table 7

Fiscal Year	Overlapping Rates												
	City of Bryan ⁽¹⁾			Bryan Independent							Subtotal Direct Rates	Subtotal Overlapping Rates	Total Direct & Overlapping Rates
				Brazos County ⁽²⁾			School District ⁽³⁾						
	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total BISD Millage				
2012	0.440600	0.195800	0.636400	0.4037	0.0813	0.4850	1.0400	0.2500	1.2900	0.636400	1.7750	2.4114	
2013	0.437483	0.195825	0.633308	0.4071	0.0779	0.4850	1.0400	0.2500	1.2900	0.633308	1.7750	2.4083	
2014	0.434109	0.195881	0.629990	0.4168	0.0707	0.4875	1.0400	0.2500	1.2900	0.629990	1.7775	2.4075	
2015	0.442658	0.187332	0.629990	0.4226	0.0624	0.4850	1.0400	0.2500	1.2900	0.629990	1.7750	2.4050	
2016	0.443253	0.186737	0.629990	0.4247	0.0603	0.4850	1.0400	0.3100	1.3500	0.629990	1.8350	2.4650	
2017	0.448172	0.181818	0.629990	0.4258	0.0592	0.4850	1.0400	0.3100	1.3500	0.629990	1.8350	2.4650	
2018	0.464587	0.165403	0.629990	0.4290	0.0560	0.4850	1.0600	0.2800	1.3400	0.629990	1.8250	2.4550	
2019	0.478708	0.151282	0.629990	0.4317	0.0533	0.4850	1.0600	0.2800	1.3400	0.629990	1.8250	2.4550	
2020	0.476018	0.153972	0.629990	0.4475	0.0500	0.4975	0.9900	0.2800	1.2700	0.629990	1.7675	2.3975	
2021	0.454001	0.174999	0.629000	0.4407	0.0543	0.4950	0.9525	0.2800	1.2325	0.629000	1.7275	2.3565	

⁽¹⁾ City of Bryan Budget Office

⁽²⁾ Brazos County

⁽³⁾ Bryan ISD

City of Bryan, Texas
Principal Property Taxpayers
As of September 30, 2021

Table 8

Taxpayer	2021			2012		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Sanderson Farms	\$ 64,750,620	1	0.99%			
Hawkwood Energy Operating LLC	48,442,720	2	0.74%			
Liquidpower Specialty Products	35,100,000	3	0.54%			
Waypoint ZI TXA&M ST Owner LLC	34,139,535	4	0.52%			
Comcapp Willowick LLC	30,891,580	5	0.47%			
Jamespoint Management Co	26,267,869	6	0.40%			
Adam Development Properties LP	26,154,962	7	0.40%			
Parc Traditions LP	25,894,356	8	0.39%			
West Shore Traditions I LLC	25,759,776	9	0.39%			
Wal-Mart Real Estate Business Trust	23,953,629	10	0.37%			
Waves Z Islander of Bryan LLC				\$ 33,561,750	1	0.73%
Jamespoint Management Co				26,700,000	2	0.58%
Bryan Senior Investors LP				21,144,670	3	0.46%
SW Meadows Point LP				20,123,680	4	0.44%
Wal-Mart Real Estate				18,927,130	5	0.41%
KC Presidio Apartments LLC				18,250,000	6	0.40%
Tejas Center LTD				18,086,280	7	0.39%
Adam Development Properties LP				17,452,103	8	0.38%
Galindo Ramiro				16,351,887	9	0.36%
4050 Pendleton LTD				16,333,830	10	0.36%
Totals	<u>\$ 341,355,047</u>		<u>5.21%</u>	<u>\$ 206,931,330</u>		<u>4.51%</u>

Source: Brazos Central Appraisal District

City of Bryan, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
As of September 30, 2021

Table 9

Fiscal Year	Total Tax Levy for Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	\$	23,800,130	\$ 23,386,311	98.26%	\$ 366,293	\$ 23,752,603	99.80%
2013		24,418,567	24,091,210	98.66%	277,497	24,368,707	99.80%
2014		25,299,027	24,931,688	98.55%	312,521	25,244,209	99.78%
2015		26,961,308	26,578,195	98.58%	323,286	26,901,481	99.78%
2016		28,568,696	28,011,317	98.05%	487,516	28,498,833	99.76%
2017		30,254,227	29,819,509	98.56%	349,544	30,169,052	99.72%
2018		32,736,990	32,268,978	98.57%	365,725	32,634,704	99.69%
2019		35,438,038	34,950,886	98.63%	349,443	35,300,329	99.61%
2020		37,845,056	37,302,171	98.57%	331,907	37,634,078	99.44%
2021		39,861,557	39,355,268	98.73%	-	39,355,268	98.73%

City of Bryan, Texas

Top Ten Electric Customers

For Fiscal Year Ended September 30, 2021

Table 10

Electric Customers - City Electric

Customer	Type of Industry	Electric Usage kWh	Rank	Percentage of Top Ten Electric Users
Sanderson Farms Inc	Corporation	46,208,712	1	3.07%
Bryan ISD	Education	31,272,525	2	2.08%
Texas A&M University	Education	30,658,906	3	2.04%
CHI St Joseph Hospital	Medical	28,061,902	4	1.86%
City of Bryan	Local Government	27,048,198	5	1.80%
Axis Pipe & Tube	Manufacturing	25,599,131	6	1.70%
B Way Corporation	Corporation	23,390,944	7	1.55%
Brazos County	Local Government	15,024,226	8	1.00%
New Alenco Window LTD	Manufacturing	13,139,807	9	0.87%
Wimberly Bldg Redevelopment	Corporation	10,627,110	10	0.71%
Total		251,031,463		16.66%
Total City Electric System kWh		1,506,574,559		

Electric Customers - Rural Electric

Customer	Type of Industry	Electric Usage kWh	Rank	Percentage of Top Ten Electric Users
Hawkwood Energy Operating LLC	Corporation	17,553,862	1	3.86%
Liquidpower Specialty Products Inc	Corporation	9,286,773	2	2.04%
City of College Station	Local Government	8,713,202	3	1.92%
Texas A&M University	Education	7,834,685	4	1.73%
Breckenridge Group College Station Texas	Corporation	6,536,699	5	1.44%
C3-College Station LLC	Corporation	5,634,031	6	1.24%
TDCJ-Buffalo Ranch	State Government	5,227,637	7	1.15%
ST Feed Mill LLC	Corporation	3,971,250	8	0.87%
Verizon Wireless Inc	Corporation	3,011,348	9	0.66%
MPS Egg Farms	Agriculture	2,816,011	10	0.62%
Total		70,585,500		15.54%
Total Rural Electric System kWh		454,176,914		

City of Bryan, Texas
Electricity Sold by Type of Customer
Last Ten Fiscal Years
(in kilowatt hours)

Table 11

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Electric										
Type of Customer										
Residential	365,255,000	356,559,000	370,812,000	384,732,000	375,152,000	381,241,000	405,081,000	405,212,000	408,468,397	410,581,454
Commercial and Industrial	486,908,000	506,994,000	522,896,000	573,631,000	576,849,000	601,703,000	619,896,000	632,687,000	605,848,405	594,017,427
Public Authorities ⁽¹⁾	35,429,000	4,462,000	-	-	-	-	-	-	-	-
Rural	379,278,000	375,671,000	419,250,000	435,206,000	439,341,000	437,988,000	493,829,000	501,818,000	496,104,086	495,300,070
Other Utilities	546,265,000	608,077,000	779,781,000	641,284,000	702,458,000	651,380,000	672,960,000	564,677,000	663,662,296	6,675,608
Interdepartmental ⁽²⁾	32,634,000	34,753,000	32,218,000	6,205,000	-	-	-	-	-	-
	<u>1,845,769,000</u>	<u>1,886,516,000</u>	<u>2,124,957,000</u>	<u>2,041,058,000</u>	<u>2,093,800,000</u>	<u>2,072,312,000</u>	<u>2,191,766,000</u>	<u>2,104,394,000</u>	<u>2,174,083,184</u>	<u>1,506,574,559</u>
Rural Electric										
Type of Customer										
Residential	236,568,000	244,371,000	272,149,000	280,441,000	265,036,000	272,097,000	303,678,000	302,390,000	303,080,224	309,725,064
Commercial and Industrial	103,231,000	108,457,000	113,691,000	124,966,000	129,677,000	135,321,000	153,772,000	151,364,000	145,824,660	144,451,850
	<u>339,799,000</u>	<u>352,828,000</u>	<u>385,840,000</u>	<u>405,407,000</u>	<u>394,713,000</u>	<u>407,418,000</u>	<u>457,450,000</u>	<u>453,754,000</u>	<u>448,904,884</u>	<u>454,176,914</u>

⁽¹⁾ Public schools rates were eliminated in 2013 and were subsequently billed under Commercial and Industrial.

⁽²⁾ Interdepartmental rates were eliminated in 2015 and were subsequently billed based on respective load profiles.

City of Bryan, Texas
Electric Rates
Last Ten Fiscal Years

Table 12

	2012			2013			2014			2015			2016		
	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh
City Electric System															
Residential Winter (Nov-Apr)	\$ 8.88	\$ -	\$ 0.0786	\$ 10.28	\$ -	\$ 0.0800	\$ 10.28	\$ -	\$ 0.0861	\$ 11.00	\$ -	\$ 0.0790	\$ 11.00	\$ -	\$ 0.0837
Residential Summer (May-Oct)	8.88	-	0.0895	10.28	-	0.0926	10.28	-	0.0987	11.00	-	0.0917	11.00	-	0.0964
Small Commercial	11.16	-	0.0848	13.82	-	0.0909	13.82	-	0.0955	15.50	-	0.0930	15.50	-	0.0952
General Service Commercial	22.12	7.03	0.0612	26.34	8.37	0.0606	26.34	9.90	0.0606	29.75	9.36	0.0215	33.25	11.47	0.0476
Large Industrial	200.00	11.88	0.0454	400.00	12.30	0.0407	400.00	13.79	0.0407	400.00	15.96	0.0376	400.00	16.65	0.0401
Primary Service										400.00	15.64	0.0374	400.00	16.32	0.0390
Transmission Service										1,725.00	16.11	0.0298	1,725.00	16.80	0.0323
Bryan Public Schools	-	-	-	39.52	-	0.10									
Interdepartmental	33.18	-	0.0905	30.00	-	0.0821									
Rural Electric Division	30.00	-	0.0871	-	7.16	0.5010	-	8.44	0.0501	8,100.00	9.16	0.0530	17,200.00	14.22	0.0395
Rural Electric System															
Residential Winter (Nov-Apr)	8.85	-	0.0766	9.61	-	0.0749	9.61	-	0.0788	11.00	-	0.0813	11.50	-	0.0906
Residential Summer (May-Oct)	-	-	-	9.61	-	0.09	9.61	-	0.0911	11.00	-	0.0944	11.50	-	0.1048
Residential College Station (Nov-Apr)	-	-	-	-	-	-	-	-	-						
Residential College Station (May-Oct)	8.85	-	0.0903	-	-	-	-	-	-						
Small Commercial	11.37	-	0.0862	13.16	-	0.0887	13.16	-	0.0909	14.00	-	0.0905	15.00	-	0.0959
General Service Commercial	19.62	7.21	0.0581	19.25	6.93	0.0527	19.25	7.61	0.0527	21.00	8.43	0.0531	21.00	10.42	0.0520
Public/Private Schools	31.47	-	0.0920	33.01	-	0.0896	33.01	-	0.0896	-	-	-	-	-	-
Large Industrial										400.00	12.81	0.0301	400.00	16.96	0.0430
	2017			2018			2019			2020			2021		
	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh	Customer Charge per Month	Demand per kW	Rate per kWh
City Electric System															
Residential Winter (Nov-Apr)	\$ 11.00	\$ -	\$ 0.0837	\$ 11.00	\$ -	\$ 0.0837	\$ 11.00	\$ -	\$ 0.0833	\$ 11.00	\$ -	\$ 0.0824	\$ 11.00	\$ -	\$ 0.0824
Residential Summer (May-Oct)	11.00	-	0.0964	11.00	-	0.0964	11.00	-	0.0960	11.00	-	0.0951	11.00	-	0.0951
Small Commercial	15.50	-	0.0924	15.50	-	0.0924	15.50	-	0.0900	15.50	-	0.0890	15.50	-	0.0890
General Service Commercial	37.00	13.05	0.0412	37.00	13.05	0.0412	37.00	12.43	0.0412	37.00	12.88	0.0384	37.00	12.88	0.0384
Large Industrial	400.00	16.65	0.0401	400.00	16.65	0.0401	400.00	16.61	0.0401	400.00	17.23	0.0373	400.00	17.23	0.0373
Primary Service	400.00	16.32	0.0389	400.00	16.32	0.0389	400.00	16.28	0.0393	400.00	16.88	0.0366	400.00	16.88	0.0366
Transmission Service	1,725.00	16.80	0.0322	1,725.00	16.80	0.0322	1,725.00	16.86	0.0322	1,725.00	17.48	0.0296	1,725.00	17.48	0.0296
Rural Electric Division	22,400.00	17.27	0.0383	22,400.00	17.27	0.0343	200,000.00	6.04	0.0413	200,000.00	6.73	0.0421	200,000.00	6.73	0.0421
Rural Electric System															
Residential Winter (Nov-Apr)	12.00	-	0.0930	12.00	-	0.0908	12.00	-	0.0907	12.00	-	0.0908	12.00	-	0.0908
Residential Summer (May-Oct)	12.00	-	0.1084	12.00	-	0.1062	12.00	-	0.1061	12.00	-	0.1062	12.00	-	0.1062
Residential College Station (Nov-Apr)	11.00	-	0.0889	11.00	-	0.0867	11.00	-	0.0859	11.00	-	0.0858	11.00	-	0.0858
Residential College Station (May-Oct)	11.00	-	0.1022	11.00	-	0.1000	11.00	-	0.0992	11.00	-	0.0991	11.00	-	0.0991
Small Commercial	16.00	-	0.0904	16.00	-	0.0882	16.00	-	0.0863	16.00	-	0.0858	16.00	-	0.0858
General Service Commercial	21.00	11.94	0.0457	21.00	11.94	0.0435	21.00	10.95	0.0434	21.00	11.43	0.0406	21.00	11.43	0.0406
Large Industrial	400.00	16.96	0.0430	400.00	17.07	0.0408	400.00	17.03	0.0407	400.00	17.66	0.0379	400.00	17.66	0.0379

⁽¹⁾ Public schools rates were eliminated in 2015 and were subsequently billed under Commercial and Industrial.

City of Bryan, Texas**Top Ten Water Customers**

For Fiscal Year Ended September 30, 2021

Table 13

Customer	Type of Industry	Water Usage Gallons	Rank	Percentage of Total Water Usage
Wellborn Special Utility District	Utility District	235,373,700	1	6.31%
BISD	Public School	76,729,500	2	2.06%
Brazos County	County Government	67,895,200	3	1.82%
St. Joseph Hospital	Health Care Facility	67,660,200	4	1.81%
Comcapp Bryan	Housing	46,445,000	5	1.24%
City of Bryan	Local Government	44,281,500	6	1.19%
Saint-Gobain Norpro	Manufacturing	40,693,100	7	1.09%
Federal Prison Camp	Correctional Facility	38,666,800	8	1.04%
TDCJ - Hamilton Unit	Correctional Facility	37,716,900	9	1.01%
Wickson Water Supply	Utility District	31,647,000	10	0.85%
Total		<u>687,108,900</u>		<u>18.41%</u>
Total gallons of water sold		3,732,564,900		

City of Bryan, Texas

Top Ten Sewer Customers

For Fiscal Year Ended September 30, 2021

Table 14

Customer	Type of Industry	Sewer Usage Gallons	Rank	Percentage of Total Gallons of Sewer Treated
St. Joseph Hospital	Health Care Facility	64,700,700	1	2.35%
Brazos County	County Government	58,206,800	2	2.11%
Comcapp Bryan	Housing	44,440,600	3	1.61%
BISD	Public School	40,789,000	4	1.48%
Saint-Gobain Norpro	Manufacturing	40,659,000	5	1.48%
Federal Prison Camp	Correctional Facility	38,563,400	6	1.40%
TDCJ - Hamilton Unit	Correctional Facility	37,716,900	7	1.37%
Oakwood/Country Village	MHP	30,679,500	8	1.11%
City of Bryan	Local Government	26,627,800	9	0.97%
Texas Steel Conversion Inc.	Manufacturing	24,143,000	10	0.88%
Total		<u>406,526,700</u>		<u>14.75%</u>
Total gallons of wastewater treated		2,756,420,000		

City of Bryan, Texas
Monthly Water Rates
Effective September 30, 2021

Table 15

Monthly Water Rates				
Water Class	Minimum Customer Charge Per Month	Volume Charge Per 1,000 Gallons 0-30,000 Gallons	Volume Charge Per 1,000 Gallons 30,001-50,000 Gallons	Volume Charge Per 1,000 Gallons >50,000 Gallons
Residential	\$ 8.31	\$ 2.76	\$ 3.00	\$ 3.50
Commercial/Industrial	13.74	2.38	2.38	2.38
Bryan Public Schools	13.74	2.38	2.38	2.38
Interdepartmental	13.74	2.38	2.38	2.38
Special Contracts	13.74	4.05	4.05	4.05
Bulk Sales	N/A	11.08	11.08	11.08

Monthly Sewer Rates		
Customer Class	Monthly Customer Charge	Volume Charge per 1000 gallons
Non Commercial	\$ 7.88	\$ 4.03
Commercial/Industrial	7.88	3.80

City of Bryan
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Table 16

	Governmental Activities				Business-Type Activities							
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Notes	Govt Only Per ^(a) Capita	Utility Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Notes	Total Primary Government	Percentage Of Personal Income	Per ^(a) Capita	
2012	\$ 25,525,000	\$ 70,655,156	\$ 1,720,000	\$ 1,266	\$ 279,300,000	\$ -	\$ 9,744,844	\$ 1,893,792	\$ 388,838,792	16.4%	\$ 3,134	
2013	44,696,646	45,970,000	-	1,161	258,805,000	6,293,354	14,240,000	-	370,005,000	14.9%	2,926	
2014	43,290,021	48,590,908	-	1,167	242,020,000	8,359,092	47,779,979	-	390,040,000	15.4%	2,871	
2015	43,553,982	40,780,021	-	1,042	218,485,001	15,421,019	45,775,000	-	364,015,023	12.6%	2,580	
2016 ^(b)	47,454,065	39,702,812	-	1,061	294,814,702	14,200,379	44,773,867	-	440,945,825	15.2%	2,848	
2017 ^(b)	41,869,330	37,487,404	-	953	282,517,866	12,606,696	42,643,876	-	417,125,171	13.3%	2,692	
2018 ^(b)	42,756,016	41,074,572	-	998	270,254,753	11,138,755	40,294,548	-	405,518,644	12.2%	2,600	
2019 ^(b)	41,706,737	34,033,443	-	886	297,265,999	9,735,288	37,970,219	-	420,711,686	11.8%	2,340	
2020 ^(b)	42,816,407	97,339,479	-	1,625	282,192,396	8,300,808	35,695,890	-	466,344,980	12.3%	2,925	
2021 ^(b)	90,135,811	95,888,772	-	1,988	381,166,606	6,822,834	33,341,562	-	607,355,586	N/A	6,490	

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^(a) See Table 24 for population data. These ratios are calculated using the information from the referenced schedule.

^(b) Reported net of premium or discount.

City of Bryan, Texas

Legal Debt Margin Information

As of September 30, 2021

Table 17

As a Home Rule City, the City of Bryan is not limited by law in the amount of debt that may be issued. The City's charter (Section 12) states:

"The city council of the city shall have the power, and is hereby authorized to levy, assess and collect not to exceed one dollar and fifty cents (\$1.50) on each one hundred dollars (\$100) assessed valuation of all real and personal property within the city limits of the city not exempt from taxation by the constitution and laws of the State of Texas."

Article II, Section 5 of the State of Texas Constitution states in part:

"...but no tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of such city."

The tax rate at September 30, 2021 is \$0.62900 per \$100 assessed valuation with assessed valuation being 100% of appraised values.

City of Bryan, Texas**Ratios of Net General Bonded Debt Outstanding****Last Ten Fiscal Years****Table 18**

Fiscal Year	General Obligation Debt ^(a)	Less Interest and Sinking Funds ^(b)	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Per Capita ^(c)
2012	\$ 105,925,000	\$ 13,049,011	\$ 92,875,989	2.45%	\$ 1,201
2013	111,200,000	15,116,569	96,083,431	2.47%	1,231
2014	148,020,000	14,669,333	133,350,667	3.29%	1,694
2015	145,530,022	14,887,435	130,642,587	3.01%	1,615
2016	146,131,123	14,898,831	131,232,292	2.85%	1,598
2017	134,607,306	13,610,261	120,997,045	2.47%	1,469
2018	135,263,891	19,455,596	115,808,295	1.87%	1,378
2019	123,445,687	10,978,007	112,467,680	1.94%	1,316
2020	184,152,584	10,978,007	173,174,577	2.79%	2,007
2021	226,188,980	116,666,026	109,522,954	1.67%	1,170

^(a) Includes Certificates of Obligation and General Obligation bond issues for Governmental Activities and Business-type Activities. Fiscal Years 2016 - 2021 debt is presented net of any premiums and discounts.

^(b) Includes the Debt Service Fund balance and Enterprise Fund cash restricted for debt service.

^(c) See Table 24 for population data.

City of Bryan, Texas

Direct and Overlapping Governmental Activities Debt
For Fiscal Year Ended September 30, 2021

Table 19

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Debt repaid with property taxes			
Bryan Independent School District	\$ 292,270,000	68.62%	\$ 200,544,526
Brazos County	98,934,225	31.55%	31,218,325
Subtotal, overlapping debt			<u>231,762,851</u>
 City of Bryan net bonded debt ⁽¹⁾	 238,040,392	 100.00%	 238,040,392
			<u><u>\$ 469,803,243</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Bryan. This process recognizes, that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

⁽¹⁾ Includes outstanding balance of Certificates of Obligation and General Obligation bond issues for Governmental Activities including interest.

City of Bryan, Texas

Pledged Revenue Coverage⁽¹⁾

Last Ten Fiscal Years

Table 20

City Electric Fund						
Fiscal Year	Gross Operating Revenue	Less: Operating Expenses	Plus: Interest Earnings	Net Revenue ⁽²⁾ Available for Debt Service	Average Annual Debt Service Requirement	Coverage ⁽³⁾
2012	\$ 155,453,210	\$ 112,143,156	\$ 369,937	\$ 43,679,991	\$ 12,117,100	3.60
2013	160,991,056	128,862,043	407,920	32,536,933	11,791,899	2.76
2014	185,255,098	141,613,409	414,342	44,056,031	11,456,262	3.85
2015	186,223,521	142,664,264	770,945	44,330,202	10,600,006	4.18
2016	187,624,655	144,700,287	652,368	43,576,736	12,713,952	3.43
2017	190,064,226	142,404,243	784,398	48,444,381	13,817,239	3.51
2018	199,082,844	139,384,323	776,947	60,304,653	11,470,498	5.27
2019	204,747,110	127,683,020	4,909,309	81,973,399	12,298,368	6.67
2020	185,889,665	116,693,788	3,318,858	72,514,735	12,106,991	5.99
2021	362,660,519	287,917,032	363,245	75,106,732	15,417,863	4.87

⁽¹⁾ Effective 2012, BTU Transmission revenue and costs billed through the ERCOT Transmission Matrix were grossed up, increasing total revenues and expenses, but having no impact on net available for debt service.

⁽²⁾ Net Revenue as defined in the bond Ordinance includes operating income before depreciation and non-cash pension expenses, plus certain interest income.

⁽³⁾ Required minimum coverage is 1.10 times annual debt service requirement, per the bond resolutions.

City of Bryan, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years

Table 21

Rural Electric Fund						
Fiscal Year	Gross Operating and Other Revenue	Less: Operating Expenses	Plus: Interest Earnings	Net Revenue ⁽¹⁾ as Defined in Bond Ordinance	Average Annual Debt Service Requirement	Coverage ⁽²⁾
2012	\$ 31,495,841	\$ 26,348,351	\$ 82,333	\$ 5,229,823	\$ 565,365	9.25
2013	32,257,374	27,231,209	47,422	5,073,587	555,382	9.14
2014	35,728,300	30,502,755	73,213	5,298,758	544,220	9.74
2015	39,287,075	33,264,827	75,800	6,098,048	1,204,659	5.06
2016	41,931,026	36,548,815	41,114	5,423,325	1,015,578	5.34
2017	44,224,725	38,056,142	70,839	6,239,422	1,270,049	4.91
2018	48,935,501	42,361,826	125,977	6,699,652	981,759	6.82
2019	47,539,897	33,970,851	740,837	14,309,883	2,035,338	7.03
2020	45,850,000	31,483,606	448,538	14,814,932	2,012,211	7.36
2021	48,006,906	32,947,942	68,686	15,127,650	2,897,110	5.22

⁽¹⁾ Net Revenue as defined in the bond Ordinance includes operating income before depreciation, plus certain interest income.

⁽²⁾ Required minimum coverage is 1.20 times annual debt service requirement, per the bond resolutions.

City of Bryan, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years

Table 22

Water and Wastewater Funds						
Fiscal Year	Gross Operating and Other Revenue	Less: Operating Expenses	Interest Earnings	Net Revenue as Defined in Bond Ordinance ⁽¹⁾	Average Annual Debt Service Requirement	Coverage ⁽²⁾
2012	\$ 25,951,609	\$ 12,664,564	\$ 170,563	\$ 13,457,608	\$ 4,598,484	2.93
2013	25,152,856	11,725,590	91,845	13,519,111	4,105,963	3.29
2014	24,175,389	12,278,086	103,389	12,000,692	3,808,332	3.15
2015	25,273,166	12,812,872	145,864	12,606,158	3,721,780	3.39
2016	25,663,471	13,549,228	124,733	12,238,976	3,629,985	3.37
2017	26,540,053	13,801,959	159,416	12,897,510	2,438,825	5.29
2018	27,357,530	13,490,834	215,389	14,120,958	2,304,451	6.13
2019	26,223,442	12,717,975	674,251	14,179,718	2,127,637	6.66
2020	27,836,722	12,333,398	332,652	15,835,976	1,942,211	8.15
2021	26,878,952	13,675,183	47,611	13,251,380	1,766,586	7.50

⁽¹⁾ Net Revenue as defined in the bond Ordinance includes operating income before depreciation and non-cash pension expenses, plus certain interest income.

⁽²⁾ Required minimum coverage is 1.25 times average annual debt service requirement, per the bond resolutions.

City of Bryan, Texas
Sales Tax by Category
Last Ten Calendar Years

Table 23

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Category:										
Communications and information	\$ 1,122,368	\$ 1,146,495	\$ 1,301,546	\$ 1,248,058	\$ 1,524,893	\$ 1,470,983	\$ 1,509,698	\$ 1,703,365	\$ 1,563,603	\$ 1,163,946
Home furnishings and appliances	414,871	383,795	284,910	296,203	328,616	345,163	369,672	407,103	693,296	547,982
Eating and drinking establishments	1,473,779	1,453,187	1,782,607	1,963,511	2,023,825	2,126,150	2,174,487	2,279,622	2,130,042	2,481,355
Department and retail stores	762,097	757,696	2,318,066	1,252,378	1,875,662	430,245	481,503	1,996,100	2,567,016	2,768,767
Oil and gas operations	96,821	130,639	243,942	228,011	114,837	269,493	251,862	756,752	1,376,802	110,151
Construction and building	183,079	202,861	(338,386)	114,626	343,702	1,005,179	827,170	947,341	1,639,931	152,527
Auto dealers and supplies	604,063	657,617	804,230	734,761	652,612	718,897	704,537	597,451	968,231	991,601
Printing/Publishers	78,050	81,592	96,547	94,316	216,618	221,505	167,090	254,085	267,298	271,152
Contractors	96,107	170,312	258,052	239,346	363,622	386,891	245,128	288,136	423,983	734,718
Manufacturing	477,069	389,218	913,475	554,296	805,400	573,477	653,035	633,968	1,018,286	1,116,055
Wholesalers	1,040,901	942,114	1,349,014	1,260,378	1,674,185	1,883,080	2,567,259	2,990,406	1,519,784	3,383,865
Food Stores	656,980	590,592	633,784	659,635	734,517	754,479	896,542	760,438	769,970	877,316
Other stores	3,108,023	3,156,217	3,624,535	3,828,445	3,842,518	3,809,206	3,852,800	2,700,665	3,625,756	5,748,276
Apparel	189,569	197,411	228,548	236,879	232,003	234,169	253,121	403,383	389,522	531,825
All other outlets	9,220	9,949	17,579	3,315	9,787	9,636	2,498	5,471	12,069	9,988
Financial services	129,935	120,050	158,925	92,429	163,384	105,108	79,308	84,147	102,188	125,116
Rentals and leasing	528,027	449,878	600,118	587,148	594,701	654,428	785,407	797,605	723,017	619,086
Professional services	563,031	527,801	565,631	528,114	751,653	782,118	969,471	1,394,227	953,860	853,814
Repair and maintenance	429,320	273,518	578,585	443,815	480,890	507,419	498,343	400,363	1,222,753	677,160
Hotels/Motels	10,001	21,824	33,193	12,539	10,890	21,347	35,511	36,278	36,278	73,831
Other products and equipment	43,322	71,858	73,971	58,129	13,823	100,232	3,555	66,936	47,832	93,792
Other	1,945,432	2,498,185	1,669,556	3,387,022	1,595,668	2,604,477	3,596,405	3,768,238	1,406,712	1,677,746
Total	\$ 13,962,066	\$ 14,232,808	\$ 17,198,428	\$ 17,823,356	\$ 18,353,806	\$ 19,013,682	\$ 20,924,402	\$ 23,272,083	\$ 23,458,230	\$ 25,010,067

City of Bryan, Texas
Demographic & Economic Statistics
Last Ten Fiscal Years

Table 24

Fiscal Year	Population ⁽¹⁾	School Enrollment ⁽²⁾	Personal Income ⁽³⁾	Per Capita Personal Income ⁽³⁾	Unemployment Rate ⁽⁴⁾
2012	77,321	15,609	\$ 7,505,075,000	\$ 30,664	5.70%
2013	78,061	15,621	7,777,737,000	31,788	4.90%
2014	78,709	15,982	8,269,533,000	32,241	4.10%
2015	80,913	16,000	8,919,122,000	35,797	3.50%
2016	82,118	16,138	9,024,715,000	35,401	3.70%
2017	83,260	16,201	9,729,200,000	37,704	2.70%
2018	84,021	16,157	10,374,675,000	39,533	2.90%
2019	85,445	15,906	11,050,339,000	41,742	2.60%
2020	86,268	16,167	11,811,883,000	44,037	5.50%
2021	93,590	15,725	Not Available	Not Available	3.80%

⁽¹⁾ U.S. Census Bureau and <https://www.census.gov/quickfacts/fact/table/bryancitytexas/LND110210> - FY 2021 is an estimate as the City will contest the 2020 Census estimate.

⁽²⁾ Bryan Independent School District Texas Academic Performance Report.

⁽³⁾ Bureau of Economic Analysis; <https://apps.bea.gov>; www.stlouisfed.org (FRED) Fed Reserve Bank of St Louis and totals represent Bryan and College Station statistics combined.

⁽⁴⁾ Bureau of Labor Statistics http://www.bls.gov/eag/eag.tx_collegestation_msa.htm. Includes College Station and Bryan.

City of Bryan, Texas
Principal Employers
Current Year and Ten Years Ago

Table 25

2021	2012
Blinn College	Brazos County Government
Bryan Independent School District	Bryan Independent School District
CHI St. Joseph Health System	City of Bryan
College Station Independent School District	City of College Station
HEB Grocery	College Station Independent School District
Reynolds & Reynolds	Reynolds & Reynolds
Sanderson Farms	Sanderson Farms
Texas A&M Health Science Center	St. Joseph Regional Hospital
Texas A&M University System	Texas A&M University System
Wal-Mart	Wal-Mart

Employers are listed in alphabetical order and do not reflect any ranking.

Source: Brazos Valley Economic Development Corporation <https://brazosvalleyedc.org/leading-employers>

The information contained in the above table represents information for Bryan and College Station and the surrounding area. Information for the individual cities is not available.

City of Bryan, Texas

Actual Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 26

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government and Administration										
Executive Services	5	6	6	6	5	6	6	6	6	6
Communications & Marketing	3	4	4	4	4	4	4	4	4	4
Neighborhood and Youth Services	1	-	-	1	1	1	1	1	1	1
Special Projects	0.25	-	-	1	-	-	-	-	-	-
Economic Development	-	-	2	2	4	5	5	5	5	5
Internal Audit	1	1	1	1	1	1	-	-	-	-
City Secretary	6	6	6	6	6	6	6	6	6	6
Legal Services	5	4	5	4	5	5	5	5	5	6
Support Services										
Fiscal Services	12	12	10	11	11	11	12	12	10	11
Purchasing Services	2	2	2	3	3	3	2	2	2	3
Information Technology	15	16	17	19	19	19	19	37	37	38
Human Resources	6	5	5	5	5	5	5	5	5	5
Facility Services	16	16	16	17	17	15	17	17	18	18
Fleet Services	9	9	5	8	9	8	9	10	10	11
Warehouse	4	4	4	4	3	3	3	3	3	3
Risk Management	6	6	6	6	6	6	6	6	6	6
Development Services										
Planning and Development	8	10	8	8	7	7	6	7	8	10
Building Services	14	9	11	11	11	14	14	14	15	18
Code Enforcement				3	4	3	4	4	4	5
Community Development	5.75	6	6	6	6	6	6	6	6	6
Public Works Services										
Administration	-	-	-	-	-	-	-	-	-	-
Engineering Services	13	12	12	13	14	13	12	13	14	14
Transportation & Drainage	18	16	15	16	17	16	15	16	16	17
Traffic Services	10	9	8	9	9	10	8	11	9	10
Public Safety										
Police Officers	138	136	140	139	146	144	149	154	152	144
Civilians	39	35	31	30	33	34	34	31	30	32
Firefighters/Emergency Medical Technicians	107	108	118	112	128	134	129	136	145	150
Civilians	4	6	4	4	4	4	4	4	4	5
Emergency Management Coordinator	1	1	1	1	1	1	1	1	1	1
Bryan Animal Center	-	8	10	10	10	9	11	11	11	11
Municipal Court	15	16	15	17	17	17	15	16	15	16
Cultural and Recreation/Community Services										
Library Services	24	21	21	21	21	20	20	21	19	19
College Station Library	19	18	17	16	16	16	16	16	17	18
Parks and Recreation	28	22	21	23	22	23	21	22	20	22
Water	34.50	32	33	37	37	32	36	34	34	36
Wastewater	31.50	40	31	29	36	37	36	36	37	41
Solid Waste	44	37	41	43	38	40	37	38	35	40
Call Center	5	5	5	5	5	5	5	5	5	5
Airport	1	1	1	2	2	2	2	2	2	2
Electric Department-Municipal and Rural	165	171	177	185	186	189	189	181	176	185
Total	816	810	815	838	869	874	870	897	892	928

City of Bryan, Texas
Operating Indicators by Function
Last Ten Fiscal Years

Table 27

Function:	2012	2013	2014	2015	2016	2017	2018	2019	2020*	2021
Police										
Physical arrest	4,826	5,525	5,497	5,644	5,560	5,606	4,830	5,354	4,052	4,371
Traffic citations	11,663	11,118	9,812	9,170	8,509	9,475	9,067	6,862	2,920	5,738
Fire										
Number of Fire and EMS calls	9,420	9,261	10,272	11,062	11,193	11,766	12,423	13,301	12,986	14,904
Transportation										
Potholes repaired	225	208	321	380	353	547	395	668	372	487
HMAC (Hot Mix Asphaltic Concrete) placed (tons)	1,978	1,455	1,434	1,100	1,065	1,309	1,063	1,426	1,122	1,267
In-house concrete poured (cubic yards)	485	723	434	250	462	127	365	498	350	75
Culture and recreation										
New library patron registration	7,259	7,384	7,018	6,281	5,748	5,716	4,871	3,887	5,066	2,979
Library circulation of materials	784,421	797,577	726,617	837,658	866,635	750,995	834,766	724,998	702,999	408,160
Number of cooperative programs with Bryan ISD and College Station Parks and Recreation department	13	16	18	19	20	21	22	22	14	16
Pavilion rentals	913	993	1,215	1,441	1,801	1,022	1,166	1,207	1,022	799
Athletic field usage (hours)										
Travis Park (1 field)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Brazos Bombers use	Brazos Bombers use	Brazos Bombers use
Bryan Regional Athletic Complex (4 softball fields)	1,920	2,432	2,510	2,390	2,180	2,260	2,140	1,994	-	22
Bryan Regional Athletic Complex (9 soccer fields)	1,105	1,070	1,094	1,020	1,135	1,235	1,390	1,405	-	2
Neighborhood/Youth Services										
Neighborhood Associations registered	41	41	41	41	42	43	43	43	43	42
Municipal Court										
Number of cases filed	17,832	16,821	13,304	11,878	11,383	12,976	12,761	10,876	7,723	8,931
Community Development										
Number of citizens provided homebuyers assistance	17	18	6	9	9	11	12	7	5	2
Number of households provided rehabilitation	1	3	3	2	2	3	2	2	2	3
Number of households provided minor rehabilitation	41	43	54	69	60	70	50	62	66	66
Housing Development (new construction)	-	-	-	-	1	1	-	2	-	-
Water										
Number of new connections	151	173	167	188	115	288	393	498	641	759
Maximum daily capacity (gallons)	37,708,000	37,708,000	37,708,000	37,700,000	37,700,000	37,700,000	37,700,000	37,708,000	37,708,000	37,708,000
Daily average usage (gallons)	10,572,675	10,414,774	9,605,065	9,896,634	10,368,469	11,046,148	11,268,994	10,260,717	11,126,408	10,266,205
Total usage (gallons)	3,869,598,900	3,801,392,400	3,505,848,800	3,612,271,400	3,794,859,500	4,031,844,200	4,113,182,700	3,745,161,600	4,072,265,000	3,732,564,900
Wastewater										
Combined capacity (gallons per day)	12,750,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	12,000,000	14,000,000	14,000,000
Daily average usage (gallons)	6,995,218	6,499,737	6,997,132	7,352,896	7,282,932	7,070,904	6,928,060	7,783,033	7,066,411	7,551,836
Total treated (gallons)	2,560,249,000	2,372,404,000	2,553,953,000	2,691,160,000	2,658,270,000	2,580,880,000	2,535,670,000	2,848,590,000	2,579,240,000	2,756,420,000
Solid Waste										
Refuse collected (tons)	55,819	55,520	55,345	57,664	60,760	65,444	62,063	67,227	66,078	69,196

Sources: Various City Departments

* The FY2020 changes are a result of the impacts of the COVID-19 Pandemic.

City of Bryan, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

Table 28

Function:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of sworn personnel	137	136	140	143	146	144	148	148	152	146
Fire and emergency medical services:										
Number of stations	5	5	5	5	5	5	5	5	5	5
Number of personnel	110	110	117	123	128	139	144	145	150	150
Highways and streets:										
Lane miles of paved streets	738	752	752	752	755	762	766	800	806	814
Culture and recreation:										
Number of parks	42	52	53	52	52	52	54	54	55	53
Park acreage	611	678	683	690	690	703	707	707	709	2,434
Number of golf courses	1	1	1	1	1	1	1	1	1	1
Golf course acreage	104	104	104	127	127	127	107	114	114	107
Hike and bike trails - number of miles	23	23	23	35	37	36	36	36	36	38
Number of cemeteries	3	3	3	3	3	3	3	3	3	3
Cemetery acreage	70	70	70	92	92	92	92	88	88	92
Number of libraries	3	3	3	3	3	3	3	3	3	3
Library volumes	237,557	233,237	223,266	211,240	238,969	203,519	207,492	191,027	213,784	67,617
Water system:										
Miles of line	472	469	474	482	490	479	482	486	498	502
Number of connections	21,913	22,147	22,418	22,870	22,985	23,223	23,428	23,926	24,479	25,242
Number of wells	12	12	12	12	12	12	12	12	12	12
Wastewater system:										
Miles of line	387	393	396	389	393	400	401	407	410	422
Number of connections	21,539	21,761	22,021	22,350	22,538	22,907	23,373	23,968	24,691	25,655
Number of treatment plants	3	3	3	3	3	3	3	3	3	3
Electric system:										
Generating capacity (kW)	337,000	337,000	226,000	221,000	226,000	226,000	226,000	226,000	226,000	226,000
Reserve oil capacity (gallons)	3,120,000	3,120,000	-	-	-	-	-	-	-	-
Number of substations	11	11	7	7	7	7	7	7	7	8
Number of connections	33,150	33,920	34,609	35,174	35,716	36,819	37,660	38,758	39,536	40,482
Rural Electric system:										
Number of utility connections	16,881	17,556	18,328	19,068	20,155	21,121	21,637	22,048	22,911	23,520
Number of substations	13	15	19	20	21	21	20	23	24	23

Sources: Various City Departments

**CONTINUING FINANCIAL DISCLOSURE TABLES
(UNAUDITED)**

The Continuing Financial Disclosure Tables present various financial data originally distributed in a debt official statement. The City is required to update financial tables originally distributed in a debt official statement within six months after the end of each fiscal year. This financial information is provided to the Municipal Securities Rulemaking Board (MSRB) annually via the Electronic Municipal Market Access (EMMA) system.

TYPE OF DEBT

TABLE SERIES

General Obligation Bonds	GO-1 – GO-13
Waterworks and Sewer System Revenue Bonds	RW-1 – RW-10
City Electric System Revenue Bonds	REC-1 – REC-7
Rural Electric System Revenue Bonds	RER-1 – RER-6

City of Bryan, Texas

Valuation, Exemptions and General Obligation Debt

As of September 30, 2021

Table GO-1

2020/2021 Market Valuation Established by Brazos Central Appraisal District (Excluding totally exempt property)	\$ 6,881,174,061
--	------------------

Less Exemptions/Reductions at 100% Market Value

Over 65 or Disabled Exemptions	\$ 68,134,908	
Homestead Cap Adjustment	37,128,056	
Disabled Veterans Exemptions	45,009,111	
Agricultural Land Use Reductions	86,052,312	
House Bill 366	238,964	
Pollution Control	3,140,177	
Prorated Exempt Property		
Freeport Exemptions	56,420,159	
Member of Armed Services Surviving Spouse	543,258	
Tax Abatement Reductions	<u>26,471,291</u>	<u>323,138,236</u>

2020/2021 Net Taxable Valuation - As reported on Table 6	<u>\$ 6,558,035,825</u>
--	-------------------------

General Obligation & Certificates of Obligation Debt Payable from Ad Valorem Taxes (as of 9/30/21)	\$ 221,850,000
--	----------------

Less : Self Supporting Debt	<u>75,519,313</u>
-----------------------------	-------------------

Net General Obligation Debt Payable from Ad Valorem Taxes	<u>\$ 146,330,687</u>
---	-----------------------

General Obligation Interest and Sinking Fund as of 9/30/2021	\$ 1,782,431
--	--------------

Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation	2.23%
---	-------

2021 Estimated Population - 93,590

Per Capita Taxable Assessed Valuation - \$70,072

Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$1,564

City of Bryan, Texas

Taxable Assessed Valuations by Category

As of September 30, 2021

Table GO-2

Category	2021		2020		2019		2018		2017	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 3,669,081,582	53.32%	\$ 3,416,834,372	52.55%	\$ 3,139,991,048	51.39%	\$ 2,802,892,990	49.32%	\$ 2,577,811,355	50.17%
Real, Residential, Multi-Family	804,092,274	11.69%	810,482,665	12.46%	728,173,960	11.92%	705,283,398	12.41%	578,131,572	11.25%
Real, Vacant Lots/Tracts	130,584,891	1.90%	120,275,066	1.85%	115,613,691	1.89%	117,089,094	2.06%	111,945,902	2.18%
Real, Acreage (Land Only)	141,801,524	2.06%	126,471,466	1.95%	129,123,967	2.11%	129,832,700	2.28%	130,963,999	2.55%
Real, Farm and Ranch Improvements	256,180	0.00%	204,389	0.00%	206,441	0.00%	217,658	0.00%	208,882	0.00%
Real, Commercial and Industrial	1,213,975,277	17.64%	1,166,152,156	17.93%	1,098,932,694	17.99%	1,045,327,129	18.39%	999,459,891	19.45%
Real, Oil, Gas and Other Mineral Reserves	43,007,626	0.63%	66,858,011	1.03%	28,032,362	0.46%	30,334,072	0.53%	30,428,168	0.59%
Real and Tangible Personal, Utilities	53,750,365	0.78%	51,944,056	0.80%	49,625,553	0.81%	48,417,243	0.85%	48,340,636	0.94%
Tangible Personal, Business	723,234,524	10.51%	652,685,520	10.04%	734,721,099	12.02%	597,250,830	10.51%	585,427,914	11.39%
Tangible Personal, Other	34,441,117	0.50%	33,211,030	0.51%	31,226,610	0.51%	29,290,890	0.52%	21,757,540	0.42%
Real, Inventory and Special Inventory	66,948,701	0.97%	56,996,826	0.88%	54,528,790	0.89%	177,408,197	3.12%	53,947,961	1.05%
Total Appraised Value before Exemptions	6,881,174,061	100.00%	6,502,115,557	100.00%	6,110,176,215	100.00%	5,683,344,201	100.00%	5,138,423,820	100.00%
Less: Total Exemptions/Reductions	323,138,236		300,760,635		320,825,723		247,224,761		240,621,455	
Taxable Assessed Value	<u>\$ 6,558,035,825</u>		<u>\$ 6,201,354,922</u>		<u>\$ 5,789,350,492</u>		<u>\$ 5,436,119,440</u>		<u>\$ 4,897,802,365</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Brazos Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

City of Bryan, Texas

Valuation and General Obligation Debt History

As of September 30, 2021

Table GO-3

<u>Fiscal Year Ended 9-30</u>	<u>Estimated Population</u>	<u>Taxable Assessed Valuation ⁽¹⁾</u>	<u>Taxable Assessed Valuation Per Capita</u>	<u>G.O. Tax Debt Outstanding at End of Year ⁽²⁾</u>	<u>Ratio of G.O. Tax Debt to Taxable Assessed Valuation</u>	<u>G.O. Tax Debt Per Capita</u>
2017	83,260	4,897,802,365	58,825	132,865,000	2.71%	1,596
2018	84,021	5,436,119,440	64,700	133,065,000	2.45%	1,584
2019	85,445	6,201,354,922	72,577	121,215,000	1.95%	1,419
2020	86,268	6,201,354,922	71,885	179,100,000	2.89%	2,076
2021	83,980	6,558,035,825	70,072	221,850,000	3.38%	2,642

⁽¹⁾ As reported by the Brazos Central Appraisal District on City's annual State Property Tax Reports; subject to change during the ensuing year.

⁽²⁾ Includes self-supporting General Obligation Debt. See Table GO-1 Valuation, Exemptions and General Obligation Debt.

City of Bryan, Texas

Tax Rate, Levy and Collection History

As of September 30, 2021

Table GO-4

<u>Fiscal Year</u> <u>Ended 9/30</u>	<u>Tax Rate</u>	<u>General Fund</u>	<u>Interest and</u> <u>Sinking Fund</u>	<u>Tax Levy</u>	<u>% Current</u> <u>Collections</u>	<u>% Total</u> <u>Collections</u>
2017	0.629990	0.448172	0.181818	30,254,227	98.56%	98.91%
2018	0.629990	0.464587	0.165403	32,736,990	98.57%	100.72%
2019	0.629990	0.478708	0.151282	35,438,038	98.63%	100.78%
2020	0.629990	0.476018	0.153972	37,845,056	99.14%	100.30%
2021	0.629000	0.454001	0.174999	39,861,557	98.73%	99.50%

City of Bryan, Texas

Ten Largest Taxpayers

As of September 30, 2021

Table GO-5

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>2020/2021 Assessed Valuation</u>	<u>% of Total Taxable Assessed Valuation</u>
Sanderson Farms	Food Processing	\$ 64,750,620	0.99%
Liquidpower Specialty Products	Manufacturing	48,442,720	0.74%
Waypoint ZI TXA&M ST Owner LLC	Student Housing	35,100,000	0.54%
Comcapp Willowick LLC	Apartments	34,139,535	0.52%
Jamespoint Management Co	Apartments	30,891,580	0.47%
Saint-Gobain Norpro Corporation	Manufacturing	26,267,869	0.40%
SW Meadows Point LP	Apartments	26,154,962	0.40%
Hawkwood Energy Operating LLC	Gas Company	25,894,356	0.39%
Residences at Oakmont Investors LP	Apartments	25,759,776	0.39%
Wal-Mart Real Estate Business Trust	Business Services Sector	23,953,629	0.37%
		<u>\$ 341,355,047</u>	<u>5.21%</u>

City of Bryan, Texas

Debt Information - General Obligation - Debt Service Requirements*

As of September 30, 2021

Table GO-6

Fiscal Year Ended	DEBT SERVICE REQUIREMENTS - General Obligation Debt			Less Self Supporting Debt			Total Debt Service		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 13,830,000	\$ 6,455,272	\$ 20,285,272	\$ 6,072,720	\$ 2,295,516	\$ 8,368,236	\$ 7,757,280	\$ 4,159,756	\$ 11,917,036
2023	13,425,000	6,017,368	19,442,368	5,361,879	2,100,208	7,462,087	8,063,121	3,917,160	11,980,281
2024	13,945,000	5,621,801	19,566,801	5,560,316	1,951,709	7,512,025	8,384,684	3,670,092	12,054,775
2025	13,325,000	5,149,109	18,474,109	5,506,918	1,754,697	7,261,615	7,818,082	3,394,412	11,212,494
2026	10,990,000	4,741,680	15,731,679	3,808,947	1,608,025	5,416,973	7,181,053	3,133,654	10,314,707
2027	9,455,000	4,392,793	13,847,793	3,381,606	1,502,157	4,883,763	6,073,394	2,890,636	8,964,030
2028	9,895,000	4,082,452	13,977,452	3,523,575	1,402,779	4,926,353	6,371,425	2,679,674	9,051,099
2029	9,460,000	3,750,341	13,210,341	3,471,928	1,295,638	4,767,567	5,988,072	2,454,703	8,442,775
2030	8,995,000	3,456,205	12,451,205	3,194,682	1,191,738	4,386,420	5,800,318	2,264,467	8,064,785
2031	8,810,000	3,181,774	11,991,774	3,277,359	1,096,913	4,374,272	5,532,641	2,084,861	7,617,502
2032	8,765,000	2,955,703	11,720,703	3,285,542	1,000,558	4,286,099	5,479,458	1,955,146	7,434,604
2033	9,155,000	2,728,317	11,883,317	3,452,431	901,364	4,353,796	5,702,569	1,826,953	7,529,522
2034	9,130,000	2,486,855	11,616,855	3,196,674	796,014	3,992,688	5,933,326	1,690,841	7,624,166
2035	9,050,000	2,245,771	11,295,771	3,353,394	700,786	4,054,180	5,696,606	1,544,985	7,241,591
2036	9,450,000	2,003,703	11,453,703	3,508,851	599,071	4,107,921	5,941,149	1,404,633	7,345,782
2037	9,255,000	1,742,817	10,997,817	3,604,015	489,851	4,093,866	5,650,985	1,252,966	6,903,951
2038	9,690,000	1,479,795	11,169,795	3,783,040	374,544	4,157,584	5,906,960	1,105,251	7,012,211
2039	9,380,000	1,198,275	10,578,275	3,971,287	251,157	4,222,444	5,408,713	947,118	6,355,831
2040	7,730,000	922,335	8,652,335	2,062,495	119,859	2,182,354	5,667,505	802,476	6,469,981
2041	2,835,000	713,031	3,548,031	215,183	61,262	276,445	2,619,817	651,769	3,271,586
2042	2,905,000	642,156	3,547,156	220,514	55,883	276,397	2,684,486	586,273	3,270,759
2043	2,980,000	569,531	3,549,531	225,845	50,370	276,215	2,754,155	519,161	3,273,316
2044	3,055,000	495,031	3,550,031	231,661	44,724	276,385	2,823,339	450,307	3,273,646
2045	3,130,000	418,656	3,548,656	237,477	38,932	276,409	2,892,523	379,724	3,272,247
2046	2,510,000	340,406	2,850,406	243,293	32,995	276,288	2,266,707	307,411	2,574,118
2047	2,575,000	277,656	2,852,656	249,593	26,913	276,506	2,325,407	250,743	2,576,150
2048	2,640,000	213,281	2,853,281	255,893	20,673	276,567	2,384,107	192,608	2,576,715
2049	2,705,000	143,981	2,848,981	262,194	13,956	276,150	2,442,806	130,025	2,572,831
2050	2,780,000	72,975	2,852,975	-	-	-	2,780,000	72,975	2,852,975
	<u>\$ 221,850,000</u>	<u>\$ 68,499,073</u>	<u>\$ 290,349,073</u>	<u>\$ 75,519,313</u>	<u>\$ 21,778,294</u>	<u>\$ 97,297,607</u>	<u>\$ 146,330,687</u>	<u>\$ 46,720,780</u>	<u>\$ 193,051,467</u>

*Includes all General Obligation Bonds (CO's and GO's) - Not reported net of premium or discount

City of Bryan, Texas

Interest and Sinking Fund Budget Projection

As of September 30, 2021

Table GO-7

Estimated Debt Service Requirements, Fiscal Year Ending 9-30-22		\$ 14,243,631 ⁽¹⁾
Interest and Sinking Fund, 09-30-21	1,782,431	
2022 Interest and Sinking Fund Tax Levy Collection	12,454,223	
Delinquent Tax Collections	90,000	
Budget Transfers	1,838,832	
Estimated Investment and Other Income	<u>369,742</u>	<u>16,535,228</u>
Estimated Balance, 9-30-22		<u><u>\$ 2,291,597</u></u>

⁽¹⁾ Fiscal Year 2022 Budget Projection.

City of Bryan, Texas

Computation of Self-Supporting Debt ⁽¹⁾

As of September 30, 2021

Table GO-8

Net System Revenue, FYE 9-30-21	\$ 279,007,866
Less: System Revenue Bond Requirements, For Fiscal Year Ending 09-30-22	<u>29,780,129</u>
Balance Available for Other Purposes	<u>\$ 249,227,737</u>
Self Supporting System GO and CO Bond Requirements, For Fiscal Year Ending 09-30-22	\$ 8,368,236

Percentage of System General Obligation Bonds

Self Supporting

100%

⁽¹⁾ Self Supporting debt is primarily supported by revenues from Water and Sewer system, City Electric, Rural Electric, TIRZs, and BVSWMMA.

City of Bryan, Texas

Authorized by Unissued General Obligation Bonds

As of September 30, 2021

Table GO-9

Purpose	Date Authorized	Amount Authorized	Amount Previously Issued	Amount Being Issued	Unissued Balance
Streets	1-24-84	\$ 14,525,000	\$ 6,300,000	\$ -	\$ 8,225,000
Parks and Recreation	1-24-84	7,100,000	5,325,000	-	1,775,000
Railroad Grade Separation	1-24-84	3,200,000	350,000	-	2,850,000
Sanitary Landfill	1-24-84	1,000,000	800,000	-	200,000
		<u>\$ 25,825,000</u>	<u>\$ 12,775,000</u>	<u>-</u>	<u>\$ 13,050,000</u>

City of Bryan, Texas

Other Obligations

As of September 30, 2021

GO-10

The City has no Other Obligations outstanding as of September 30, 2021.

City of Bryan, Texas

General Fund Revenues and Expenditure History (modified accrual basis)

For the Year Ended September 30, 2021

Table GO-11

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
Revenues					
Taxes	\$ 54,270,342	\$ 52,804,791	\$ 50,859,078	\$ 46,151,848	\$ 42,325,729
Licenses and Permits	1,382,111	1,029,792	764,522	976,345	916,481
Grants	1,364,282	1,384,624	1,368,160	1,463,165	1,377,629
Charges for Services	4,353,023	6,594,140	5,895,651	5,877,052	5,504,971
Investment Earnings	95,373	395,995	951,435	277,611	199,309
Fines and Forfeitures	1,256,660	1,298,601	1,590,251	1,731,098	1,730,417
Miscellaneous	1,980,693	2,302,344	2,470,980	2,171,515	2,394,054
Total Revenues	64,702,484	65,810,286	63,900,077	58,648,634	54,448,590
Expenditures					
General Government	16,735,476	20,202,351	19,262,481	17,027,321	16,066,047
Reimbursed Administrative Expenses	-	(6,093,231)	(5,934,384)	(3,351,396)	(3,037,162)
Public Safety	43,443,049	38,464,623	41,183,383	38,275,438	36,808,455
Development Services	4,289,061	3,986,465	3,856,481	3,994,057	5,529,511
Public Works	3,548,004	3,541,682	3,801,853	3,831,721	3,859,511
Cultural and Recreational	6,877,350	7,666,287	8,620,116	9,411,660	7,507,653
Capital Outlay	2,125,375	5,357,920	3,771,758	4,572,309	6,486,135
Total Expenditures	77,018,315	73,126,097	74,561,688	73,761,110	73,220,150
Excess (Deficit) Revenues					
Over (Under) Expenditures	(12,315,831)	(7,315,811)	(10,661,611)	(15,112,476)	(18,771,560)
Operating Transfers In	18,707,421	20,675,742	15,736,811	16,196,215	13,647,984
Operating Transfers Out	(1,771,838)	(1,047,944)	(885,674)	(632,511)	(516,357)
Sale of Capital Assets	105,467	836,126	397,064	61,557	51,367
Total Other	17,041,050	20,463,924	15,248,201	15,625,261	13,182,994
Net Increase (Decrease)	4,725,219	13,148,113	4,586,590	512,785	(5,588,566)
Beginning Fund Balance	46,211,970	33,063,857	28,477,267	27,964,482	33,553,048
Ending Fund Balance	\$ 50,937,189	\$ 46,211,970	\$ 33,063,857	\$ 28,477,267	\$ 27,964,482

City of Bryan, Texas

Changes in Net Position

For the Year Ended September 30, 2021

Table GO-11A

	Governmental Activities				
	2021	2020	2019	2018	2017
Revenues					
Program Revenues					
Charges for Services	\$ 7,018,000	\$ 8,947,994	\$ 8,285,282	\$ 8,622,165	\$ 8,191,986
Operating Grant and Contributions	4,020,453	7,671,725	3,134,487	2,963,921	3,040,292
Capital Grants and Contributions	7,740,216	14,726,449	9,041,299	4,885,776	2,657,984
General Revenues					
Property Taxes	41,610,800	39,370,526	37,035,640	34,140,282	31,409,788
Other Taxes	36,508,787	34,923,687	27,888,008	25,639,332	23,657,404
Other	8,927,005	4,294,197	15,726,022	13,197,102	12,288,692
Total Revenues	105,825,261	109,934,578	101,110,738	89,448,578	81,246,146
Expenditures					
General Government and Administration	17,129,907	16,179,781	17,828,658	17,843,501	17,481,720
Development Services	6,746,206	6,438,717	8,063,283	6,077,939	8,956,465
Public Works Services	13,186,070	12,867,878	15,122,805	17,923,447	20,061,531
Public Safety	45,774,029	46,256,622	44,658,085	41,229,027	39,753,105
Culture and Recreation	10,779,452	10,833,728	11,620,981	12,799,663	9,827,528
Interest on Long Term Debt	5,689,781	2,816,111	2,786,148	2,815,131	2,732,128
Total Expenditures	99,305,445	95,392,837	100,079,960	98,688,708	98,812,477
Decrease in Net Position Before Transfers	6,519,816	14,541,741	1,030,778	(9,240,130)	(17,566,331)
Transfers	12,136,417	34,859,304	14,547,109	13,866,017	15,432,345
Change in Net Position After Transfers	18,656,233	49,401,045	15,577,887	4,625,887	(2,133,986)
Net Position - October 1	175,861,575	126,460,530	110,882,643	106,256,756	116,064,315
Net Position- Sept 30	<u>\$ 194,517,808</u>	<u>\$ 175,861,575</u>	<u>\$ 126,460,530</u>	<u>\$ 110,882,643</u>	<u>\$ 113,930,329</u>

* Net Position for FY 2018 restated.

City of Bryan, Texas**Municipal Sales Tax History**

For the Year Ended September 30, 2021

Table GO-12

The City has adopted the Municipal Sales and Use Tax Act, Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City. The proceeds are credited to the General Fund and are not pledged to the payment of debt. The Sales and Use Tax is collected by the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly. In addition, the Tax Code provides certain cities the option of assessing a maximum one-half percent (1/2%) sales tax on retail sales of taxable items for the purpose of reducing its ad valorem, taxes, if approved by a majority of the voters in a local option election. If the additional tax is approved and levied, the ad valorem property tax levy must be reduced by the estimated amount of the sales tax revenues to be generated in the current year.

Subject to the approval of a majority of the voters in a local option election, state law also provides certain cities the option of assessing a sales and use tax for a variety of other purposes, including economic and industrial development, municipal street maintenance and repair, and sports and community venues.

State law limits the maximum aggregate sales and use tax rate in any area to 8 1/4%. Accordingly, the collection of local sales and use taxes in the area of the City (including sales and use taxes levied by the County) is limited to no more than 2%.

In addition to the one percent (1%) local sales and use tax referred to above, voters of the City approved an additional sales and use tax of one-half of one percent (1/2 of 1%) for property tax reductions effective October 1, 1990. The following table sets forth the City's historical collections of sales and use taxes.

<u>Fiscal Year Ended 9/30</u>	<u>Tax Collected</u>	<u>% of Ad Valorem Tax Levy</u>	<u>Equivalent of Ad Valorem Tax Rate</u>	<u>Per Capita</u>
2017	\$ 19,608,634	64.81%	\$ 0.4083	\$ 235.51
2018	21,290,148	65.03%	0.4097	253.39
2019	23,580,209	66.54%	0.4192	273.34
2020	24,465,953	64.65%	0.4073	340.35
2021	25,477,704	63.92%	0.4027	272.23

City of Bryan, TexasCurrent Investments and Cash Deposits ⁽¹⁾

For the Year Ended September 30, 2021

Table GO-13

As of September 30, 2021 the following percentages of the City's investable funds were invested in the following investment categories.

<u>Type of Investment</u>	<u>Carrying Value</u>	<u>Percentage</u>
U.S. Agencies and Treasuries	\$ 11,784,330	6.4%
Government Pools	3,001,464	1.6%
Demand Deposits	168,153,143	91.9%
Total Investable Funds	<u>\$ 182,938,937</u>	<u>100.0%</u>

⁽¹⁾ This table excludes City Electric and Rural Electric investments.

City of Bryan, Texas

Historical Water Consumption (Gallons)

Last Five Fiscal Years

Table RW-1

Fiscal Year Ended 9/30	Daily Average Usage	Peak Daily Usage	Total Usage
2017	11,046,148	22,733,000	4,031,844,200
2018	11,268,994	24,465,000	4,113,182,700
2019	10,260,717	24,017,000	3,745,161,600
2020	11,126,408	23,439,000	4,072,265,200
2021	10,226,205	26,260,000	3,732,564,900

City of Bryan, Texas

Ten Largest Water and Wastewater Customers (Based on Gallons of Water Consumed)

For the Year Ended September 30, 2021

Table RW-2

Customer	Type of Industry	Water Usage	% of Total Water Usage
Wellborn Special Utility District	Utility District	235,373,700	6.31%
BISD	Public School	76,729,500	2.06%
Brazos County	County Government	67,895,200	1.82%
St. Joseph Hospital	Health Care Facility	67,660,200	1.81%
Comcapp Bryan	Housing	46,445,000	1.24%
City of Bryan	Local Government	44,281,500	1.19%
Saint-Gobain Norpro	Manufacturing	40,693,100	1.09%
Federal Prison Camp	Correctional Facility	38,666,800	1.04%
TDCJ - Hamilton Unit	Correctional Facility	37,716,900	1.01%
Wickson Water Supply	Utility District	31,647,000	0.85%
Total		<u>687,108,900</u>	<u>18.41%</u>
Total gallons of water sold		3,732,564,900	

City of Bryan, Texas**Monthly Water Rates**

For the Year Ended September 30, 2021

Table RW-3

Water Class	Minimum Customer Charge Per Month	Volume Charge Per 1,000 Gallons 0-30,000 Gallons	Volume Charge Per 1,000 Gallons 30,001-50,000 Gallons	Volume Charge Per 1,000 Gallons >50,000 Gallons
Residential	\$ 8.31	\$ 2.76	\$ 3.00	\$ 3.50
Commercial/Industrial	13.74	2.38	2.38	2.38
Bryan Public Schools	13.74	2.38	2.38	2.38
Interdepartmental	13.74	2.38	2.38	2.38
Special Contracts	13.74	4.05	4.05	4.05
Bulk Sales	N/A	11.08	11.08	11.08

City of Bryan, Texas

Wastewater Treated (Gallons)

Last Five Fiscal Years

Table RW-4

Fiscal Year Ended 9/30	Daily Average	Monthly Average	Total Treated	Total Fiscal Year End Revenue
2017	7,070,904	215,073,333	2,580,880,000	13,111,998
2018	6,928,060	211,305,833	2,535,670,000	13,343,497
2019	7,783,033	237,382,500	2,848,590,000	13,122,328
2020	7,066,411	214,936,667	2,579,240,000	13,387,061
2021	7,551,836	229,701,667	2,756,420,000	13,625,996

City of Bryan, Texas

Monthly Wastewater Rates

For the Year Ended September 30, 2021

Table RW-5

<u>Wastewater Class</u>	<u>Customer Charge Per Month</u>	<u>Volume Charge Per 1,000 Gallons</u>
Non Commercial	\$ 7.88	\$ 4.03
Commercial/Industrial	7.88	3.80

City of Bryan, Texas

Debt Information - Waterworks and Sewer System Debt Service Requirements*

As of September 30, 2021

Table RW-6

Fiscal Year Ended	Principal	Interest	Total	% of Principal Retired
2022	4,840,000	885,646	5,725,646	
2023	2,635,000	738,965	3,373,965	
2024	2,580,000	669,773	3,249,773	
2025	2,720,000	599,537	3,319,537	
2026	2,775,000	516,583	3,291,583	51.35%
2027	2,830,000	434,161	3,264,161	
2028	2,815,000	351,977	3,166,977	
2029	2,850,000	268,032	3,118,032	
2030	2,365,000	177,595	2,542,595	
2031	905,000	110,151	1,015,151	38.85%
2032	930,000	83,761	1,013,761	
2033	350,000	56,574	406,574	
2034	365,000	46,739	411,739	
2035	375,000	36,359	411,359	
2036	385,000	25,709	410,709	7.94%
2037	105,000	14,747	119,747	
2038	110,000	12,006	122,006	
2039	115,000	9,135	124,135	
2040	115,000	6,134	121,134	
2041	120,000	3,132	123,132	1.87%
	<u>\$ 30,285,000</u>	<u>\$ 5,046,712</u>	<u>\$ 35,331,712</u>	<u>100.00%</u>

*Includes Only Revenue Bonds

City of Bryan, Texas**Waterworks and Sewer System Condensed Statement of Operations**

Last Five Years

Table RW-8

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
Revenues					
Waterworks	\$ 13,252,956	\$ 14,449,661	\$ 13,101,114	\$ 14,014,033	\$ 13,428,055
Sewer System	13,625,996	13,387,061	13,122,328	13,343,497	13,111,998
Interest Income	47,611	332,652	674,251	215,389	159,416
Total Revenues	<u>26,926,563</u>	<u>28,169,374</u>	<u>26,897,693</u>	<u>27,572,919</u>	<u>26,699,469</u>
Expenses ⁽¹⁾ :					
Waterworks	6,790,996	6,997,289	6,474,333	6,786,742	6,900,658
Sewer System	6,884,187	6,260,646	6,243,642	6,665,219	6,901,301
Total Expenses	<u>13,675,183</u>	<u>13,257,935</u>	<u>12,717,975</u>	<u>13,451,961</u>	<u>13,801,959</u>
Net Available for Debt Service	<u>\$ 13,251,380</u>	<u>\$ 14,911,439</u>	<u>\$ 14,179,718</u>	<u>\$ 14,120,958</u>	<u>\$ 12,897,510</u>
Water Connections	25,242	24,479	23,926	23,427	23,223
Sewer Connections	25,655	24,691	23,968	23,373	22,907

⁽¹⁾ Excludes depreciation and amortization and includes an adjustment to reflect actual pension contributions.

City of Bryan, Texas

Waterworks and Sewer System Coverage and Fund Balances

As of September 30, 2021

Table RW-9

Average Annual Principal and Interest Requirement, 2021-2041	\$ 1,766,586
Coverage of Average Requirements by 9-30-2021 Net Income	7.50 Times
Maximum Principal and Interest Requirements, 2022	5,725,646
Coverage of Maximum Requirements by 9-30-2021 Net Income	2.31 Times
Waterworks and Sewer System Revenue Bonds (September 30, 2021)	30,285,000
Interest and Sinking Fund (September 30, 2021)	109,470,485
Reserve Fund (September 30, 2021) ⁽¹⁾	1,610,573

⁽¹⁾ A Reserve Fund for the Waterworks and Sewer System Revenue Bonds has been established based on the Debt Service Requirements of Parity Obligations Outstanding. With the exception of the Series 2017 Waterworks and Sewer System Revenue Bonds, all outstanding Parity Obligations have satisfied the Reserve Fund Requirement with a cash deposit. The Series 2017 Bonds have satisfied the Reserve Fund Requirement with a surety bond issued by Build America Mutual Assurance Company ("BAM"), or any successor.

City of Bryan, TexasCurrent Investments and Cash Deposits ⁽¹⁾

For the Year Ended September 30, 2021

Table RW-10

As of September 30, 2021 the following percentages of the City's investable funds were invested in the following investment categories.

<u>Type of Investment</u>	<u>Carrying Value</u>	<u>Percentage</u>
U.S. Agencies and Treasuries	\$ 11,784,330	6.4%
Government Pools	3,001,464	1.6%
Demand Deposits	168,153,143	91.9%
Total Investable Funds	<u>\$ 182,938,937</u>	<u>100.0%</u>

⁽¹⁾ This table excludes City Electric and Rural Electric investments.

City of Bryan, Texas

City Electric Rates

As of September 30, 2021

Table REC-1

City Class	Customer Charge Per Month	Base		Regulatory ⁽¹⁾		Fuel Charge Per kWh ⁽¹⁾
		Per kW	Per kWh	Per kW	Per kWh	
Residential Winter (Nov. - Apr)	\$ 11.00	\$ -	\$ 0.0378	\$ -	\$ 0.0148	\$ 0.0298
Residential Summer (May - Oct.)	11.00	-	0.0505	-	0.0148	0.0298
Small Commercial	15.50	-	0.0455	-	0.0137	0.0298
Small Commercial Demand	37.00	9.39	0.0086	3.491	-	0.0298
Small Commercial Demand Time of Use	137.00	-	0.0314 -0.0918	-	0.0137	0.0298
General Service Commercial Time of Use	26.91	2.70 - 4.14	0.0142	-	0.0137	0.0298
Large Industrial	400.00	12.50	0.0075	4.729	-	0.0298
Primary Service	400.00	12.25	0.0074	4.634	-	0.0292
Transmission Service	1,725.00	12.68	0.0010	4.802	-	0.0286
Security Lighting Service	9.78 Per Lamp	-	-	-	-	0.0326
Street Lighting Service	4.75-10.85 Per Lamp	-	-	-	-	0.0326
Rural Electric Division	200,000.00	1.43	0.0136	5.300	-	0.0459

City of Bryan, Texas

Energy Sales by Types of Customers - City Electric

Last Five Years

Table REC-2

Type of Customer	2021		2020		2019		2018		2017	
	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold
Residential	410,581,454	27.25%	408,468,397	18.79%	405,211,713	19.26%	405,081,262	18.48%	381,240,516	18.40%
Commercial & Industrial	594,017,427	39.43%	599,807,744	27.59%	626,585,459	29.78%	613,770,945	28.00%	595,564,795	28.74%
Rural Electric Division	495,300,070	32.88%	496,104,086	22.82%	501,817,775	23.85%	493,829,123	22.53%	437,987,618	21.14%
Other Utilities	581,514	0.04%	663,662,296	30.53%	564,676,713	26.83%	672,960,293	30.70%	651,380,027	31.43%
Street Lights	6,094,095	0.40%	6,040,661	0.28%	6,101,842	0.29%	6,124,924	0.28%	6,138,552	0.30%
Total	<u>1,506,574,559</u>	<u>100.00%</u>	<u>2,174,083,183</u>	<u>100.00%</u>	<u>2,104,393,502</u>	<u>100.00%</u>	<u>2,191,766,547</u>	<u>100.00%</u>	<u>2,072,311,508</u>	<u>100.00%</u>

City of Bryan, Texas

Electric System Revenue Debt Service Requirements - City Electric

As of September 30, 2021

Table REC-3

Fiscal Year Ended	Principal	Interest	Total	% of Principal Retired
2022	\$ 10,215,000	\$ 10,490,221	\$ 20,705,221	
2023	9,985,000	10,720,556	20,705,556	
2024	10,460,000	10,248,588	20,708,588	
2025	10,960,000	9,751,838	20,711,838	
2026	11,510,000	9,203,838	20,713,838	20.08%
2027	12,075,000	8,628,338	20,703,338	
2028	12,680,000	8,024,588	20,704,588	
2029	13,330,000	7,390,588	20,720,588	
2030	13,995,000	6,724,088	20,719,088	
2031	14,690,000	6,024,338	20,714,338	25.24%
2032	14,620,000	5,378,294	19,998,294	
2033	13,245,000	4,822,344	18,067,344	
2034	11,990,000	4,271,681	16,261,681	
2035	11,165,000	3,760,375	14,925,375	
2036	11,630,000	3,291,625	14,921,625	23.68%
2037	12,110,000	2,803,200	14,913,200	
2038	9,850,000	2,312,850	12,162,850	
2039	10,215,000	1,947,100	12,162,100	
2040	10,580,000	1,590,450	12,170,450	
2041	10,950,000	1,220,950	12,170,950	20.30%
2042	6,960,000	855,475	7,815,475	
2043	7,180,000	629,725	7,809,725	
2044	4,590,000	396,450	4,986,450	
2045	4,720,000	268,125	4,988,125	
2046	4,850,000	135,950	4,985,950	10.70%
	<u>\$ 264,555,000</u>	<u>\$ 120,891,571</u>	<u>\$ 385,446,571</u>	<u>100%</u>

*Includes Only Revenue Bonds

City of Bryan, Texas

Authorized but Unissued Revenue Bonds - City Electric

As of September 30, 2021

Table REC-4

The City has not voted but unissued electric revenue bonds, and pursuant to State law, the City is not required to obtain the approval of voters to issue its Electric System revenue bonds.

City of Bryan, Texas

Condensed Statement of City Electric System Operations

Last Five Years

Table REC-5

	Fiscal Year Ended September 30				
	2021	2020	2018	2018	2017
Revenues					
City Electric System and Other Revenue	\$ 362,660,519	\$ 185,889,665	\$ 203,296,678	\$ 199,082,844	\$ 190,064,226
Investment Income	363,245	3,318,858	4,907,925	776,947	784,398
Total Revenues	363,023,764	189,208,523	208,204,603	199,859,791	190,848,624
City Electric System Expenses ⁽¹⁾	287,917,032	116,679,693	127,683,020	139,384,323	142,404,243
Net Available for Debt Service	<u>\$ 246,344,071</u>	<u>\$ 72,528,830</u>	<u>\$ 80,521,583</u>	<u>\$ 60,475,468</u>	<u>\$ 48,444,381</u>
BTU - City Electric Customers	40,482	39,536	38,758	37,660	36,819

⁽¹⁾ Excludes depreciation and amortization and include an adjustment to reflect actual pension contributions.

City of Bryan, Texas

City Electric Coverage and Fund Balances

As of September 30, 2021

Table REC-6

Average Annual Principal and Interest Requirement, 2022-2046	\$ 15,417,863
Coverage of Average Requirements by 9-30-2021 Net available for debt service	15.98 Times
Maximum Principal and Interest Requirements, 2022-2046	20,720,588
Coverage of Maximum Requirements by 9-30-2021 Net available for debt service	11.89 Times
Electric System Revenue Bonds, 9-30-2021	264,555,000
Interest and Sinking Fund (September 30, 2021)	4,811,840
Reserve Fund (September 30, 2021)	6,090,539

City of Bryan, Texas

Current Investments and Cash Deposits - City Electric

As of September 30, 2021

Table REC-7

As of September 30, 2021 the following percentages of BTU's City Electric investable funds were invested in the following investment categories.

<u>Type of Investment</u>	<u>Carrying Value</u>	<u>Percentage</u>
Demand deposits	\$ 81,131,365	67.12%
Investment in government pool	1,090,017	0.90%
Treasuries	5,052,750	4.18%
Texas political subdivisions	30,591,374	25.31%
Agency securities	3,008,790	2.49%
Totals	<u>\$ 120,874,296</u>	<u>100%</u>

City of Bryan, Texas

Rural Electric Rates

As of September 30, 2021

Table RER-1

Rural Class	Customer Charge Per Month	Base		Regulatory ⁽¹⁾		Fuel Charge Per kWh ⁽¹⁾
		Per kW	Per kWh	Per kW	Per kWh	
Residential Winter (Nov. - Apr)	\$ 12.00	\$ -	\$ 0.0461	\$ -	\$ 0.0145	\$ 0.0302
Residential Summer (May - Oct.)	12.00	-	0.0615	-	0.0145	0.0302
College Station Residential (Nov - Apr)	11.00	-	0.0418	-	0.0138	0.0302
College Station Residential (May - Oct)	11.00	-	0.0551	-	0.0138	0.0302
Small Commercial	16.00	-	0.0442	-	0.0114	0.0302
Small Commercial Demand	21.00	9.02	0.0104	2.407	-	0.0302
Secondary Service Demand Time of Use	137.00	-	0.0321 - 0.0939	-	0.0114	0.0302
General Service Commercial Time of Use	26.62	3.33 - 4.72	0.0152	-	0.0114	0.0302
Large Industrial	400.00	12.81	0.0077	4.847	-	0.0302
Large Industrial - Low Load Factor	400.00	6.28 - 6.80	-	5.230	-	0.0302
Primary Service	400.00	12.56	0.0075	4.750	-	0.0294
Secondary Service Irrigation	-	-	0.0866	-	0.0441	0.0302
Security Lighting Service	9.85 Per Lamp	-	-	-	-	0.0302
Street Lighting Service	6.61 - 15.36 Per Lamp	-	-	-	-	0.0302

(1) Regulatory and fuel charges are subject to change.

City of Bryan, Texas

Energy Sales by Types of Customers - Rural Electric

Last Five Years

Table RER-2

Type of Customer	2021		2020		2019		2018		2017	
	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold	Energy Sales (kWh)	% kWh Sold
Residential	309,725,064	68.19%	303,080,224	67.52%	302,390,163	66.64%	303,678,098	66.38%	272,097,488	66.79%
Commercial	144,451,850	31.81%	145,824,660	32.48%	151,363,808	33.36%	153,772,035	33.62%	135,320,494	33.21%
Total	<u>454,176,914</u>	<u>100.00%</u>	<u>448,904,884</u>	<u>100.00%</u>	<u>453,753,972</u>	<u>100.00%</u>	<u>457,450,133</u>	<u>100.00%</u>	<u>407,417,982</u>	<u>100.00%</u>

City of Bryan, Texas

Rural Electric System Revenue Debt Service Requirements

As of September 30, 2021

Table RER-3

Fiscal Year Ending	Principal	Interest	Total	% of Principal Retired
2022	\$ 1,625,000	\$ 1,724,263	\$ 3,349,263	
2023	1,495,000	1,858,075	3,353,075	
2024	1,570,000	1,783,325	3,353,325	
2025	1,640,000	1,704,825	3,344,825	
2026	1,725,000	1,622,825	3,347,825	16.25%
2027	1,815,000	1,536,575	3,351,575	
2028	1,905,000	1,445,825	3,350,825	
2029	1,995,000	1,350,575	3,345,575	
2030	2,090,000	1,258,225	3,348,225	
2031	2,175,000	1,168,075	3,343,075	20.13%
2032	2,275,000	1,074,225	3,349,225	
2033	2,370,000	976,025	3,346,025	
2034	2,460,000	889,875	3,349,875	
2035	2,180,000	800,425	2,980,425	
2036	2,255,000	718,725	2,973,725	23.28%
2037	2,335,000	642,675	2,977,675	
2038	2,410,000	563,875	2,973,875	
2039	2,500,000	482,475	2,982,475	
2040	2,580,000	397,975	2,977,975	
2041	2,670,000	310,725	2,980,725	25.20%
2042	2,080,000	220,375	2,300,375	
2043	2,150,000	152,400	2,302,400	
2044	1,065,000	82,000	1,147,000	
2045	1,095,000	55,375	1,150,375	
2046	1,120,000	28,000	1,148,000	15.15%
	<u>\$ 49,580,000</u>	<u>\$ 22,847,740</u>	<u>\$ 72,427,740</u>	<u>100.00%</u>

*Includes Only Revenue Bonds

City of Bryan, TexasCondensed Statement of Rural Electric System Operations
Last Five Years

Table RER-4

	Fiscal Year Ended September 30				
	2021	2020	2019	2018	2017
Revenues					
Rural Electric System	\$ 48,006,906	\$ 45,850,000	\$ 47,539,896	\$ 48,935,501	\$ 44,224,725
Investment Income	68,686	448,538	740,837	125,977	70,839
Total Revenues	48,075,592	46,298,538	48,280,733	49,061,478	44,295,564
Rural Electric System Expenses ⁽¹⁾	32,947,942	31,483,606	33,970,851	42,361,826	38,056,142
NET AVAILABLE FOR DEBT SERVICE	<u>\$ 15,127,650</u>	<u>\$ 14,814,932</u>	<u>\$ 14,309,882</u>	<u>\$ 6,699,652</u>	<u>\$ 6,239,422</u>
Rural Electric Customers	23,520	22,911	22,048	21,637	21,121

⁽¹⁾ Excludes Depreciation.

City of Bryan, Texas

Rural Electric Coverage and Fund Balances

As of September 30, 2021

Table RER-5

Average Annual Principal and Interest Requirement, 2022-2046	\$ 2,897,110
Coverage of Average Requirements by 9-30-2021 Net available for debt service	5.22 Times
Maximum Principal and Interest Requirements, 2022-2046	3,353,325
Coverage of Maximum Requirements by 9-30-2021 Net Available for debt service	4.51 Times
Rural Electric System Revenue Bonds, 9-30-2021	49,580,000
Interest and Sinking Fund (September 30, 2021)	601,270
Reserve Fund (September 30, 2021)	-

City of Bryan, Texas

Current Investments and Cash Deposits - Rural Electric

As of September 30, 2021

Table RER-6

As of September 30, 2021 the following percentages of BTU's Rural Electric investable funds were invested in the following investment categories.

<u>Type of Investment</u>	<u>Carrying Value</u>	<u>Percentage</u>
Demand deposits	\$ 9,438,752	74.59%
Investment pools	1,000,737	7.91%
Texas political subdivisions	1,037,920	8.20%
Agency securities	1,177,061	9.30%
Totals	<u>\$ 12,654,470</u>	<u>100%</u>



This page left blank intentionally.