

CITY OF BRYAN, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2023

Prepared by

City of Bryan Fiscal Services Department

CITY OF BRYAN, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended September 30, 2023

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CITY OF BRYAN

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April 22, 2024

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, 2023. The Annual Comprehensive Financial Report is purposed towards providing City Council, management, staff members, 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 of Bryan's independent auditor, Weaver and Tidwell, L.L.P., issued an unmodified or "clean" opinion of the City's financial statements for the year ended September 30, 2023. The independent auditor's report is located at the beginning of the financial section of this report and outlines roles and responsibilities for the parties involved in the audit, opinions of the auditors, information deemed to be of note from the auditor's perspective, and other miscellaneous information of note to stakeholders and readers.

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. Internal controls are designed in a manner in which costs should not exceed anticipated benefits, with the ultimate objective being to provide reasonable, rather than absolute, assurance 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 in an area referred to as the Brazos Valley, approximately 100 miles northwest of Houston and approximately 90 miles east of Austin. Bryan serves as the county seat for Brazos County. Sharing common borders, the cities of Bryan and College Station are home to the Texas A&M University System. The City of Bryan has an estimated population of 93,590 and a total land area of 55.3 square miles.

The City of Bryan is a home rule city operating under the council-manager form of government. The Bryan City Council, which is comprised of the mayor, five members representing individual districts, and one at-large councilmember, are entrusted with policy making and legislative authority. The city manager is appointed by the City Council and is responsible for the daily management of all City operations.

The Bryan City Council annually adopts 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, and is utilized as a policy-making tool to guide operations of the City each fiscal year. 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.

CITY OF BRYAN TEXAS

The City of Bryan provides the full range of municipal services established by 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, water, sewer, and solid waste systems. Certain internal services, which are accounted for on a cost reimbursement basis, such as general warehouse operations, risk management services, and employee health and disability insurance programs are provided to both the City's individual departments and the employees therein. These internal services are purposed towards eliminating the need to access the private marketplace for services that would be either cost prohibitive or inefficient otherwise.

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

FACTORS AFFECTING FINANCIAL CONDITION

Similar to the neighboring City of College Station, and other Texas towns of similar size, Bryan is continuing to manage fluctuations in the national economy that can be felt at the local level. Due to increased inflation and unprecedented economic growth during FY 2023 and preceding fiscal years, local sales tax revenues have exceeded historic levels. Sectors that have seen increases include: food services, retail, and general services. FY 2023 property tax revenues, which are based on January 2022 property values, increased compared to FY 2022 by 12.6% due to new construction and growth in the commercial and residential sectors as well as growth in existing values.

Bryan and College Station are the economic centers of the Brazos Valley region, comprised of Brazos County and the surrounding seven counties. Texas A&M University, with a student enrollment of more than 74,000, 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 10,000. With the continued development of the RELLIS campus, the student population of the area is expected to continue to climb over the next several years.

Though not completely immune from factors that affect the state and national economies, the area is somewhat insulated due to the concentration of several stable, growing employment sectors including education, government, and health care, with six of the area's top ten employers being categorized in these sectors.

Historically, the Bryan-College Station area's unemployment rate has been among the lowest in the state. The unemployment rate for the Bryan and College Station area was 2.6%, compared to 3.9% state-wide and 3.7% nationwide, as of December of 2023. This low rate is an indication that the College Station-Bryan area finds itself uniquely positioned to handle major macroeconomic changes and maintains a robust job market that will continue to grow. These factors make the Bryan-College Station metropolitan statistical area an attractive location for new businesses and continued economic development and investment.

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, with construction beginning in FY 2021 and the park opening in January 2022. The park also includes improved baseball fields ("Travis Park Fields") adjacent to Bombers Stadium, future improvements will include an amphitheater and walking trails. In December of 2022, the indoor sports facility ("Legends Events Center") opened and began hosting various sporting events and tournaments. Total investment in the park is projected to be approximately \$120 million.

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During FY 2023, the Bryan City Council approved an interlocal agreement between the City of Bryan and Texas A&M University System for the development and operation of a shared-use, indoor tennis and multipurpose facility at Travis Bryan Midtown Park. Texas A&M is currently the only school in the SEC without an indoor tennis facility. The approximately 65,000-square-foot facility will be constructed to encompass six tennis courts, that will meet United States Tennis Association and National Collegiate Athletic Association standards, and allow for other sport and event opportunities. Texas A&M will pay the City of Bryan a license fee in an amount not to exceed \$675,000 each year during the 30-year agreement. The City of Bryan will construct, own, maintain, and operate the facility. The facility is expected to be completed 24 months after both parties sign the agreement.

In 2016, the Texas A&M System established the RELLIS campus on the west side of Bryan. The RELLIS campus initiative was established to create new research and development opportunities to help companies transfer ideas from the laboratory to the marketplace, while simultaneously offering a new path toward a college degree. The campus, located on approximately 2,000 acres, initially includes a cluster of seven new buildings and testing environments to encourage the private sector development of 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 is planned 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 pipeline of introducing emerging technology into the marketplace, effectively closing the gap between concept and combat. In early 2021, the 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 \$430 million.

Today, the Traditions, BioCorridor, and Lake Walk developments, including Lake Walk Town Center, 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 Kanji Sushi, a modern Japanese restaurant. In November 2020, BCD, through the existing Bryan/Traditions, L.P. Partnership, purchased the Design Spark Innovation Center (formerly called Lake Walk Innovation Center or the "Center"). The property, which includes a 27,000 square foot office building and eight acres of land, is marketed by the Bryan/Traditions, L.P. partnership as a multi-company business campus. The Center focuses on attracting and incubating startup and early stage companies with the express purpose of cultivating them to the point at which they can independent operate within the Brazos Valley. On November 2, 2023, The Bryan/Traditions Partnership sold the Lakewalk Innovation Center. Bryan Commerce and Development (BCD) Fund received proceeds of \$7,050,000 for their portion of the interest in the Bryan/Traditions Partnership.

CITY OF BRYAN TEXAS

In December 2023, BTU launched an Integrated Resources Planning (IRP) process for 2028 and beyond. BTU expects this IRP will take approximately 6 months and will result in the procurement of additional resources to serve BTU's capacity needs in a reliable and cost-effective manner.

LONG-TERM FINANCIAL PLANNING

Annually preparation of a five-year financial forecasts is made to ensure current revenue and expense levels are sustainable. The City began FY 2023 with 194 days of operating cash in the General Fund. Through strategic planning, the City Council is helping to ensure the sustained long-term financial health of the City. The City Council and management are confident its operating flexibility, combined with an FY 2023 ending fund balance of 152 days of operating cash, will enable the City to maintain sound financial metrics and continued commitment to high quality service provision.

In FY 2023, staff continued progress on the City Council approved five-year Capital Improvement Plan ("CIP") adopted in FY 2021. This five year CIP is for long-term and short-term capital needs. Debt payments are structured so 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 was adopted at the end of FY 2023.

In February 2024, the City of Bryan issued revenue bonds dated February 27, 2024 ("Rural Electric System Revenue Bonds, Series 2024") totaling \$14,465,000 for the Rural Electric System. The proceeds from the sale of these bonds will be used to expand rural distribution.

In March 2024, the City of Bryan issued combination tax and revenue certificates of obligation dated March 5, 2024 ("Combination Tax and Revenue Certificates of Obligation, Series 2024") totaling \$44,360,000. The proceeds from the sale of the 2024 Bonds will be used to continue progress on the City's CIP. The projects include constructing, acquiring, improving, renovating, expanding and developing parks and recreation facilities, airport improvements, and related infrastructure, vehicles, and equipment, including the Tennis/Mixed Use Indoor Facility at Travis Bryan Midtown Park project. Surrounding infrastructure and other streets and drainage capital improvement projects also were identified as being recipients of the revenue from this generation of debt.

In FY 2023, the City retired a total of \$28,315,000 in debt principal.

RELEVANT FINANCIAL POLICIES

Fund balance/operating reserve policies play a pivotal role in financial planning decisions for the City of Bryan. The City Council formally adopted the City of Bryan Financial Management Policy Statements, which outline the specific reserve policies for all major funds based on fund risks. The policies state the City will maintain an operating cash balance equal to a minimum of 60 days of operating budget for the General Fund and most other funds, and a minimum of 225 days of reserves in the City Electric Fund to be used for unanticipated events. 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. The Committee reviews investments with regard to suitability, preservation of principal, liquidity, marketability, diversification, and yield. The Committee also monitors compliance with state law applicable to municipal investment. Staff provides a quarterly report of investments for the

CITY OF BRYAN TEXAS

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 2023, the City complied with all aspects of the Investment Policy. 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



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CITY OFFICIALS

Elected Officials

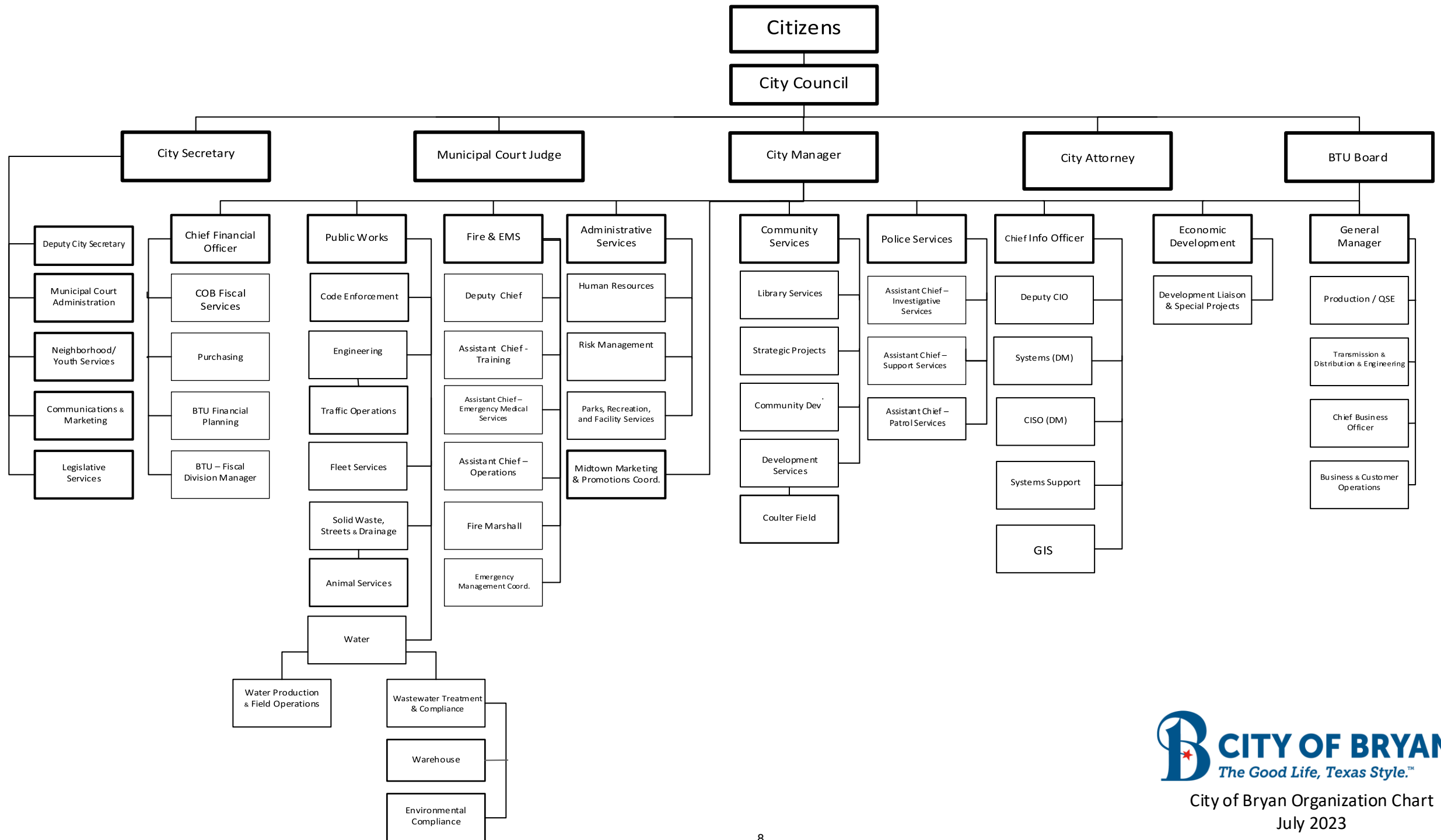
Mayor	Bobby Gutierrez	979-209-5008
Single Member District 1	Paul Torres	979-209-5008
Single Member District 2	Ray Arrington	979-209-5008
Single Member District 3	Jared Salvato	979-209-5008
Single Member District 4	James Edge	979-209-5008
Single Member District 5	Marca Ewers-Shurtleff	979-209-5008
At-Large	Kevin Boriskie	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	VACANT	979-209-5400
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	Cray Crouse	979-209-5470
Development Services Director	Kevin Russell	979-209-5016
Public Works Director	Jayson Barfknecht	979-209-5929
Fire Chief	Richard Giusti	979-209-5971
Police Chief	Eric Buske	979-209-5387
BTU General Manager	Gary Miller	979-821-5750



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements 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, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of City of Bryan, Texas and Brazos County Economic Development Foundation, Inc. (BBCEDF), a joint venture of the City, which represents 1%, 2%, and 0% respectively, of the assets, net position and revenues of the governmental activities; the financial statements of Bryan Business Council, Inc. (BBC), a discretely presented component unit of the City, which represents 100% of the assets, net position and revenues of the discretely presented component unit; and the financial statements of Brazos Valley Solid Waste Management Agency (BVSWMA), a joint venture of the City, or Destination Bryan, a blended component unit of the City, which together represent 16%, 18%, and 2%, respectively, of the assets, fund balance/net position and revenues/additions of the aggregate remaining fund information. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for BBCEDF, BBC, BVSWMA, and Destination Bryan, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller general of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements of BBCEDF, BBC, BVSWMA and Destination Bryan were not audited in accordance with *Government Auditing Standards*. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

Emphasis of Matter – Implementation of New Accounting Standard

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2023, the City implemented Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and 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 and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory, statistical section and continuing financial disclosure tables, as listed in the table of contents, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 19, 2024 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 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
April 19, 2024

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

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, 2023. 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 1-5 of this report.

Financial Highlights

Government-wide financial statements

- Assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$976,645,231 (net position).
- unrestricted net position was \$231,348,290; these funds may be used to meet ongoing obligations to citizens and creditors.
- total net position increased by \$90,813,368 due to operations during FY 2023; 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, unamortized loss on refunded debt, and accumulated decrease in fair value of hedging derivatives. Deferred outflows increased by \$33,880,292, due to changes in other post-employment benefits as described throughout this document.
- Deferred inflows include amounts related to pensions, other post-employment benefits, and deferred regulatory liability. Deferred inflows decreased by \$25,984,876, due to changes in pensions, unamortized gain on refunded debt, and deferred lease receivables.
- total debt, net of premiums and discounts, decreased by \$30,732,561, or 5.0% (see note 5 on page 76 of this document for more information).
 - \$30,732,561 in net outstanding debt was retired during FY 2023.
 - \$29,630,000 of outstanding debt (principal) is due within one year as of September 30, 2023.

Fund Financial Statements

- Total Governmental Funds reported combined ending fund balances of \$127,941,244.
 - Governmental fund balances decreased in FY 2023 compared to FY 2022 by \$21,600,456.
 - The General Fund fund balance decreased by \$10,964,760. See general fund highlights below on page 23.
 - The Debt Service Fund fund balance increased by \$705,030 primarily due to higher investment interest rates.
 - Other governmental funds balances of \$50,954,092 decreased by \$11,340,726 from the prior year. The change reflects the spending the funds in the Midtown Park Construction Fund and bond proceeds in the capital projects funds.
 - The unassigned fund balance of \$18,521,318, or 14.5%, is available for spending at the City's discretion for ongoing expenditures.
- General Fund unassigned fund balance was \$19,128,574, or 36.7% of total General Fund expenditures during FY 2023. This represents 70 days of cash based on the FY 2024 budgeted expenditures. Combined with the amounts assigned for encumbrances, the General Fund fund

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

balance available for operations is \$41,830,361 representing 152 days of cash at September 30, 2023.

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. While these financial statements are not particularly useful for the users and stakeholders of the financials, they are required by GASB standards and are therefore included in the financials.

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.

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, which encompasses the city's economic development activities.

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

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

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 32-34 of this report.

Fund Financial Statements. The fund financial statements are prepared on the basis of funds. A fund is a 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-three (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 Debt Service Fund, both of which are considered to be major funds (2). Data from seventeen (17) special revenue funds, five (5) 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.

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 123).

The basic governmental fund financial statements can be found on pages 36-39 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,

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

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 155).

The basic proprietary fund financial statements can be found on pages 40-45 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 47-49 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 51-118 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 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 119-124 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 129-164 of this report.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

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 \$976,645,231 as of September 30, 2023.

The largest portion of the City's net position, \$684,045,082, or 70.0%, 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, \$61,251,859, or 6.3%, represents resources that are subject to external restrictions on their usage. The remaining balance of unrestricted net position, \$231,348,290, or 23.7%, may be used to meet the government's ongoing obligations to citizens and creditors. At the end of FY 2023, 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.

City of Bryan's Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 156,388,982	\$ 202,820,873	\$ 405,247,819	\$ 444,962,172	\$ 561,636,801	\$ 647,783,045
Capital assets	306,919,660	276,722,355	852,239,350	794,389,716	1,159,159,010	1,071,112,071
Total assets	<u>463,308,642</u>	<u>479,543,228</u>	<u>1,257,487,169</u>	<u>1,239,351,888</u>	<u>1,720,795,811</u>	<u>1,718,895,116</u>
Deferred outflows	29,789,793	8,670,794	17,911,706	5,150,413	47,701,499	13,821,207
Long-term liabilities	204,099,832	196,113,549	405,310,194	416,849,531	609,410,026	612,963,080
Other liabilities	40,202,342	43,133,711	116,004,300	138,567,382	156,206,642	181,701,093
Total liabilities	<u>244,302,174</u>	<u>239,247,260</u>	<u>521,314,494</u>	<u>555,416,913</u>	<u>765,616,668</u>	<u>794,664,173</u>
Deferred inflows	3,147,298	18,446,690	23,088,113	33,773,597	26,235,411	52,220,287
Net position:						
Net investment in						
capital assets	181,533,378	162,390,390	502,511,704	459,407,258	684,045,082	621,797,648
Restricted	25,868,892	47,242,210	35,382,967	47,999,524	61,251,859	95,241,734
Unrestricted	38,246,693	20,887,472	193,101,597	147,905,009	231,348,290	168,792,481
Total net position	<u>\$ 245,648,963</u>	<u>\$ 230,520,072</u>	<u>\$ 730,996,268</u>	<u>\$ 655,311,791</u>	<u>\$ 976,645,231</u>	<u>\$ 885,831,863</u>

The \$90,813,368, or 10.3%, increase to \$976,645,231 in total net position is due to increases in both governmental activities and business-type activities.

The net position of business type activities increased \$75,684,477, or 11.5%, 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 increased by \$62,247,434, or 10.0%, at September 30, 2023.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

Unrestricted net position for governmental activities increased by \$17,359,221 to \$38,246,693 during FY 2023. Unrestricted net position of business-type activities increased by \$45,196,588 to \$193,101,597. These increases were primarily due to the change in the net pension asset that was previously restricted to a liability that is unrestricted.

City of Bryan's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 12,911,079	\$ 11,720,062	\$ 335,765,926	\$ 338,563,947	\$ 348,677,005	\$ 350,284,009
Operating grants and contributions	3,024,264	13,380,520	-	-	3,024,264	13,380,520
Capital grants and contributions	9,860,741	11,244,886	5,156,094	5,925,767	15,016,835	17,170,653
General revenues:						
Property taxes	48,823,436	43,305,764	-	-	48,823,436	43,305,764
Other taxes	35,723,479	34,389,174	-	-	35,723,479	34,389,174
Other	15,435,603	8,469,755	16,126,098	(2,506,761)	31,561,701	5,962,994
Total revenues	125,778,602	122,510,161	357,048,118	341,982,953	482,826,720	464,493,114
Expenses:						
General Government	24,174,546	14,590,813	-	-	24,174,546	14,590,813
Development Services	5,856,843	6,333,102	-	-	5,856,843	6,333,102
Public Works Services	14,639,232	16,010,652	-	-	14,639,232	16,010,652
Public Safety	49,622,658	47,773,925	-	-	49,622,658	47,773,925
Cultural and Recreational	16,568,038	12,850,552	-	-	16,568,038	12,850,552
Interest on long-term debt	6,015,107	5,611,708	-	-	6,015,107	5,611,708
City Electric	-	-	190,574,316	174,243,166	190,574,316	174,243,166
Rural Electric	-	-	46,281,887	43,929,977	46,281,887	43,929,977
Water	-	-	13,424,642	12,547,178	13,424,642	12,547,178
Wastewater	-	-	14,195,673	13,449,974	14,195,673	13,449,974
Solid Waste	-	-	-	7,611,530	-	7,611,530
Other	-	-	10,660,410	2,457,318	10,660,410	2,457,318
Total expenses	116,876,424	103,170,752	275,136,928	254,239,142	392,013,352	357,409,894
Increase in net position before transfers	8,902,178	19,339,409	81,911,190	87,743,811	90,813,368	107,083,220
Net Transfers	6,226,713	14,054,602	(6,226,713)	(14,054,602)	-	-
Increase in net position	15,128,891	33,394,011	75,684,477	73,689,209	90,813,368.00	107,083,220
Net position - October 1	230,520,072	194,517,808	655,311,791	581,765,091	885,831,863	776,282,899
Prior period adjustments - (see Note 1.)	-	2,608,253	-	(142,509)	-	2,465,744
Net position - October 1 as restated	230,520,072	197,126,061	655,311,791	581,622,582	885,831,863	778,748,643
Net position - September 30	<u>\$ 245,648,963</u>	<u>\$ 230,520,072</u>	<u>\$ 730,996,268</u>	<u>\$ 655,311,791</u>	<u>\$ 976,645,231</u>	<u>\$ 885,831,863</u>

Governmental Activities. Total governmental activities revenues increased in FY 2023 from FY 2022 by \$3,268,442, or 2.7%, to \$125,778,602. Several factors contributed to this increase in FY 2023. Property taxes increased by \$5,517,672, or 12.7%, and other revenues (including transportation and drainage assessments, investment earnings, and miscellaneous items) increased in total by \$6,965,849, or 82.2%. The increase was partially offset by a decrease in operating grants and contributions, primarily due to the decrease in revenues from the American Rescue Plan Act grant.

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

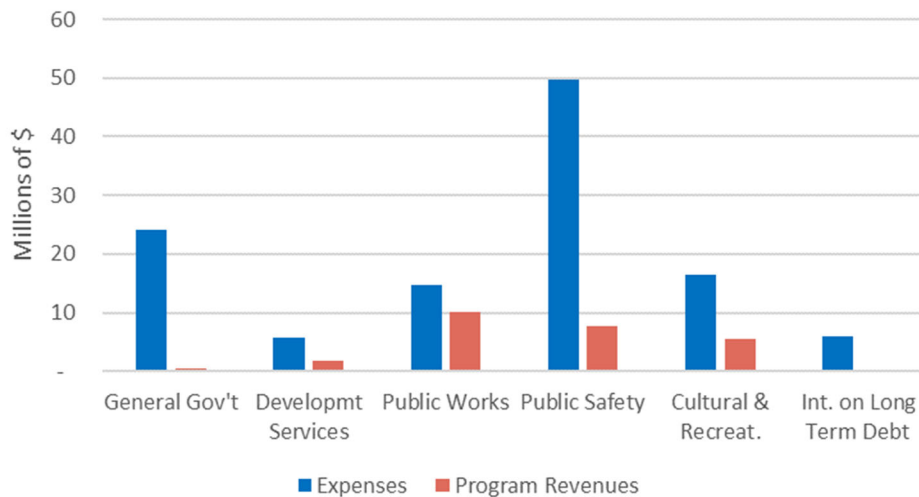
City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

in FY 2023 compared to FY 2022 by \$13,705,672 to \$116,876,424. The major changes in this category were:

- General Government expenses increased by \$9,583,733, or 65.7%. This increase was primarily due to the change in the net pension liability.
- Cultural and recreational expenses increased \$3,717,486, or 28.9%, in FY 2023 compared to FY 2022. This increase was primarily due to increase in operations at parks facilities.
- Public Safety expenses increased by \$1,848,733, or 3.9%, due to the increases in police and fire personnel costs.
- Public works expenses decreased \$1,371,420, or 8.6%. This decrease is primarily due to the decreased spending on street maintenance.
- Interest on long-term debt increased \$403,399, or 7.2% due to new debt issuances in FY 2022.

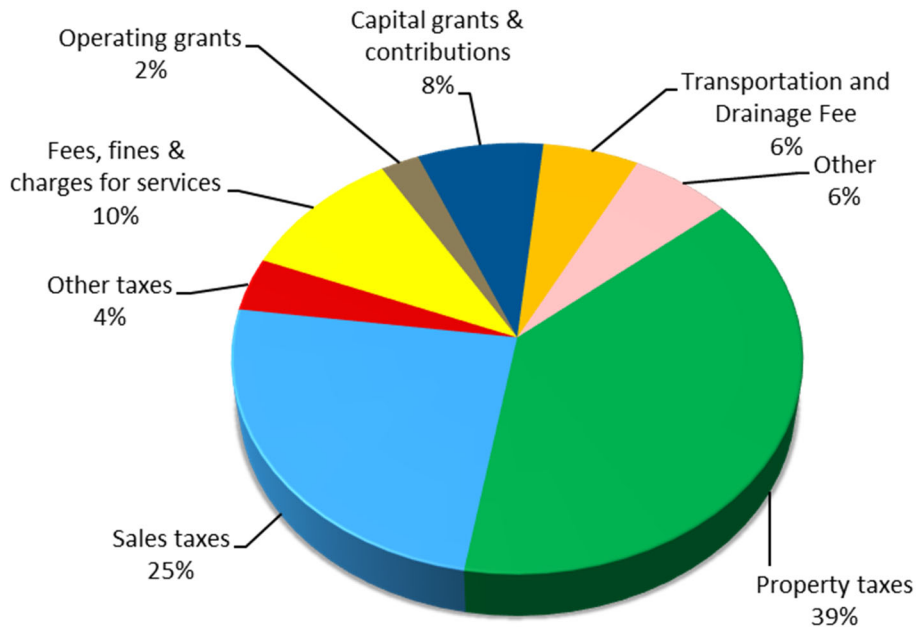
Expenses and Program Revenues - Governmental Activities



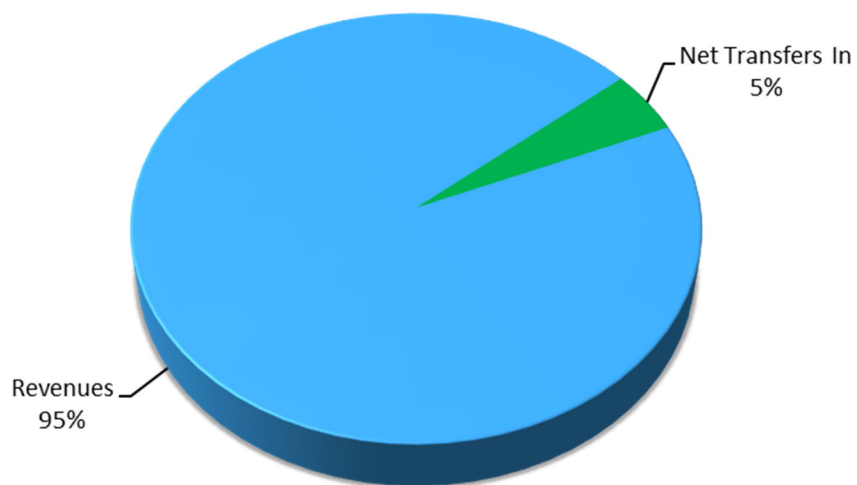
City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

Revenues by Source - Governmental Activities



All Governmental Resources



City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

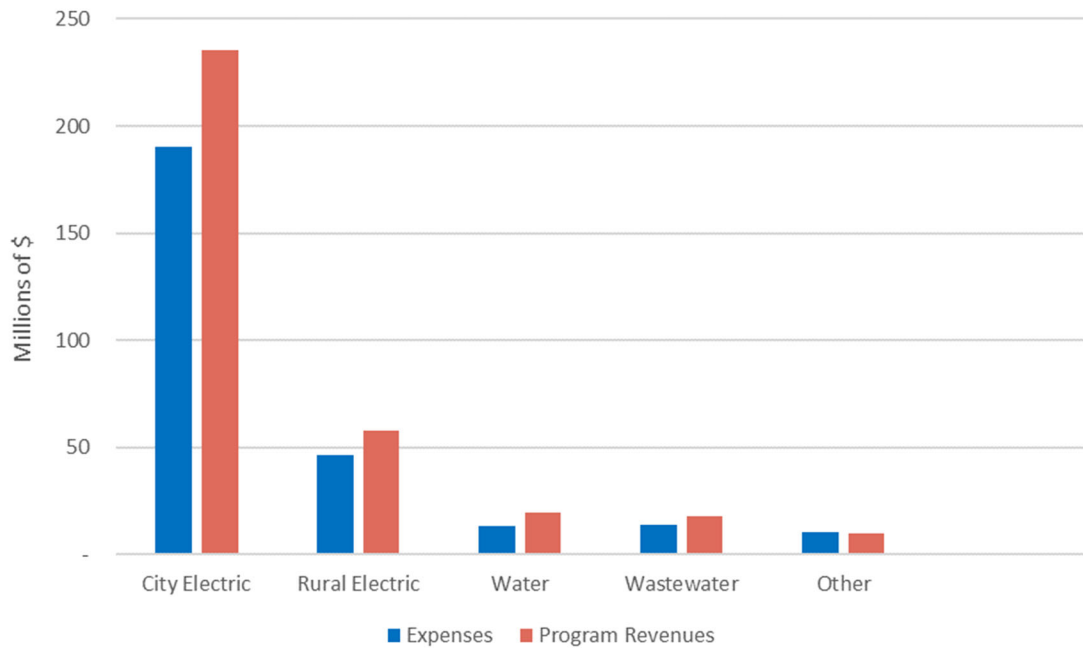
Business-type Activities. Business-type activities net position increased by \$75,684,477, or 11.5%, to \$730,996,268 in FY 2023. Charges for services for business-type activities decreased by \$2,798,021, or 0.8%, to \$335,765,926, and expenses increased by \$20,897,786, or 8.2%, to \$275,136,928. Key elements of the variances are as follows:

- Ending net position for the city electric system was \$365,123,628, of which \$128,085,174 was available to meet ongoing obligations. City electric system charges for services decreased by \$3,823,467, or 1.6%. Expenses for the city electric system which increased by \$16,331,150, or 9.4%, primarily due to higher departmental operating and maintenance expense compared to FY 2022.
- The ending net position for the rural electric system was \$106,177,989, of which \$35,381,859 is available for ongoing obligations. Rural electric system charges for services increased by \$181,833, or 0.3%. Rural electric expenses increased by \$2,351,910, or 5.4% due largely to higher fuel and purchased power costs compared to FY 2022.
- Water system ending net position for FY 2023 was \$96,277,434. The unrestricted portion of this net position was \$13,621,497. Water system charges for services increased by \$1,362,050, or 8.6%, in FY 2023 to \$17,286,917 primarily due to drier than expected weather in the fall and increased effluent water sales. Water system expenses increased by \$877,464, or 7.0%, in FY 2023.
- FY 2023 ending net position for the wastewater system was \$95,335,086, of which \$6,749,519 was unrestricted. Wastewater system charges for services increased by \$804,119, or 5.6%. Expenses for FY 2023 were \$14,195,673, an increase from FY 2022 of \$745,699, or 5.5%.
- Other business-type activities, considered non-major business-type activities, include the Solid Waste Fund, a general aviation airport, and Bryan Commerce and Development, Inc. ("BCD"). Charges for services and revenues for other business-type activities decreased by \$1,322,556, or 11.7%, to \$10,024,645 for FY 2023. Other business-type expenses were \$10,660,410 which is an increase of \$591,562, or 5.9%. See note 1 on page 51 for more information on BCD.

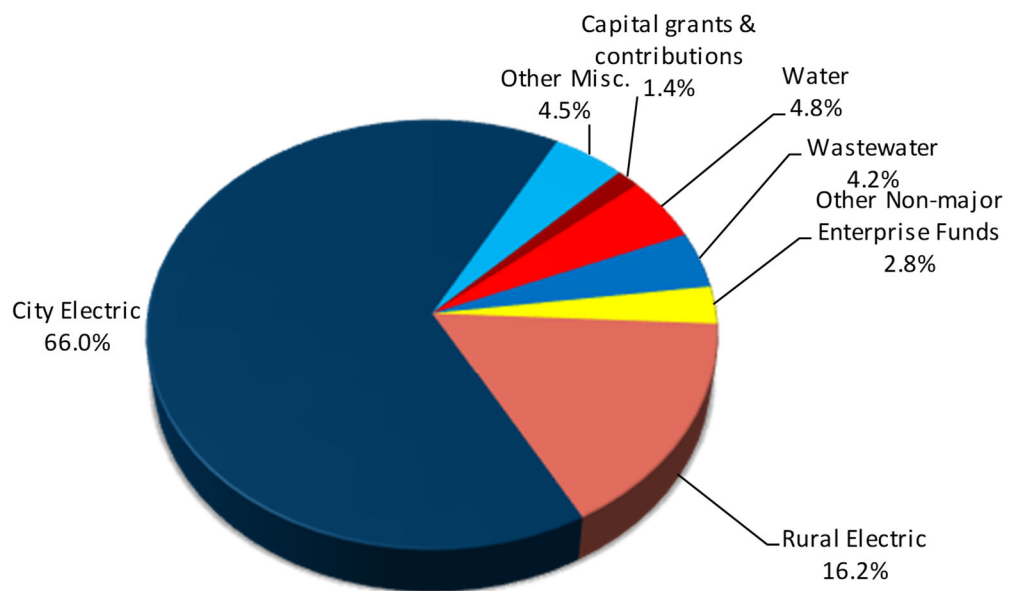
City of Bryan, Texas

Management's Discussion and Analysis
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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, 2023

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 36 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 decreased by \$10,964,760, or 17.4% to \$52,156,870, during FY 2023 compared to an increase of \$12,184,441 in FY 2022. Revenues of the fund decreased by \$1,227,337, or 1.5%, and expenditures increased by \$12,422,258, or 15.0%, during FY 2023. Expenditures were in excess of revenues by \$16,350,300. FY 2023 net transfers totaled \$2,815,020. 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 \$3,200,181, or 12.6%, to \$28,696,344 due to increased property assessed values from new growth.
- Sales tax revenues increased by \$1,130,635, or 3.8%, due to continued increases in food services, retail, general services, and inflation.
- Grant revenues decreased by \$9,823,216 primarily due to the American Rescue Plan Act Grant that was received in FY 2022.
- Charges for services increased by \$566,866, or 9.4% primarily due to an increase in ambulance revenues.
- Capital outlay increased in FY 2023 by \$7,657,346, primarily due to the drainage projects, reimbursement resolution projects, and vehicle purchases.
- Public safety expenditures increased by \$3,261,248, or 7.2%. This was mainly due to an increase in capital expenditures.
- Cultural and recreational expenses increased by \$1,046,153, or 14.0%, primarily due to an increase park activities and capital improvements.

Debt Service Fund. The Debt Service Fund ended FY 2023 with a total fund balance of \$24,830,282 compared to \$24,125,252 at the end of FY 2022. The fund balance is restricted for the payment of debt. Tax revenues in the Debt Service Fund increased by \$1,809,533, or 14.2%, to \$14,514,661. Debt service payments from the fund totaled \$16,694,708. Debt service is additionally supported by transfers from other funds of \$2,553,903.

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 2023 by \$11,340,726, or 18.2%, compared to FY 2022 to \$50,954,092. This is primarily due to the capital outlay expenditures in the Capital Projects Funds of \$16,855,322.

City of Bryan, Texas

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For the Fiscal Year Ended September 30, 2023

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, 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 increased by \$3,832,006, or 16.8%, in FY 2023.

- The Grant Fund is used to account for the receipt and expenditures of grants awarded to the City. Revenues for the fund were \$347,376 and total expenditures were \$377,862 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 \$1,021,213 and were primarily from grants. Total expenditures of \$989,656 were spent on the various housing programs funded by federal, state, and local grants.
- Hotel Tax Revenues, including interest income, for FY 2023 were \$2,440,108. Expenditures total \$815,765. These funds primarily go to fund the promotion the hotel and tourism industries in Bryan, 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 2023 were \$364,634 made up primarily of property tax revenues and royalty payments. There were no expenditures in this fund during FY 2023. The ending fund balance for FY 2023 was \$1,596,724.
- 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 2023 there were no transfers in for land sales. Revenues from investment earnings were \$42,612. There were no expenditures in this fund during FY 2023. The ending fund balance for FY 2023 was \$1,267,958.
- The Midtown Park Operations Fund was established to account for revenues and expenditures for operations at the City's Midtown Park, including Legends Event Center (LEC). Total revenues from for FY 2023 were \$1,466,907 and total expenditures were \$3,399,084. Transfers in from the General Fund to fund operations totaled \$2,167,307. Total ending fund balance for FY 2023 is \$2,211,584.
- The Phillips Event Center (PEC) Fund was established to account for PEC facilities and golf course activities. Revenues totaled \$1,701,699 for FY 2023. Total expenditures were \$4,076,638. Transfers in from the General Fund to fund operations totaled \$2,240,849. Total ending fund balance for FY 2023 is \$364,013.
- The Queen and Palace Theaters Fund was established to account for theater activities at both venues. Revenues totaled \$323,461 for FY 2023. Total expenditures were \$1,252,483. Transfers in from the General Fund to fund operations totaled \$1,021,988. Total ending fund balance for FY 2023 is \$170,408.
- The Street Improvement Fund revenues totaled \$6,778,446 and expenditures totaled \$3,957,961 on street maintenance and capital projects. The ending fund balance for FY 2023 was \$12,966,464. The fund balance in this fund is committed for street improvement projects.
- The Drainage Improvement Fund revenues totaled \$1,115,515 and expenditures totaled \$527,118 in FY 2023 on drainage projects throughout the City. Ending fund balance was \$1,490,419, which is committed for drainage projects.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

- Destination Bryan, a blended component unit – see note 1 on page 51, revenues totaled \$84,700 and expenditures totaled \$2,271,032 on destination marketing and promotions. Transfers in from the General Fund and Hotel & Motel Tax Fund total \$2,215,000. Total ending fund balance for FY 2023 is \$64,358.

Capital Projects Funds. There were no new capital projects funds established in FY 2023. The total expenditures from Capital Projects Funds for FY 2023 were \$16,855,322. The fund balance in the Capital Project Funds is \$22,743,429, a decrease of \$15,300,464 from FY 2022. 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 2023 there were expenditures of \$7,811 for cemeteries. The fund balance increased by \$127,732 to \$1,582,804 due to contributions of \$85,050 and investment earnings of \$50,493. Non-spendable ending fund balances totaled \$1,465,582 for FY 2023. Spendable ending fund balances restricted for cemeteries was \$112,233 and spendable ending fund balances for libraries was \$4,989. 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 123-124. 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 2023 was \$0.412996 per \$100 of valuation. The adopted tax rate for FY 2023 was \$0.6240 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 2023 was \$0.211004 per \$100 of valuation.

Total General Fund revenues for FY 2023 were \$79,000,365 and were \$6,443,165, or 8.9%, over budget and \$1,227,337, or 1.5%, less than revenues in FY 2022. Tax revenues for the General Fund include property tax, sales tax, franchise tax, bingo tax, and alcoholic beverage tax. General Fund tax revenues were 78.6% of total General Fund revenues in FY 2023 and totaled \$62,070,648. Items to note regarding General Fund tax revenues for FY 2023 are:

- FY 2023 General Fund property tax revenues were \$28,696,344 and \$237,744, or 0.8%, over budget. Property tax revenues for FY 2023 were \$3,200,181, or 12.6%, above FY 2022 totals.
- Sales taxes were \$30,712,088 and \$448,088, or 1.5%, above budget in FY 2023. Compared to FY 2022 revenues, FY 2023 sales taxes were up by \$1,130,635, or 3.8%.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

- Other miscellaneous taxes including franchise fees, mixed beverage and bingo taxes were \$2,662,216 and \$183,116 over budget collectively. Other taxes for FY 2023 were \$117,665 below FY 2022 revenues.

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 8.4% of General Fund total revenues in FY 2023. Some notable items in this category are:

- Ambulance charges in FY 2023 were \$3,851,844 and \$831,344, or 27.5%, above budget due to an increase in ambulance rates and number of runs.
- Revenues for recreational activities were \$873,074 and \$105,074, or 13.7%, above budget in FY 2023 primarily due to increased park activities.
- Health and public safety revenues were \$1,614,692 and \$162,308, or 9.1%, below budget for FY 2023 primarily due to estimated budget amounts for the County EMS contract and police escort revenues.
- Miscellaneous charges for services were \$282,007 and \$137,507 over budget for FY 2023.

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 \$1,797,735 were \$299,335, or 20.0%, above budget in FY 2023 and above FY 2022 total by \$173,237, or 10.7%, due to an increase in citations as well as an increase in revenue per citation issued.
- Licenses and permit revenues for FY 2023 were \$1,022,262 and were \$95,262, or 10.3%, above budget, and were \$565,245, or 35.6%, below FY 2022 totals.
- Grant revenues were \$1,784,174 and were \$347,174 over budget for FY 2023, and were \$9,823,216 below FY 2022 totals. The decrease from FY 2022 was primarily due to the American Rescue Plan Act grant that was received in FY 2022.
- Other revenues, including investment earnings, of \$5,703,929 were \$3,920,829 above budget during FY 2023 and were \$4,207,870 above FY 2022 revenues. The budget variance is primarily due to the increase in interest rates.

Total General Fund operating expenditures are broken down into major categories in the accompanying required supplementary section of the report beginning on page 123. General fund activities are broken down into the following main categories:

- 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.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

- 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 \$95,350,711 and were \$3,416,711, or 3.7%, above budget. Compared to FY 2022, expenditures increased by \$12,422,258, or 15.0%, during FY 2023. Increases in General Fund spending vs. FY 2022 were attributable to the personnel costs and capital outlay.

Total general government and administrative expenditures were \$23,851,199 and were \$481,401, or 2.0%, below budget for FY 2023. This category makes up 25.0% of total FY 2023 General Fund expenditures. Some notable budget variances in this category are payments to other agencies which were above budget by \$819,401 due to development agreement incentive payments and information technology expenditures were below budget by \$641,458, or 8.6%, due to decreases in personnel costs from vacancies.

Development services finished FY 2023 below budget by \$669,999, or 12.5%. Expenditure totals in this category were \$4,698,701 and made up 4.9% of total General Fund expenditures for FY 2023. Notable budget variances in this category include engineering which was \$355,904, or 19.2%, below budget for FY 2023. This variance is primarily due to the timing of contractual services associated with capital projects and personnel costs.

Public Works services total expenditures for FY 2023 were \$3,830,704 and made up 4.0% of total General Fund expenditures for the year. Overall Public Works was \$411,646, or 9.7%, below budget due to timing of projects.

Public Safety expenditures for FY 2023 were \$48,589,847 and were \$931,903, or 1.9%, below budget for the year. Compared to FY 2022, expenditures were \$3,261,248, or 7.2%, higher primarily due to the personnel costs. Public safety accounts for 51.0% of all General Fund expenditures in FY 2023.

Cultural and recreational services expenditures for FY 2023 total \$8,516,334 and were \$607,766, or 6.7%, below budget for the year. Expenditures in this category were \$1,046,153, or 14.0% above FY 2022 spending levels. Cultural and recreational services accounts for 8.9% of all General Fund expenditures in FY 2023.

Capital expenditures for the General Fund were \$11,609,943 and were \$5,782,643, above budget for FY 2023. This budget variance was due to the timing of capital projects including reimbursement resolution spending for future bond issuance. Compared to FY 2022, expenditures were \$7,657,346 higher.

Capital Asset and Debt Administration

Capital Assets. The City of Bryan's capital assets, including right-to-use lease and subscription based information technology agreement (SBITA) assets, for its governmental and business-type activities as of September 30, 2023 was \$1,159,159,010 (net of accumulated depreciation and amortization), an increase

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

of \$88,046,939, or 8.2%. 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 2023 included the following:

	City of Bryan's Capital Assets*					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 14,074,955	\$ 14,073,708	\$ 36,405,028	\$ 30,074,230	\$ 50,479,983	\$ 44,147,938
Intangibles	1,674	21,757	-	-	1,674	21,757
Intangibles - right of use	1,066,824	-	-	-	1,066,824	-
Buildings	25,375,816	25,834,055	18,918,320	19,810,984	44,294,136	45,645,039
Buildings - right of use	1,201,348	1,496,460	-	-	1,201,348	1,496,460
Equipment	11,946,090	10,832,565	6,692,148	5,332,066	18,638,238	16,164,631
Equipment - right of use	2,143,116	76,110	57,664	76,885	2,200,780	152,995
Improvements	31,394,941	23,407,130	702,246,783	625,487,766	733,641,724	648,894,896
Infrastructure	140,473,141	124,511,997	-	-	140,473,141	124,511,997
Construction in Progress	79,241,755	76,468,573	87,079,597	112,441,797	166,321,352	188,910,370
Retirement in Progress	-	-	839,810	1,165,988	839,810	1,165,988
Total	<u>\$ 306,919,660</u>	<u>\$ 276,722,355</u>	<u>\$ 852,239,350</u>	<u>\$ 794,389,716</u>	<u>\$ 1,159,159,010</u>	<u>\$ 1,071,112,071</u>

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

Additional information on the City's capital assets can be found in note 4 to the financial statements on page 74 of this report.

Long-term Debt. At the end of FY 2023, the City of Bryan had total debt, net of premiums and discounts, outstanding of \$583,019,859. Of this amount, \$227,531,700 (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).

	Outstanding Debt at Year End					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General obligation bonds	\$ 74,357,965	\$ 81,802,127	\$ 3,762,035	\$ 5,312,873	\$ 78,120,000	\$ 87,115,000
Certificates of obligation	114,360,000	117,405,000	29,440,000	30,925,000	143,800,000	148,330,000
Revenue bonds	-	-	301,175,000	314,020,000	301,175,000	314,020,000
Private placement-revenue bonds	-	-	22,385,000	24,330,000	22,385,000	24,330,000
Premium (discount)	5,217,141	5,611,700	32,322,718	34,345,720	37,539,859	39,957,420
Total, net	<u>\$ 193,935,106</u>	<u>\$ 204,818,827</u>	<u>\$ 389,084,753</u>	<u>\$ 408,933,593</u>	<u>\$ 583,019,859</u>	<u>\$ 613,752,420</u>

During FY 2023, the City's total debt decreased by \$30,732,561, or 5.0%, net of premiums and discounts. The City did not issue any new debt in FY 2023. The City total decrease was related to retired outstanding debt (net of all premium or discounts).

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

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

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

Additional information on the City's long-term debt can be found in note 5 to the financial statements on pages 76-82 of this report.

Economic Factors and Next Year's Budgets and Rates

Bryan maintained its strong growth during FY 2023, realizing increases in property values and increases in sales tax revenues which positively impacted the City's governmental funds. Bryan and neighboring College Station are the economic center of the region comprised of Brazos County and the surrounding seven counties which allows the City to maintain its strong growth. 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. Five 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 economic fluctuations.

Ad valorem property taxes comprised approximately 38.8% of General Fund revenues in FY 2023. FY 2024 budgeted General Fund property tax revenues projected an increase of 20.4% from FY 2023 to with the continued growth of new properties in Bryan. A decrease in the overall property tax rate led to a slightly lower M&O rate which partially offsets the growth in General Fund revenues. FY 2024 sales tax revenue is budgeted to increase by 0.1% when compared to FY 2023 adopted sales tax revenue due to the slowdown in the economy related to consumer spending. FY 2023 sales tax revenues exceeded FY 2022 by 3.8% primarily due to the continued growth within the city as well as inflation.

Revenues for the entire electric system for FY 2024 are budgeted to be \$297,403,413, which is an increase of \$15,232,661, or 5.4%, in FY 2024 versus the FY 2023 adopted budget due to increases in fuel pass through revenues and retail electric sales. FY 2024 budgeted electric expenditures are projected to be \$281,848,395, which is an increase of \$3,400,392, or 1.2% from the FY 2023 adopted budget.

Revenues budgeted for the Water Fund for FY 2024 are \$15,167,100, and are \$440,700, or 3.0%, higher than FY 2023 budgeted revenues. Total expenditures for the Water Fund, including debt service and capital expenditures, are budgeted to increase by \$5,535,900, or 33.1%, due to increased water system capital.

City of Bryan, Texas

Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2023

The Wastewater Fund budget for FY 2024 projects revenues of \$15,123,000, which is \$837,200, or 5.9%, higher than the FY 2023 budget. Budgeted expenditures for FY 2023 are \$19,341,300 which is \$2,358,300, or 13.9% above the FY 2023 budget. This increase is attributable to increased wastewater system capital.

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>.



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CITY OF BRYAN, TEXAS
Statement of Net Position
As of September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bryan Business Council, Inc.
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 18,062,983	\$ 65,463,848	\$ 83,526,831	\$ 577,273
Investments	115,285,122	104,964,068	220,249,190	6,159,936
Receivables:				
Accounts	10,940,774	36,802,647	47,743,421	-
Less allowance for uncollectible	(6,160,795)	(749,446)	(6,910,241)	-
Notes receivable	416,358	-	416,358	25,000
Property taxes	1,627,759	-	1,627,759	-
Less allowance for uncollectible	(1,436,215)	-	(1,436,215)	-
Sales taxes	5,234,201	-	5,234,201	-
Grants	293,985	46,086	340,071	-
Leases	357,490	-	357,490	-
Interest	1,177,173	2,483,179	3,660,352	-
Derivative financial instruments (current portion)	-	-	-	-
Internal balances	(1,718,985)	1,718,985	-	-
Inventories	380,974	2,329,439	2,710,413	-
Under-recovered fuel cost	-	4,012,901	4,012,901	-
Under-recovered regulatory fee	-	1,110,716	1,110,716	-
Prepaid and other assets	222,461	6,062,732	6,285,193	5,000
Total current assets	<u>144,683,285</u>	<u>224,245,155</u>	<u>368,928,440</u>	<u>6,767,209</u>
Noncurrent assets:				
Receivables:				
Leases	1,834,161	-	1,834,161	-
Notes receivable	3,692,026	-	3,692,026	-
Less allowance for uncollectible - notes	(150,498)	-	(150,498)	-
TMPA decommissioning	-	7,842,767	7,842,767	-
Restricted assets:				
Cash and cash equivalents	-	21,819,895	21,819,895	-
Investments	1,465,582	126,834,216	128,299,798	-
Investment in BSWMA, Inc.	-	24,505,786	24,505,786	-
Investment in Economic Development Foundation	4,864,426	-	4,864,426	-
Capital assets:				
Intangible assets	60,250	-	60,250	-
Land	14,074,955	36,405,028	50,479,983	12,393,449
Buildings	48,692,113	27,723,458	76,415,571	-
Improvements other than buildings	66,174,641	1,138,695,996	1,204,870,637	-
Machinery and equipment	49,619,005	24,741,659	74,360,664	-
Infrastructure	297,323,066	-	297,323,066	-
Construction in progress	79,241,755	87,079,597	166,321,352	69,850
Retirement in progress	-	839,810	839,810	-
Less accumulated depreciation	(252,677,413)	(463,303,862)	(715,981,275)	-
Right-to-use lease assets	3,996,608	96,106	4,092,714	-
Less accumulated amortization	(652,144)	(38,442)	(690,586)	-
Right-to-use Subscription Based IT Arrangement assets	1,295,429	-	1,295,429	-
Less accumulated amortization	(228,605)	-	(228,605)	-
Total capital assets	<u>306,919,660</u>	<u>852,239,350</u>	<u>1,159,159,010</u>	<u>12,463,299</u>
Total noncurrent assets	<u>318,625,357</u>	<u>1,033,242,014</u>	<u>1,351,867,371</u>	<u>12,463,299</u>
Total assets	<u>\$ 463,308,642</u>	<u>\$ 1,257,487,169</u>	<u>\$ 1,720,795,811</u>	<u>\$ 19,230,508</u>
<u>Deferred outflows</u>				
Accumulated decrease in fair value of of hedging derivatives	\$ -	\$ 1,342,128	\$ 1,342,128	\$ -
Pensions	26,321,018	14,555,138	40,876,156	-
Other post-employment benefits (OPEB)	2,972,546	1,449,234	4,421,780	-
Unamortized loss on refunded debt	496,229	565,206	1,061,435	-
Total deferred outflows	<u>\$ 29,789,793</u>	<u>\$ 17,911,706</u>	<u>\$ 47,701,499</u>	<u>\$ -</u>

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, 2023

	Primary Government			Component Unit Bryan Business Council, Inc.
	Governmental Activities	Business-type Activities	Total	
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 6,671,910	\$ 18,403,741	\$ 25,075,651	\$ 16,181
Accrued liabilities and retainage	4,302,988	832,336	5,135,324	8,256
Claims	1,590,926	-	1,590,926	-
Accrued vacation and sick pay	3,277,441	1,539,397	4,816,838	-
Unearned revenue	11,141,886	266,466	11,408,352	-
Notes	-	-	-	443,043
Leases	487,774	37,645	525,419	-
Subscription Based IT Arrangements (SBITAs)	207,989	-	207,989	-
Derivative financial instruments	-	1,210,268	1,210,268	-
Payable from restricted assets:				
Accrued interest	701,105	3,365,580	4,066,685	-
Counter Party Collateral	-	63,520,000	63,520,000	-
Bonds payable, net	11,667,955	20,379,606	32,047,561	-
Customer deposits	152,368	6,449,261	6,601,629	-
Total current liabilities	<u>40,202,342</u>	<u>116,004,300</u>	<u>156,206,642</u>	<u>467,480</u>
Noncurrent liabilities:				
Bonds payable, net	182,267,151	368,705,147	550,972,298	-
Notes payable	-	-	-	12,373,130
Interfund Advance	(18,887,502)	18,887,502	-	-
Claims	1,087,989	-	1,087,989	-
Derivative financial instruments	-	131,860	131,860	-
Net pension liability (NPL)	17,369,010	9,952,444	27,321,454	-
Net other post employment benefits liability (OPEB)	12,029,445	6,453,984	18,483,429	-
Accrued liabilities	-	306,351	306,351	-
Accrued vacation and sick pay	6,626,411	832,189	7,458,600	-
Leases	2,910,829	40,717	2,951,546	-
SBITAs	696,499	-	696,499	-
Total noncurrent liabilities	<u>204,099,832</u>	<u>405,310,194</u>	<u>609,410,026</u>	<u>12,373,130</u>
Total liabilities	<u>244,302,174</u>	<u>521,314,494</u>	<u>765,616,668</u>	<u>12,840,610</u>
<u>Deferred Inflows</u>				
Unamortized gain on refunding debt	-	2,642,292	2,642,292	-
Other post employment benefits	951,638	360,536	1,312,174	-
Deferred regulatory liability	-	20,085,285	20,085,285	-
Deferred lease receivable	2,195,660	-	2,195,660	-
Total deferred inflows	<u>\$ 3,147,298</u>	<u>\$ 23,088,113</u>	<u>\$ 26,235,411</u>	<u>\$ -</u>
<u>Net Position</u>				
Net investment in capital assets	\$ 181,533,378	\$ 502,511,704	\$ 684,045,082	\$ (352,874)
Restricted for:				
BVSWMA, Inc.	-	24,505,786	24,505,786	-
Economic Development Foundation	4,864,426	-	4,864,426	-
Debt reserve	-	2,824,100	2,824,100	-
Debt service	5,299,701	6,303,153	11,602,854	-
Perpetual care:				
Expendable	117,222	-	117,222	-
Nonexpendable	1,465,582	-	1,465,582	-
Rate stabilization	-	1,749,928	1,749,928	-
Noncurrent notes receivable	3,541,528	-	3,541,528	-
Tax abatements	2,205,446	-	2,205,446	-
Police activities	150,284	-	150,284	-
Court activities	396,446	-	396,446	-
Record preservation	38,577	-	38,577	-
TIRZ Development	4,107,226	-	4,107,226	-
Hotel/Motel	2,153,006	-	2,153,006	-
Other purposes	1,529,448	-	1,529,448	-
Unrestricted	38,246,693	193,101,597	231,348,290	6,742,772
Total net position	<u>\$ 245,648,963</u>	<u>\$ 730,996,268</u>	<u>\$ 976,645,231</u>	<u>\$ 6,389,898</u>

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, 2023

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			Component Unit Bryan Business Council, Inc.
		Fees, Fines and Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government and administration	\$ 24,174,546	\$ 282,007	\$ 209,050	\$ -	\$ (23,683,489)	\$ -	\$ (23,683,489)	\$ -
Development services	5,856,843	1,022,262	894,570	-	(3,940,011)	-	(3,940,011)	-
Public works services	14,639,232	-	293,111	9,860,741	(4,485,380)	-	(4,485,380)	-
Public safety	49,622,658	7,300,441	378,616	-	(41,943,601)	-	(41,943,601)	-
Cultural and recreational	16,568,038	4,306,369	1,248,917	-	(11,012,752)	-	(11,012,752)	-
Interest and fiscal charges	6,015,107	-	-	-	(6,015,107)	-	(6,015,107)	-
Total governmental activities	116,876,424	12,911,079	3,024,264	9,860,741	(91,080,340)	-	(91,080,340)	-
Business-type activities:								
City electric	190,574,316	235,528,777	-	-	-	44,954,461	44,954,461	-
Rural electric	46,281,887	57,824,648	-	-	-	11,542,761	11,542,761	-
Water	13,424,642	17,286,917	-	2,573,815	-	6,436,090	6,436,090	-
Wastewater	14,195,673	15,100,939	-	2,582,279	-	3,487,545	3,487,545	-
Other nonmajor enterprise funds	10,660,410	10,024,645	-	-	-	(635,765)	(635,765)	-
Total business-type activities	275,136,928	335,765,926	-	5,156,094	-	65,785,092	65,785,092	-
Total primary government	\$ 392,013,352	\$ 348,677,005	\$ 3,024,264	\$ 15,016,835	\$ (91,080,340)	\$ 65,785,092	\$ (25,295,248)	\$ -
Component unit:								
Bryan Business Council, Inc.	\$ 2,203,449	\$ -	\$ 546,625	\$ -	\$ -	\$ -	\$ -	\$ (1,656,824)
General revenues:								
Property taxes					\$ 48,823,436	\$ -	\$ 48,823,436	\$ -
Sales taxes					30,712,088	-	30,712,088	-
Franchise taxes					2,092,162	-	2,092,162	-
Alcoholic beverage taxes					307,698	-	307,698	-
Bingo taxes					262,356	-	262,356	-
Hotel occupancy taxes					2,349,175	-	2,349,175	-
Transportation and drainage assessments					7,517,363	-	7,517,363	-
Unrestricted investment earnings					5,521,320	12,060,621	17,581,941	-
Miscellaneous					2,396,920	4,065,477	6,462,397	250,362
Transfers (net)					6,226,713	(6,226,713)	-	-
Total general revenues and transfers					106,209,231	9,899,385	116,108,616	250,362
Change in net position					15,128,891	75,684,477	90,813,368	(1,406,462)
Net position, October 1, 2022					230,520,072	655,311,791	885,831,863	7,796,360
Net position, September 30, 2023					\$ 245,648,963	\$ 730,996,268	\$ 976,645,231	\$ 6,389,898

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



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CITY OF BRYAN, TEXAS

Balance Sheet

Governmental Funds

As of September 30, 2023

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 8,561,893	\$ 432,088	\$ 7,072,798	\$ 16,066,779
Investments	53,939,687	3,097,734	45,366,476	102,403,897
Receivables:				
Accounts	9,859,448	-	1,081,326	10,940,774
Less allowance for uncollectible	(6,098,899)	-	(61,896)	(6,160,795)
Property taxes	1,131,348	496,411	-	1,627,759
Less allowance for uncollectible	(1,004,561)	(431,654)	-	(1,436,215)
Sales taxes	5,234,201	-	-	5,234,201
Grants	10,904	-	283,081	293,985
Interest	540,659	31,003	462,077	1,033,739
Lease Receivable	660,133	-	1,531,518	2,191,651
Notes receivable	15,766	1,881,413	2,211,205	4,108,384
Less allowance for uncollectible	-	-	(150,498)	(150,498)
Due from other funds	709,671	-	149,568	859,239
Interfund Advance	-	19,381,313	-	19,381,313
Inventory	-	-	113,109	113,109
Prepaid and other assets	41,256	-	181,205	222,461
Total assets	<u>\$ 73,601,506</u>	<u>\$ 24,888,308</u>	<u>\$ 58,239,969</u>	<u>\$ 156,729,783</u>
<u>Liabilities, Deferred Inflows, and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 4,253,949	\$ -	\$ 2,031,039	\$ 6,284,988
Accrued liabilities	3,186,509	-	25,680	3,212,189
Retainage payable	97,156	-	956,812	1,053,968
Due to other funds	380,291	-	403,902	784,193
Customer deposits	152,368	-	-	152,368
Unearned revenue	10,825,024	-	316,862	11,141,886
Total liabilities	<u>18,895,297</u>	<u>-</u>	<u>3,734,295</u>	<u>22,629,592</u>
Deferred inflows:				
Unavailable property taxes	112,533	58,026	-	170,559
Deferred inflows - right of use assets	714,635	-	1,481,025	2,195,660
Unavailable notes receivable	-	-	2,060,707	2,060,707
Other unavailable revenue	1,722,171	-	9,850	1,732,021
Total deferred inflows	<u>2,549,339</u>	<u>58,026</u>	<u>3,551,582</u>	<u>6,158,947</u>
Fund balances:				
Nonspendable	57,022	1,881,413	1,646,787	3,585,222
Restricted	4,087,773	22,948,869	29,943,011	56,979,653
Committed	6,181,714	-	19,971,550	26,153,264
Assigned	22,701,787	-	-	22,701,787
Unassigned	19,128,574	-	(607,256)	18,521,318
Total fund balances	<u>52,156,870</u>	<u>24,830,282</u>	<u>50,954,092</u>	<u>127,941,244</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 73,601,506</u>	<u>\$ 24,888,308</u>	<u>\$ 58,239,969</u>	<u>\$ 156,729,783</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, 2023

Total fund balances - governmental funds		\$ 127,941,244
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets and leases 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 \$57,026).		306,919,660
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		3,963,287
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.		4,864,426
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 \$2,209,573, net capital assets in the amount of \$57,026.		11,262,816
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.		(701,105)
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	\$ 74,357,965	
Certificates of obligation payable	114,360,000	
Premium (discount) on bonds payable	5,217,141	
Deferred amount on refunding	(496,229)	
Net Pension Liability	17,108,805	
Net other post employment benefits liability	11,845,437	
Deferred amounts on pensions (net)	(25,931,721)	
Deferred amounts on OPEB (net)	(1,990,289)	
Lease payable	3,398,603	
SBITA payable	904,488	
Accrued vacation and sick leave (Net of internal service fund liability of \$76,686)	9,827,165	(208,601,365)
Net position of governmental activities		<u>\$ 245,648,963</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, 2023

	General Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 28,696,344	\$ 14,514,661	\$ 5,517,725	\$ 48,728,730
Sales taxes	30,712,088	-	-	30,712,088
Franchise taxes	2,092,162	-	-	2,092,162
Alcoholic beverage taxes	307,698	-	-	307,698
Bingo taxes	262,356	-	-	262,356
Hotel occupancy taxes	-	-	2,349,175	2,349,175
Transportation and drainage assessments	-	-	7,517,363	7,517,363
Charges for services	6,621,617	-	-	6,621,617
Fines and court charges	1,797,735	-	36,170	1,833,905
Licenses and permits	1,022,262	-	-	1,022,262
Grants	1,784,174	-	1,240,090	3,024,264
Investment earnings	2,516,431	298,797	2,155,537	4,970,765
Investment mark to market	183,571	(43,666)	251,186	391,091
Oil and gas royalties	-	-	134,763	134,763
Parks and Recreation	-	-	3,433,295	3,433,295
Destination Bryan	-	-	84,700	84,700
Other	3,003,973	76,043	220,860	3,300,876
Total revenues	79,000,411	14,845,835	22,940,864	116,787,110
Expenditures:				
Current:				
General government and administration	17,368,400	-	2,271,032	19,639,432
Development services	4,698,701	-	1,149,110	5,847,811
Public works services	3,830,704	-	802,920	4,633,624
Public safety	48,589,847	-	215,490	48,805,337
Cultural and recreational	8,516,334	-	6,582,489	15,098,823
Capital outlay	11,609,943	-	23,784,069	35,394,012
Debt service:				
Bond and principal retirement	-	10,489,162	-	10,489,162
Interest and fiscal charges	-	6,205,546	-	6,205,546
Debt issuance costs	-	-	-	-
Right of use principal	622,430	-	82,724	705,154
Right of use interest	114,352	-	5,570	119,922
Total expenditures	95,350,711	16,694,708	34,893,404	146,938,823
Excess (deficiencies) of revenues over (under) expenditures	(16,350,300)	(1,848,873)	(11,952,540)	(30,151,713)
Other financing sources (uses):				
Sales of capital assets	462,000	-	-	462,000
Lease Financing	2,108,520	-	-	2,108,520
Transfers in	19,915,360	2,553,903	7,645,144	30,114,407
Transfers out	(17,100,340)	-	(7,033,330)	(24,133,670)
Total other financing sources (uses)	5,385,540	2,553,903	611,814	8,551,257
Net change in fund balances	(10,964,760)	705,030	(11,340,726)	(21,600,456)
Fund balances, October 1, 2022	63,121,630	24,125,252	62,294,818	149,541,700
Fund balances, September 30, 2023	<u>\$ 52,156,870</u>	<u>\$ 24,830,282</u>	<u>\$ 50,954,092</u>	<u>\$ 127,941,244</u>

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, 2023

Net change in fund balances - total governmental funds \$ (21,600,456)

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/amortization expense. This is the amount of capital assets recorded in the current period. 35,320,520

The City's investment in the Economic Development Foundation is reported at the government-wide level but not at the fund level. (79,742)

The net effect of various transactions involving capital assets (i.e., sales and contributions) is to increase net position. 9,407,945

Depreciation expense on capital assets and amortization expense on leases reported in the government-wide statement of activities does not require the use of current financial resources. Therefore, depreciation and amortization expense is not reported as an expenditure in governmental funds. (15,814,387)

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:

Debt principal repayments 10,489,162
Lease issuance (2,108,520)
Lease/SBITA principal payments 705,154

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. (2,824,495)

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. 310,361

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. 94,706

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. 652,935

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 \$12,459 allocated above and net of amount allocated to business-type activities of (\$646,759). 575,708

Change in net position of governmental activities. \$ 15,128,891

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, 2023

	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	\$ 47,046,873	\$ 14,423,095	\$ 1,684,149	\$ 1,145,311	\$ 1,164,421	\$ 65,463,848	\$ 1,996,204
Investments	63,258,202	13,041,152	12,087,585	8,220,004	8,357,124	104,964,068	14,346,807
Accounts receivable	25,196,121	6,669,424	2,641,976	1,647,069	648,057	36,802,647	-
Less allowance for uncollectible	(428,165)	(157,559)	(56,286)	(60,275)	(47,161)	(749,446)	-
Grants receivable	-	-	-	-	46,086	46,086	-
Interest receivable	2,186,950	-	126,179	86,394	83,656	2,483,179	143,434
Inventories	1,606,963	-	661,312	-	61,164	2,329,439	267,865
Due from other funds	776,735	-	611,393	374,683	201,157	1,963,968	415,802
Under-recovered regulatory fee	923,973	186,743	-	-	-	1,110,716	-
Under-recovered fuel cost	1,872,118	2,140,783	-	-	-	4,012,901	-
Prepaid and other assets	6,062,732	-	-	-	-	6,062,732	-
Total current assets	<u>148,502,502</u>	<u>36,303,638</u>	<u>17,756,308</u>	<u>11,413,186</u>	<u>10,514,504</u>	<u>224,490,138</u>	<u>17,170,112</u>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	1,617,468	19,237,632	963,647	1,148	21,819,895	-
Investments	124,956,644	888,289	553,469	427,353	8,461	126,834,216	-
Investment in BWSWMA	-	-	-	-	24,505,786	24,505,786	-
TMPA decommissioning	7,842,767	-	-	-	-	7,842,767	-
Capital assets:							
Land	9,441,128	122,769	793,689	1,982,756	24,064,686	36,405,028	-
Buildings	-	-	317,271	19,873,253	7,532,934	27,723,458	23,420
Equipment	-	-	4,018,321	6,677,087	14,046,251	24,741,659	149,406
Improvements other than buildings	665,961,036	178,354,650	149,730,701	139,956,253	4,693,356	1,138,695,996	188,658
Construction in progress	66,275,510	13,382,577	2,954,403	4,457,623	9,484	87,079,597	-
Retirement in progress	839,810	-	-	-	-	839,810	-
Less accumulated depreciation	(252,728,112)	(52,263,918)	(67,111,220)	(76,047,048)	(15,153,564)	(463,303,862)	(304,458)
Right-to-use lease assets	-	-	-	-	96,106	96,106	-
Less accumulated amortization	-	-	-	-	(38,442)	(38,442)	-
Total capital assets (net of accumulated depreciation and amortization)	<u>489,789,372</u>	<u>139,596,078</u>	<u>90,703,165</u>	<u>96,899,924</u>	<u>35,250,811</u>	<u>852,239,350</u>	<u>57,026</u>
Total noncurrent assets	<u>622,588,783</u>	<u>142,101,835</u>	<u>110,494,266</u>	<u>98,290,924</u>	<u>59,766,206</u>	<u>1,033,242,014</u>	<u>57,026</u>
Total assets	<u>\$ 771,091,285</u>	<u>\$ 178,405,473</u>	<u>\$ 128,250,574</u>	<u>\$ 109,704,110</u>	<u>\$ 70,280,710</u>	<u>\$ 1,257,732,152</u>	<u>\$ 17,227,138</u>
<u>Deferred outflows</u>							
Accumulated decrease in fair value of hedging derivatives	1,342,128	-	-	-	-	1,342,128	-
Pensions	10,287,755	-	1,247,036	1,502,964	1,517,383	14,555,138	389,297
Other post employment benefits (OPEB)	887,657	-	163,040	185,682	212,855	1,449,234	40,759
Unamortized loss on refunded debt	-	-	372,845	192,361	-	565,206	-
Total deferred outflows	<u>\$ 12,517,540</u>	<u>\$ -</u>	<u>\$ 1,782,921</u>	<u>\$ 1,881,007</u>	<u>\$ 1,730,238</u>	<u>\$ 17,911,706</u>	<u>\$ 430,056</u>

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, 2023

	Business-type Activities - Enterprise Funds						Governmental
	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	\$ 15,397,063	\$ 1,334,125	\$ 337,559	\$ 511,576	\$ 823,418	\$ 18,403,741	\$ 386,921
Accrued liabilities and retainage	-	-	235,774	366,874	229,688	832,336	36,831
Claims payable	-	-	-	-	-	-	1,590,926
Due to other funds	1,677,822	776,735	-	-	-	2,454,557	-
Unearned revenue	-	-	-	266,466	-	266,466	-
Derivative financial instruments - current portion	1,210,268	-	-	-	-	1,210,268	-
Accrued vacation and sick pay	1,072,524	-	160,265	191,879	114,729	1,539,397	21,955
Leases	-	-	-	-	37,645	37,645	-
Payable from restricted assets:							
Accrued interest	2,666,554	462,039	161,677	72,296	3,014	3,365,580	-
Counter party collateral	63,520,000	-	-	-	-	63,520,000	-
Bonds payable, net	14,261,502	2,021,712	2,231,633	1,809,293	55,465	20,379,606	-
Customer deposits	4,817,138	1,617,468	-	-	14,655	6,449,261	-
Total current liabilities	<u>104,622,871</u>	<u>6,212,079</u>	<u>3,126,908</u>	<u>3,218,384</u>	<u>1,278,614</u>	<u>118,458,857</u>	<u>2,036,633</u>
Noncurrent liabilities:							
Bonds payable, net	280,038,589	51,379,356	27,358,647	9,124,369	804,187	368,705,147	-
Interfund advance	13,474,466	-	1,581,826	1,906,458	1,924,752	18,887,502	493,812
Claims	-	-	-	-	-	-	1,087,989
Derivative financial instruments	131,860	-	-	-	-	131,860	-
Net pension liability (NPL)	7,100,135	-	833,516	1,004,577	1,014,216	9,952,444	260,205
Net other post employment benefit liability (OPEB)	3,918,769	-	727,966	846,320	960,929	6,453,984	184,008
Accrued liabilities	306,351	-	-	-	-	306,351	-
Accrued vacation and sick pay	579,800	-	86,639	103,729	62,021	832,189	54,731
Leases	-	-	-	-	40,717	40,717	-
Total noncurrent liabilities	<u>305,549,970</u>	<u>51,379,356</u>	<u>30,588,594</u>	<u>12,985,453</u>	<u>4,806,822</u>	<u>405,310,194</u>	<u>2,080,745</u>
Total liabilities	<u>410,172,841</u>	<u>57,591,435</u>	<u>33,715,502</u>	<u>16,203,837</u>	<u>6,085,436</u>	<u>523,769,051</u>	<u>4,117,378</u>
<u>Deferred Inflows</u>							
Unamortized gain on refunded debt	2,642,292	-	-	-	-	2,642,292	-
Other post employment benefits (OPEB)	220,828	-	40,559	46,194	52,955	360,536	10,140
Deferred regulatory liability	5,449,236	14,636,049	-	-	-	20,085,285	-
Total deferred inflows	<u>\$ 8,312,356</u>	<u>\$ 14,636,049</u>	<u>\$ 40,559</u>	<u>\$ 46,194</u>	<u>\$ 52,955</u>	<u>\$ 23,088,113</u>	<u>\$ 10,140</u>
<u>Net Position</u>							
Net investment in capital assets	229,579,426	70,369,880	81,055,034	87,194,567	34,312,797	502,511,704	57,026
Restricted for:							
BVSWMA, Inc.	-	-	-	-	24,505,786	24,505,786	-
Debt reserve	2,824,100	-	-	-	-	2,824,100	-
Debt service	2,885,000	426,250	1,600,903	1,391,000	-	6,303,153	-
Rate stabilization	1,749,928	-	-	-	-	1,749,928	-
Unrestricted	128,085,174	35,381,859	13,621,497	6,749,519	7,053,974	190,892,023	13,472,650
Total net position	<u>\$ 365,123,628</u>	<u>\$ 106,177,989</u>	<u>\$ 96,277,434</u>	<u>\$ 95,335,086</u>	<u>\$ 65,872,557</u>	<u>\$ 728,786,694</u>	<u>\$ 13,529,676</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						2,209,574	
Net position of business-type activities						<u>\$ 730,996,268</u>	

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, 2023

	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	\$ 231,328,778	\$ 57,824,648	\$ -	\$ -	\$ -	\$ 289,153,426	\$ -
Water system	-	-	16,504,738	-	-	16,504,738	-
Wastewater system	-	-	-	15,100,939	-	15,100,939	-
Solid waste	-	-	-	-	8,952,808	8,952,808	-
Other	4,199,999	-	782,179	-	1,071,837	6,054,015	20,285,735
Total operating revenues	<u>235,528,777</u>	<u>57,824,648</u>	<u>17,286,917</u>	<u>15,100,939</u>	<u>10,024,645</u>	<u>335,765,926</u>	<u>20,285,735</u>
Operating expenses:							
Personnel services	15,175,077	651,839	2,964,168	4,079,495	4,242,864	27,113,443	816,585
Electric operations	129,509,973	37,742,016	-	-	-	167,251,989	-
Maintenance	6,115,759	1,136,511	1,209,444	755,107	450,604	9,667,425	1,250
Claims	-	-	-	-	-	-	12,270,578
Other services and charges	3,852,511	-	2,537,010	2,218,646	1,995,070	10,603,237	4,500,855
Other expenses	2,858,170	-	544,198	701,299	1,302,289	5,405,956	89,809
General and administrative	2,964,736	310,160	1,099,090	1,137,108	1,371,724	6,882,818	-
Total operating expenses before depreciation and amortization	<u>160,476,226</u>	<u>39,840,526</u>	<u>8,353,910</u>	<u>8,891,655</u>	<u>9,362,551</u>	<u>226,924,868</u>	<u>17,679,077</u>
Operating income before depreciation and amortization	75,052,551	17,984,122	8,933,007	6,209,284	662,094	108,841,058	2,606,658
Depreciation and amortization	17,763,092	4,644,927	4,445,663	5,107,424	1,370,612	33,331,718	12,459
Operating income	<u>57,289,459</u>	<u>13,339,195</u>	<u>4,487,344</u>	<u>1,101,860</u>	<u>(708,518)</u>	<u>75,509,340</u>	<u>2,594,199</u>
Nonoperating revenues (expenses):							
Investment earnings	8,680,131	1,227,254	1,348,075	628,418	551,716	12,435,594	531,639
Investment Mark to Market	(75,901)	488,012	(331,716)	(225,782)	(229,586)	(374,973)	(101,448)
Interest expense, issuance costs and fiscal charges	(12,716,886)	(1,796,434)	(679,413)	(311,581)	(22,788)	(15,527,102)	-
Distributive share of BVSWMA net income	-	-	-	-	1,280,416	1,280,416	-
Other	601,598	-	(268,815)	88,029	316,350	737,162	-
Total nonoperating revenues (expenses)	<u>(3,511,058)</u>	<u>(81,168)</u>	<u>68,131</u>	<u>179,084</u>	<u>1,896,108</u>	<u>(1,448,903)</u>	<u>430,191</u>
Income before contributions and transfers	53,778,401	13,258,027	4,555,475	1,280,944	1,187,590	74,060,437	3,024,390
Capital contributions	-	-	2,573,815	2,582,279	-	5,156,094	-
Transfers in	-	-	579,517	114,788	10,563,457	11,257,762	356,983
Transfers out	(15,218,794)	-	(959,089)	(797,201)	(509,391)	(17,484,475)	(111,006)
Change in net position	38,559,607	13,258,027	6,749,718	3,180,810	11,241,656	72,989,818	3,270,367
Net position, October 1, 2022	326,564,021	92,919,962	89,527,716	92,154,276	54,630,901		10,259,309
Net position, September 30, 2023	<u>\$ 365,123,628</u>	<u>\$ 106,177,989</u>	<u>\$ 96,277,434</u>	<u>\$ 95,335,086</u>	<u>\$ 65,872,557</u>		<u>\$ 13,529,676</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.						2,694,659	
Change in net position of business-type activities.						<u>\$ 75,684,477</u>	

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



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CITY OF BRYAN, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2023

	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	\$ 231,558,197	\$ 56,570,208	\$ 15,987,138	\$ 14,788,556	\$ 9,773,440	\$ 328,677,539	\$ 2,989,776
Receipts for interfund services provided	-	-	-	-	-	-	15,350,845
Payments to suppliers and claim administrators	(144,657,248)	(38,353,759)	(4,767,617)	(4,128,025)	(3,081,224)	(194,987,873)	(16,868,602)
Payments to employees	(13,708,590)	(651,839)	(2,834,605)	(3,881,547)	(4,041,252)	(25,117,833)	(763,331)
Other receipts (payments)	-	-	(268,815)	88,029	316,350	135,564	1,944,926
Payments for interfund services used	-	-	(1,099,090)	(1,137,108)	(1,371,724)	(3,607,922)	-
Net cash provided by operating activities	<u>73,192,359</u>	<u>17,564,610</u>	<u>7,017,011</u>	<u>5,729,905</u>	<u>1,595,590</u>	<u>105,099,475</u>	<u>2,653,614</u>
Cash flows from noncapital financing activities:							
Transfers in	-	-	579,517	114,788	10,563,457	11,257,762	356,983
Transfers out	(15,218,794)	-	(959,089)	(797,201)	(509,391)	(17,484,475)	(111,006)
Net cash provided (used) by noncapital financing activities	<u>(15,218,794)</u>	<u>-</u>	<u>(379,572)</u>	<u>(682,413)</u>	<u>10,054,066</u>	<u>(6,226,713)</u>	<u>245,977</u>
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(54,318,607)	(17,698,587)	(1,814,873)	(4,198,807)	(12,718,647)	(90,749,521)	-
Proceeds from sale of assets	847,813	-	2,720,233	-	942,102	4,510,148	-
Principal paid on outstanding bonds and leases	(12,085,000)	(1,755,000)	(2,184,861)	(1,890,377)	(55,388)	(17,970,626)	-
Interest paid on bonds, contractual obligations, and leases	(14,570,447)	(1,634,710)	(679,413)	(311,581)	(22,788)	(17,218,939)	-
Net cash provided (used) by capital and related financing activities	<u>(80,126,241)</u>	<u>(21,088,297)</u>	<u>(1,958,914)</u>	<u>(6,400,765)</u>	<u>(11,854,721)</u>	<u>(121,428,938)</u>	<u>-</u>
Cash flows from investing activities:							
Purchase of investment securities	(403,428,976)	(54,255,452)	(14,244,227)	(8,962,667)	(8,669,113)	(489,560,435)	(14,867,346)
Sale of investment securities	405,540,771	56,464,953	8,276,172	8,026,730	6,793,216	485,101,842	9,674,326
Interest on investments	8,466,166	723,866	978,360	355,627	509,931	11,033,950	445,032
Net cash provided (used) by investing activities	<u>10,577,961</u>	<u>2,933,367</u>	<u>(4,989,695)</u>	<u>(580,310)</u>	<u>(1,365,966)</u>	<u>6,575,357</u>	<u>(4,747,988)</u>
Net increase (decrease) in cash and cash equivalents	(11,574,715)	(590,320)	(311,170)	(1,933,583)	(1,571,031)	(15,980,819)	(1,848,397)
Cash and cash equivalents, October 1, 2022	<u>58,621,588</u>	<u>16,630,883</u>	<u>21,232,951</u>	<u>4,042,541</u>	<u>2,736,600</u>	<u>103,264,563</u>	<u>3,844,601</u>
Cash and cash equivalents, September 30, 2023	<u>\$ 47,046,873</u>	<u>\$ 16,040,563</u>	<u>\$ 20,921,781</u>	<u>\$ 2,108,958</u>	<u>\$ 1,165,569</u>	<u>\$ 87,283,744</u>	<u>\$ 1,996,204</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, 2023

	Business-type Activities - Enterprise Funds						Governmental
	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	\$ 57,289,459	\$ 13,339,195	\$ 4,487,344	\$ 1,101,860	\$ (708,518)	\$ 75,509,340	\$ 2,594,199
Adjustments to reconcile operating income to net cash provided by operating activities:							
Depreciation and amortization	17,763,092	4,644,927	4,445,663	5,107,424	1,370,612	33,331,718	12,459
Provision for uncollectible accounts	86,922	32,541	-	-	-	119,463	-
Other revenue	-	-	(268,815)	88,029	316,350	135,564	-
Change in assets and liabilities:							
Change in accounts receivable	(4,257,790)	(1,339,065)	(749,677)	(55,164)	(27,393)	(6,429,089)	13,954
Change in grant receivable	-	-	-	-	(46,086)	(46,086)	-
Change in inventories	(5)	-	(66,881)	-	(2,488)	(69,374)	47,941
Change in due from other funds	2,484,534	-	(437,917)	(202,617)	(120,167)	1,723,833	(415,802)
Change in over (under) recovered fuel	947,872	1,661,528	-	-	-	2,609,400	-
Change in over (under) recovered regulatory fee	555,769	217,653	-	-	-	773,422	-
Change in prepaid and other assets	(4,270,860)	-	-	-	-	(4,270,860)	90,000
Deferred outflows/inflows of resources - OPEB & Net Pension	(14,949,269)	-	(1,796,201)	(2,133,740)	(2,186,073)	(21,065,283)	-
Change in accounts payable	655,678	(1,357,386)	(439,594)	(547,416)	641,119	(1,047,599)	8,797
Change in accrued liabilities	(390,172)	-	(30,295)	117,028	25,620	(277,819)	2,922
Change in customer deposits	200,288	84,625	-	-	55	284,968	-
Change in due to other funds	(115,001)	280,592	-	-	-	165,591	-
Change in interfund advance	-	-	(45,304)	(54,602)	(55,126)	(155,032)	(14,142)
Change in claims payable	-	-	-	-	-	-	262,954
Change in accrued vacation and sick pay	-	-	(112,570)	(136,626)	(87,139)	(336,335)	(21,135)
Change in OPEB and Net Pension	17,191,842	-	2,031,258	2,445,729	2,474,824	24,143,653	71,467
Net cash provided by operating activities	<u>\$ 73,192,359</u>	<u>\$ 17,564,610</u>	<u>\$ 7,017,011</u>	<u>\$ 5,729,905</u>	<u>\$ 1,595,590</u>	<u>\$ 105,099,475</u>	<u>\$ 2,653,614</u>
Reconciliation of total cash and cash equivalents:							
Current assets - cash and cash equivalents	\$ 47,046,873	\$ 14,423,095	\$ 1,684,149	\$ 1,145,311	\$ 1,164,421	\$ 65,463,848	\$ 1,996,204
Restricted assets - cash and cash equivalents	-	1,617,468	19,237,632	963,647	1,148	21,819,896	-
Total cash and cash equivalents	<u>\$ 47,046,873</u>	<u>\$ 16,040,563</u>	<u>\$ 20,921,781</u>	<u>\$ 2,108,958</u>	<u>\$ 1,165,569</u>	<u>\$ 87,283,744</u>	<u>\$ 1,996,204</u>
Noncash Investing, Capital, and Financing Activities							
Capital asset acquisitions included in accounts payable	\$ 4,311,251	\$ 1,189,080	\$ 67,355	\$ 350,785	\$ -	\$ 5,918,471	\$ -
Capital asset contributions	\$ -	\$ -	\$ 2,573,815	\$ 2,582,279	\$ -	\$ 5,156,094	\$ -

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



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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, 2023

<u>Assets</u>	<u>Custodial Fund</u>	<u>OPEB Trust Fund*</u>
Cash and cash equivalents	\$ 200,671	\$ -
Investments	-	3,293,848
Total assets	<u>\$ 200,671</u>	<u>\$ 3,293,848</u>
 <u>Liabilities</u>		
Due to State of Texas	\$ 200,671	\$ -
Total liabilities	<u>200,671</u>	<u>-</u>
Net position restricted for Fiduciary Activities	<u>\$ -</u>	<u>\$ 3,293,848</u>

*The OPEB Trust Fund has a year end of December 31, 2022.

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, 2023

<u>Additions</u>	<u>Custodial Fund</u>	<u>OPEB Trust Fund*</u>
State court costs	\$ 683,785	\$ -
Contributions	-	1,223,441
Investment income	-	(489,775)
Total additions	<u>683,785</u>	<u>733,666</u>
<u>Deductions</u>		
Court costs distributed to State	683,785	-
Benefit payments	-	723,441
Administrative expenses	-	18,581
Total deductions	<u>683,785</u>	<u>742,022</u>
Net Increase	<u>-</u>	<u>(8,356)</u>
Net position restricted for Fiduciary Activities October 1, 2022	<u>-</u>	<u>3,302,204</u>
Net position restricted for Fiduciary Activities September 30, 2023	<u>\$ -</u>	<u>\$ 3,293,848</u>

*The OPEB Trust Fund has a year end of December 31, 2022.

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



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City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 160.

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 and the Board is appointed by City Council, 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 134.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

The condensed combined statements of net position for the City Electric System and QSE as of September 30, 2023 are as follows:

	September 30, 2023		
	BTU City	QSE	Combined
Current assets	\$ 144,297,591	\$ 4,204,911	\$ 148,502,501
Capital assets, net	489,665,157	124,215	489,789,372
Restricted assets	124,956,644	-	124,956,644
Other	7,842,767	-	7,842,767
Total assets	<u>766,762,159</u>	<u>4,329,125</u>	<u>771,091,284</u>
Deferred outflows	12,517,540	-	12,517,540
Current liabilities	17,767,513	2,169,963	19,937,476
Current liabilities payable from restricted assets	85,265,194	-	85,265,194
Noncurrent liabilities	304,970,170	-	304,970,170
Total liabilities	<u>408,002,877</u>	<u>2,169,963</u>	<u>410,172,840</u>
Deferred inflows	8,312,356	-	8,312,356
Net Position:			
Net investment in capital assets	229,455,211	124,215	229,579,426
Restricted	7,459,028	-	7,459,028
Unrestricted	126,050,226	2,034,948	128,085,174
Total net position	<u>\$ 362,964,465</u>	<u>\$ 2,159,163</u>	<u>\$ 365,123,628</u>

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, 2023, are as follows:

	Fiscal Year Ended September 30, 2023		
	BTU City	QSE	Combined
Operating revenues	\$ 231,860,428	\$ 1,821,179	\$ 233,681,607
Operating expenses	<u>176,418,139</u>	<u>1,821,179</u>	<u>178,239,318</u>
Operating income	55,442,289	-	55,442,289
Investment income	8,680,131	-	8,680,131
Interest expense	(12,716,886)	-	(12,716,886)
Gain/(Loss) on asset sale	601,598	-	601,598
Investment mark to market	<u>(75,901)</u>	<u>-</u>	<u>(75,901)</u>
Income before operating transfers	51,931,231	-	51,931,231
Transfers, net	<u>(13,371,624)</u>	<u>-</u>	<u>(13,371,624)</u>
Change in net position	38,559,607	-	38,559,607
Net position, beginning of period	<u>324,404,858</u>	<u>2,159,163</u>	<u>326,564,021</u>
Net position, end of period	<u>\$ 362,964,465</u>	<u>\$ 2,159,163</u>	<u>\$ 365,123,628</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023 and the changes in net position from July 1, 2022 to June 30, 2023 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 BVSWMA is to finance, construct, own, manage and operate the 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 14).

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 13).

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 20).

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 (see Note 20).

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 committed by the City.
- 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.
- 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 are accounted for in this fund.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

- 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 are accounted for in this fund.
- Queen & 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 are 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 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 11 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.

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The revenues susceptible 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").

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 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. 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 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).

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

On February 10, 2021, TMPA's Gibbons Creek power plant was sold to GCERG. BTU established a regulatory asset in the amount of \$7,842,767 associated with the power plant sale on February 10,

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

2021. The regulatory asset will be amortized in future periods when its 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.

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.

Assets capitalized have an original cost of \$5,000 or more and three or more years of useful life.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Depreciation has been calculated on each class of depreciable property using the straight-line method over the following estimated service lives:

	<u>Estimated Service Lives</u>
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

Leases

Lessee

The City is a lessee for noncancelable leases of property and equipment. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor

The City is a lessor for noncancelable leases of property. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, proprietary fund, and governmental fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITA)

SBITA assets are defined by the general government as the right to use vendor-provided information technology (“IT”) with access to vendors’ IT assets. The City recognizes a subscription liability (SBITA liability), reported with long-term debt, and an intangible right-to-use subscription asset (SBITA asset), reported with other capital assets, in the government-wide financial statements. The City recognizes SBITA liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the term. Subsequently, the subscription

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

liability is reduced by the principal portion of payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over the shorter of the subscription term or its useful life.

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 asset/liability, 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 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.tmr.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 pages 48-49. 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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

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 \$3,310,403 at September 30, 2023 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, 2023, the City Electric System reported a current asset – under-recovered fuel of \$1,872,118.

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, 2023, the City Electric System reported a current asset – under-recovered regulatory fee of \$923,973.

Customers are billed on the basis of monthly cycle billings. 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 \$2,626,018 at September 30, 2023. 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, 2023 the Rural Electric System reflected a current asset - under-recovered fuel of \$2,140,783.

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

– over-recovered regulatory fee or accounts receivable – under-recovered regulatory fee, whichever is appropriate. At September 30, 2023, the Rural Electric System reported a current asset – under-recovered regulatory fee of \$186,743.

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 Statement of Net Position. The deferred regulatory liability is amortized to accumulated depreciation over the life of the asset constructed.

During the fiscal year ended September 30, 2023, the City Electric System collected \$265,504 of AIC. The amortization of the deferred regulatory liability was \$170,289 for 2023. The deferred regulatory liability balance at September 30, 2023 was \$5,449,236.

During the fiscal year ended September 30, 2023, the Rural Electric System collected \$685,116 AIC. The amortization of the deferred regulatory liability was \$457,377 for 2023. The deferred regulatory liability balance at September 30, 2023 was \$14,636,049.

Compensated Absences

The City's policy in effect during Fiscal Year 2023 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

New Accounting Pronouncements and Changes in Accounting Principles

For the fiscal year ended September 30, 2023, the City adopted:

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 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 City adopted GASB 94 for the fiscal year 2023 financial statements with no impact to amounts previously reported.

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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

As a result of the adoption of the new SBITA standard, the City recognized liabilities of \$1,295,429 which represent the present value of the remaining discounted payments and right-to-use assets of \$1,295,429 at October 1, 2022 in governmental activities. There was no impact to the net position or change in net position as previously reported.

The following guidance issued by GASB is effective for years following FY 2023 and is expected to be applicable to the City:

GASB Statement No. 99, Omnibus 2022. This Statement enhances comparability in accounting and financial reporting and improves consistency of authoritative literature by addressing 1) practice issues that have been identified during implementation and application of certain GASB statements and 2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases were implemented in the fiscal year 2022 financial statements in conjunction with GASB 87. The requirements related to PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the fiscal year 2023 financial statements in conjunction with GASB 94 and GASB 96 as described in Note 1. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. These requirements for GASB 99 will be implemented in the fiscal year 2024 financial statements and the impact has not yet been determined.

GASB Statement No. 100, Accounting Changes and Error Corrections. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

This Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB Statement No. 101, *Compensated Absences*. This Statement improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged.

The City is currently evaluating the impact of these statements.

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 Truist Bank, the City's depository bank, were covered by federal depository insurance or by collateral held by the Federal Reserve Bank in the City's name. At September 30, 2023 the amount of the City's demand deposits was \$42,259,290, BTU's City and Rural demand deposits were \$63,087,436, and the combined bank balance was \$105,346,726. At September 30, 2023, City deposits were under-collateralized by \$2,438,751. These accounts have been fully collateralized as of the issuances of the report.

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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

The City's policy, which was adopted by the City Council on September 12, 2023, for the fiscal year ending September 30, 2023, 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.
- 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

The City's cash and cash equivalents and investments at September 30, 2023 as are follows:

	<u>Carrying Value</u>	<u>Percentage of Total</u>	<u>Wgt. Avg. Maturity (Days)</u>
U. S. Agencies and Treasuries	\$ 205,832,716	45.35%	876
Municipal Bonds	74,051,802	16.31%	971
Government Pools	68,673,367	15.13%	62
Demand Deposits	105,337,829	23.21%	1 day
	<u>\$ 453,895,714</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, 2023 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	\$ 74,051,802	\$ -	\$ 74,051,802	\$ -
U.S. Agency Bonds	205,832,716	-	205,832,716	-
	<u>\$ 279,884,518</u>	<u>\$ -</u>	<u>\$ 279,884,518</u>	<u>\$ -</u>

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 and municipal bonds 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023, the City had the following investments:

Investment Types	Value	Investment Maturity (in Years)		
		Less Than 1	1-5	Greater Than 5
Municipal Bonds	\$ 74,051,802	\$ 26,355,419	\$ 47,696,383	\$ -
U.S. Agency Bonds	205,832,716	59,402,769	146,429,947	-
Total	\$ 279,884,518	\$ 85,758,188	\$ 194,126,330	\$ -

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

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.

Texas RANGE is a local government investment pool established under the authority of the Public Funds Investment act and is administered by Public Trust Advisors, LLC. Wells Fargo Bank, N.A. serves as custodian for the Texas RANGE pool. Texas RANGE operates three funds in which the City participates.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

- Texas RANGE DAILY SELECT is an investment option that utilizes all eligible investments as defined by the Public Funds Investment Act.
- Texas RANGE DAILY is an investment option that utilizes only investments that are backed or collateralized with U.S. Treasury or U.S. Government Agency obligations.
- Texas RANGE TERM – is an investment with maturities from 60 days to one year with fixed-rate, fixed-term options.

The intent of Texas RANGE is to operate on a \$1.00 net asset value basis. Texas RANGE allows same day or next day redemptions and deposits. Interest is allocated daily based on portfolio earnings and participant account balances. The portfolio is valued daily using the amortized cost valuation method. This pool is not managed by the City and the City does not possess securities that exist in either physical or book entry form. Texas RANGE is rated AAmmf by Fitch Ratings.

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, 2023, City deposits were under-collateralized by \$2,438,751. These accounts have been fully collateralized as of the issuances of the report.

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.

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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 62.4 cents per \$100 of assessed valuation for the year ended September 30, 2023. Under provisions adopted by the City, the maximum tax rate is limited to \$1.50 per \$100 of assessed valuation.

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, 2023

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 was as follows:

	Balance October 1	Additions / Completions	Retirements / Adjustments	Balance September 30
Governmental activities:				
Capital assets not being depreciated				
Land	\$ 14,073,708	\$ 2,717	\$ (1,470)	\$ 14,074,955
Construction in progress	76,468,573	2,773,182	-	79,241,755
Total capital assets not being depreciated/amortized	<u>90,542,281</u>	<u>2,775,899</u>	<u>(1,470)</u>	<u>93,316,710</u>
Capital assets, being depreciated				
Intangibles	60,250	-	-	60,250
Intangibles - right of use*	1,295,429	-	-	1,295,429
Buildings	47,921,627	1,074,821	(304,335)	48,692,113
Buildings - right of use	1,770,463	-	-	1,770,463
Machinery and equipment	46,689,132	3,834,798	(904,925)	49,619,005
Machinery and equipment - right of use	117,625	2,108,520	-	2,226,145
Improvements other than buildings	56,454,202	9,720,439	-	66,174,641
Infrastructure	271,656,282	25,666,784	-	297,323,066
Total capital assets being depreciated/amortized	<u>425,965,010</u>	<u>42,405,362</u>	<u>(1,209,260)</u>	<u>467,161,112</u>
Less accumulated depreciation/amortization for:				
Intangibles	(38,493)	(20,083)	-	(58,576)
Intangibles - right of use	-	(228,605)	-	(228,605)
Buildings	(22,087,572)	(1,228,725)	-	(23,316,297)
Buildings - right of use	(274,003)	(295,112)	-	(569,115)
Machinery and equipment	(35,856,567)	(2,562,080)	745,732	(37,672,915)
Machinery and equipment - right of use	(41,515)	(41,514)	-	(83,029)
Improvements other than buildings	(33,047,072)	(1,732,628)	-	(34,779,700)
Infrastructure	(147,144,285)	(9,705,640)	-	(156,849,925)
Total accumulated depreciation/amortization	<u>(238,489,507)</u>	<u>(15,814,387)</u>	<u>745,732</u>	<u>(253,558,162)</u>
Total capital assets being depreciated/amortized, net	<u>187,475,503</u>	<u>26,590,975</u>	<u>(463,528)</u>	<u>213,602,950</u>
Governmental activities capital assets, net	<u>\$ 278,017,784</u>	<u>\$ 29,366,874</u>	<u>\$ (464,998)</u>	<u>\$ 306,919,660</u>
Business-type activities:				
Capital assets not being depreciated				
Land	\$ 30,074,230	\$ 10,310,393	\$ (3,979,595)	\$ 36,405,028
Construction in progress	112,441,797	68,714,917	(94,077,117)	87,079,597
Retirement in progress	1,165,988	3,136,073	(3,462,251)	839,810
Total capital assets not being depreciated/amortized	<u>143,682,015</u>	<u>82,161,383</u>	<u>(101,518,963)</u>	<u>124,324,435</u>
Capital assets, being depreciated				
Buildings	27,461,271	262,187	-	27,723,458
Machinery and equipment	21,809,157	2,932,502	-	24,741,659
Machinery and equipment - right of use	96,106	-	-	96,106
Improvements other than buildings	1,034,376,891	105,297,175	(978,070)	1,138,695,996
Total capital assets being depreciated/amortized	<u>1,083,743,425</u>	<u>108,491,864</u>	<u>(978,070)</u>	<u>1,191,257,219</u>
Less accumulated depreciation for:				
Buildings	(7,650,287)	(1,154,851)	-	(8,805,138)
Machinery and equipment	(16,477,091)	(1,572,420)	-	(18,049,511)
Machinery and equipment - right of use	(19,221)	(19,221)	-	(38,442)
Improvements other than buildings	(408,889,125)	(31,212,895)	3,652,807	(436,449,213)
Total accumulated depreciation/amortization	<u>(433,035,724)</u>	<u>(33,959,387)</u>	<u>3,652,807</u>	<u>(463,342,304)</u>
Total capital assets being depreciated/amortized, net	<u>650,707,701</u>	<u>74,532,477</u>	<u>2,674,737</u>	<u>727,914,915</u>
Business-type activities capital assets, net	<u>\$ 794,389,716</u>	<u>\$ 156,693,860</u>	<u>\$ (98,844,226)</u>	<u>\$ 852,239,350</u>

*Beginning balances restated due to adoption of GASB Statement No. 96 Subscription-Based IT Arrangements. See Note 1.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Capital asset activity for Bryan Business Council, Inc. (BBC) for the year ended September 30, 2023 was as follows:

	Balance July 1	Additions / Completions	Retirements / Adjustments	Balance June 30
Capital assets not being depreciated				
Land Available for Resale	\$ 15,242,999	\$ -	\$ (2,849,551)	\$ 12,393,448
Allowance for decline in value	(310,652)	-	310,652	-
Total Land	14,932,347	-	(2,538,899)	12,393,448
Construction in progress	-	69,850	-	69,850
Total capital assets not being depreciated, net	14,932,347	69,850	(2,538,899)	12,463,298
Capital assets, being depreciated				
Buildings	1,959,015	-	(1,959,015)	-
Total capital assets being depreciated, net	1,959,015	-	(1,959,015)	-
Governmental activities capital assets, net	<u>\$ 16,891,362</u>	<u>\$ 69,850</u>	<u>\$ (4,497,914)</u>	<u>\$ 12,463,298</u>

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

Governmental activities:

General government and administration	\$ 1,228,223
Development services	92,263
Public works services	10,131,715
Public safety	2,645,497
Cultural and recreational	1,716,689
Total depreciation/amortization expense - Governmental activities	<u>\$ 15,814,387</u>

Business-type activities:

City Electric	17,933,384
Rural Electric	5,102,304
Water	4,445,663
Wastewater	5,107,424
Other Enterprise Funds	1,370,612
Total depreciation/amortization expense - Business-type activities	<u>\$ 33,959,387</u>

The City has active construction projects as of September 30, 2023. Total accumulated commitments for ongoing capital projects are composed of the following:

	Committed
Street improvements	\$ 13,296,268
Drainage improvements	396,498
Parks Development	14,981,967
Electric Improvements	15,026,612
Water system improvements	8,252,716
Wastewater system improvements	4,417,749
Solid waste system improvements	31,747
Airport improvements	10,312
Total	<u>\$ 56,413,869</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023:

	Beginning Balance	Issued	Matured/ Refunded	Ending Balance	Due within one year
<u>Governmental Activities:</u>					
General Obligation Bonds	\$ 81,802,127	\$ -	\$ 7,444,162	\$ 74,357,965	\$ 7,728,396
Certificates of Obligation	117,405,000	-	3,045,000	114,360,000	3,545,000
Total governmental activities	199,207,127	-	10,489,162	188,717,965	11,273,396
Total Premium	5,611,700	-	394,559	5,217,141	394,559
Total Governmental Activities, net	204,818,827	-	10,883,721	193,935,106	11,667,955
<u>Business-type Activities:</u>					
Water, Sewer & Airport Systems:					
General Obligation Bonds	2,797,873	-	740,838	2,057,035	761,604
Certificates of Obligation	870,000	-	50,000	820,000	50,000
Private Placement Revenue Bonds	24,330,000	-	1,945,000	22,385,000	1,845,000
Revenue Bonds	16,140,000	-	1,250,000	14,890,000	1,295,000
Electric System :					
General Obligation Bonds	2,515,000	-	810,000	1,705,000	835,000
Certificates of Obligation	30,055,000	-	1,435,000	28,620,000	1,485,000
Revenue Bonds	297,880,000	-	11,595,000	286,285,000	12,085,000
Total business type activities	374,587,873	-	17,825,838	356,762,035	18,356,604
Total Premium	34,345,720	-	2,023,002	32,322,718	2,023,002
Total Business-type Activities, net	408,933,593	-	19,848,840	389,084,753	20,379,606
Total long-term debt	573,795,000	-	28,315,000	545,480,000	29,630,000
Total long-term debt, net	\$ 613,752,420	\$ -	\$ 30,732,561	\$ 583,019,859	\$ 32,047,561

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Long-term debt at September 30, 2023 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	\$ 3,538,874	\$ 1,041,126	\$ 4,580,000
Refunding, Series 2014	2.00 - 3.25	2031	08/15/24	3,084,091	1,015,909	4,100,000
Refunding, Series 2015	2.00 - 4.00	2025	None	2,000,000	1,705,000	3,705,000
Refunding, Series 2016	1.50 - 3.00	2026	None	2,470,000	-	2,470,000
Refunding, Series 2018	2.00 - 5.00	2028	None	3,375,000	-	3,375,000
Refunding, Series 2019	2.00 - 3.00	2028	None	2,935,000	-	2,935,000
Refunding, Series 2020	2.00 - 4.00	2030	08/15/28	5,105,000	-	5,105,000
Pension Obligation, Series 2020	0.45 - 2.89	2040	08/15/31	51,850,000	-	51,850,000
Total General Obligation Bonds				<u>74,357,965</u>	<u>3,762,035</u>	<u>78,120,000</u>
<u>Certificates of Obligation:</u>						
Combination Tax & Revenue, Series 2013	3.00 - 4.25	2033	08/15/23	-	3,265,000	3,265,000
Combination Tax & Revenue, Series 2014	2.00 - 5.00	2039	08/15/24	4,065,000	25,355,000	29,420,000
Combination Tax & Revenue, Series 2016	2.00 - 5.00	2036	08/15/26	6,180,000	820,000	7,000,000
Combination Tax & Revenue, Series 2018	3.00 - 4.00	2038	08/15/27	9,625,000	-	9,625,000
Combination Tax & Revenue, Series 2020	2.00 - 5.00	2050	02/15/29	67,165,000	-	67,165,000
Combination Tax & Revenue, Series 2022	4.00 - 5.00	2052	02/15/31	27,325,000	-	27,325,000
Total Certificates of Obligation				<u>114,360,000</u>	<u>29,440,000</u>	<u>143,800,000</u>
<u>Private Placement Revenue Bonds:</u>						
Sewer System Private Placement, Series 2011	0.00 - 2.70	2030	07/01/21	-	6,155,000	6,155,000
Water System Private Placement, Series 2016B	0.61 - 2.61	2041	07/01/27	-	1,765,000	1,765,000
Water and Sewer System Private Placement, Series 2021	0.16 - 2.52	2046	07/01/31	-	14,465,000	14,465,000
Total Private Placement Bonds				<u>-</u>	<u>22,385,000</u>	<u>22,385,000</u>
<u>Revenue Bonds:</u>						
Electric System Revenue City, Series 2016	3.497 - 5.00	2041	07/01/26	-	59,830,000	59,830,000
Electric System Revenue Rural, Series 2016	2.00 - 5.00	2041	07/01/26	-	12,340,000	12,340,000
Water System Revenue, Series 2016A	2.25 - 5.00	2036	07/01/26	-	3,125,000	3,125,000
Water and Sewer System Revenue, Series 2017	3.00 - 4.00	2032	07/01/27	-	7,505,000	7,505,000
Electric System Revenue City, Series 2017	3.00 - 5.00	2034	07/01/27	-	40,480,000	40,480,000
Electric System Revenue City, Series 2018	4.00 - 5.00	2043	07/01/27	-	36,640,000	36,640,000
Electric System Revenue Rural, Series 2018	4.00 - 5.00	2043	07/01/27	-	15,555,000	15,555,000
Water and Sewer System Revenue Refunding, Series 2019	2.00 - 3.00	2029	07/01/27	-	1,935,000	1,935,000
Water and Sewer System Revenue Refunding, Series 2020	2.00 - 3.00	2030	07/01/28	-	2,325,000	2,325,000
Electric System Revenue City, Series 2021	4.00 - 5.00	2046	07/01/31	-	15,000,000	15,000,000
Electric System Revenue Rural, Series 2021	2.50 - 5.00	2046	07/01/31	-	18,565,000	18,565,000
Electric System Revenue City, Series 2021A	2.50 - 5.00	2046	07/01/31	-	63,935,000	63,935,000
Electric System Revenue Refunding City, Series 2022	5.00 - 5.00	2035	07/01/32	-	23,940,000	23,940,000
Total Revenue Bonds				<u>-</u>	<u>301,175,000</u>	<u>301,175,000</u>
Total long-term debt				<u>188,717,965</u>	<u>356,762,035</u>	<u>545,480,000</u>
Total Premium				<u>5,217,141</u>	<u>32,322,718</u>	<u>37,539,859</u>
Total long-term debt, net				<u>\$ 193,935,106</u>	<u>\$ 389,084,753</u>	<u>\$ 583,019,859</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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

General Obligation Bonds

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
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	60,197	10,217,878
2026	5,653,748	1,485,198	321,252	24,450	7,484,648
2027	4,258,276	1,355,141	86,724	14,420	5,714,561
2028	4,504,559	1,245,102	90,441	11,819	5,851,921
2029-2033	16,327,572	4,805,898	287,428	18,511	21,439,409
2034-2038	19,165,000	2,924,475	-	-	22,089,475
2039-2043	9,600,000	417,970	-	-	10,017,970
2044-2048	-	-	-	-	-
2049-2053	-	-	-	-	-
Total	<u>\$ 74,357,965</u>	<u>\$ 15,755,800</u>	<u>\$ 3,762,035</u>	<u>\$ 245,841</u>	<u>\$ 94,121,641</u>

Certificates of Obligation

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ 3,545,000	\$ 3,733,009	\$ 1,535,000	\$ 1,048,613	\$ 9,861,622
2025	3,700,000	3,570,484	1,610,000	977,723	9,858,207
2026	3,965,000	3,394,709	1,660,000	926,923	9,946,632
2027	4,030,000	3,208,458	1,720,000	873,123	9,831,581
2028	4,205,000	3,032,058	1,765,000	819,073	9,821,131
2029-2033	22,680,000	12,661,517	9,795,000	3,166,340	48,302,857
2034-2038	22,935,000	9,233,958	9,325,000	1,441,908	42,935,866
2039-2043	18,915,000	6,230,319	2,030,000	77,140	27,252,459
2044-2048	19,525,000	3,399,131	-	-	22,924,131
2049-2053	10,860,000	657,656	-	-	11,517,656
Total	<u>\$ 114,360,000</u>	<u>\$ 49,121,299</u>	<u>\$ 29,440,000</u>	<u>\$ 9,330,843</u>	<u>\$ 202,252,142</u>

Private Placement Revenue Bonds

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ -	\$ -	\$ 1,845,000	\$ 417,648	\$ 2,262,648
2025	-	-	1,545,000	390,438	1,935,438
2026	-	-	1,550,000	367,288	1,917,288
2027	-	-	1,550,000	342,415	1,892,415
2028	-	-	1,485,000	315,746	1,800,746
2029-2033	-	-	4,795,000	1,232,488	6,027,488
2034-2038	-	-	3,625,000	898,587	4,523,587
2039-2043	-	-	3,760,000	514,732	4,274,732
2044-2048	-	-	2,230,000	107,338	2,337,338
2049-2053	-	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,385,000</u>	<u>\$ 4,586,680</u>	<u>\$ 26,971,680</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Revenue Bonds

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ -	\$ -	\$ 13,380,000	\$ 12,462,138	\$ 25,842,138
2025	-	-	14,420,000	11,813,238	26,233,238
2026	-	-	15,110,000	11,116,888	26,226,888
2027	-	-	15,825,000	10,390,288	26,215,288
2028	-	-	16,580,000	9,631,988	26,211,988
2029-2033	-	-	86,900,000	36,042,568	122,942,568
2034-2038	-	-	63,655,000	19,371,706	83,026,706
2039-2043	-	-	57,865,000	7,807,651	65,672,651
2044-2048	-	-	17,440,000	965,900	18,405,900
2049-2053	-	-	-	-	-
Total	\$ -	\$ -	\$ 301,175,000	\$ 119,602,363	\$ 420,777,363

Total Long-Term Debt

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ 11,273,396	\$ 5,597,344	\$ 18,356,604	\$ 14,044,843	\$ 49,272,187
2025	10,820,414	5,228,165	18,954,586	13,241,596	48,244,761
2026	9,618,748	4,879,907	18,641,252	12,435,549	45,575,456
2027	8,288,276	4,563,599	19,181,724	11,620,246	43,653,845
2028	8,709,559	4,277,160	19,920,441	10,778,626	43,685,786
2029-2033	39,007,572	17,467,415	101,777,428	40,459,907	198,712,322
2034-2038	42,100,000	12,158,433	76,605,000	21,712,201	152,575,634
2039-2043	28,515,000	6,648,289	63,655,000	8,399,523	107,217,812
2044-2048	19,525,000	3,399,131	19,670,000	1,073,238	43,667,369
2049-2053	10,860,000	657,656	-	-	11,517,656
Total	\$ 188,717,965	\$ 64,877,099	\$ 356,762,035	\$ 133,765,727	\$ 744,122,825

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 2018 bonds are satisfied with restricted funds. The reserve fund requirements for the City Electric Fund Series 2016, 2017, 2021, 2021A and 2022 bonds are satisfied with insurance policies, as are the Rural Electric Fund's Series 2016, 2018 and 2021 bonds. There are no reserve requirements for the Rural Electric

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023.

Other long-term liabilities

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

	Year Ended September 30, 2023		
	Governmental Activities	Business-type Activities	Total
Beginning balance	\$ 11,458,800	\$ 3,098,093	\$ 14,556,893
Plus additions	1,902,783	1,058,996	2,961,779
Less payments	(3,457,732)	(1,785,503)	(5,243,235)
Ending balance	<u>\$ 9,903,851</u>	<u>\$ 2,371,586</u>	<u>\$ 12,275,437</u>
Amount due in one year	\$ 3,277,441	\$ 1,539,397	\$ 4,816,838
Amount due in over one year	\$ 6,626,410	\$ 832,189	\$ 7,458,599

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-buildings and equipment over the term of the lease. The City is required to make monthly or yearly payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate (s)	Liability at Commencement	Lease Term in Years	Ending Balance
<u>Governmental Activities:</u>				
Buildings	4.00%	\$ 1,770,463	3-7	\$ 1,254,358
Equipment	3.55 - 5.60%	2,226,145	3-10	2,144,244
Total governmental activities		<u>\$ 3,996,608</u>		<u>\$ 3,398,602</u>
<u>Business-type Activities:</u>				
Equipment	4.00%	\$ 96,106	5	\$ 78,363
Total business-type activities		<u>\$ 96,106</u>		<u>\$ 78,363</u>

The future principal and interest lease payments as of fiscal year end are as follows:

Year	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ 487,773	\$ 163,575	\$ 37,646	\$ 5,530	\$ 694,524
2025	450,404	142,273	19,959	1,629	614,265
2026	448,376	121,939	20,758	830	591,903
2027	469,418	100,898	-	-	570,316
2028-2032	1,276,461	273,539	-	-	1,550,000
2033-2037	266,170	14,906	-	-	281,076
Total	<u>\$ 3,398,602</u>	<u>\$ 817,130</u>	<u>\$ 78,363</u>	<u>\$ 7,989</u>	<u>\$ 4,302,084</u>

The value of the right-to-use assets as of the end of the current fiscal year was \$4,092,714 and had accumulated amortization of \$690,587.

The City has entered into a subscription-based information technology arrangement (“SBITA”) which allows the right to use vendor-provided information technology. The City is required to make yearly payments at its incremental borrowing rate or the interest rate stated or implied within the SBITA. The SBITA rate, term and ending liability are as follows:

	Interest Rate (s)	Liability at Commencement	Term in Years	Ending Balance
<u>Governmental Activities:</u>				
Subscriptions Payable	5.60%	\$ 1,295,429	3-7	\$ 904,489
Total governmental activities		<u>\$ 1,295,429</u>		<u>\$ 904,489</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

The future principal and interest SBITA payments as of fiscal year end are as follows:

<u>Year</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 207,990	\$ 50,651	\$ 258,641
2025	219,637	39,004	258,641
2026	231,937	26,704	258,641
2027	244,925	13,716	258,641
Total	<u>\$ 904,489</u>	<u>\$ 130,075</u>	<u>\$ 1,034,564</u>

The value of the right-to-use assets as of the end of the current fiscal year was \$1,295,429 and had accumulated amortization of \$228,605.

6. PRIOR-YEAR DEFEASANCE OF DEBT

As of September 30, 2023, the City had no outstanding general obligation bonds, certificates of obligation, or revenue bonds which were considered defeased.

7. 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

8. 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, 2023

The City's classification of fund balances is as follows at September 30, 2023:

	General Fund	Debt Service Fund	Other Governmental Funds	Total
Nonspendable:				
Permanent Funds Corpus	\$ -	\$ -	\$ 1,465,582	\$ 1,465,582
Other Purposes	57,022	1,881,413	181,205	2,119,640
Restricted for:				
Debt Service	-	22,948,869	-	22,948,869
Hotel/Motel	-	-	2,153,006	2,153,006
Municipal Court	181,649	-	214,797	396,446
TIRZ Development	-	-	4,107,226	4,107,226
Capital Projects	-	-	23,333,129	23,333,129
Cemeteries	-	-	112,233	112,233
Libraries	-	-	4,989	4,989
Fire	818	-	-	818
Police	150,284	-	-	150,284
Record Preservation	38,577	-	-	38,577
Other Purposes	1,159,763	-	17,631	1,177,394
Tax Abatements	2,205,446	-	-	2,205,446
Animal Center	351,236	-	-	351,236
Committed to:				
Parks	686,937	-	2,577,188	3,264,125
Streets	-	-	12,966,464	12,966,464
Drainage	3,835,997	-	1,490,419	5,326,416
Severance Reserve	1,658,780	-	-	1,658,780
Other Purposes	-	-	2,937,479	2,937,479
Assigned to:				
Parks	538,473	-	-	538,473
Streets and Drainage	243,628	-	-	243,628
Other Purposes*	21,919,686	-	-	21,919,686
Unassigned	19,128,574	-	(607,256)	18,521,318
Total fund balances	<u>\$ 52,156,870</u>	<u>\$ 24,830,282</u>	<u>\$ 50,954,092</u>	<u>\$ 127,941,244</u>

*Assigned other purposes include America Rescue Plan Act, encumbered, and designated library fund balances.

Net position has been restricted at September 30, 2023 as follows:

	Business-Type Activities					Total
	City Electric	Rural Electric	Water	Waste Water	Other Enterprise	
Restricted for:						
BVSWMA, Inc.	\$ -	\$ -	\$ -	\$ -	\$ 24,505,786	\$ 24,505,786
Debt Reserve	2,824,100	-	-	-	-	2,824,100
Debt Service	2,885,000	426,250	1,600,903	1,391,000	-	6,303,153
Rate Stabilization	1,749,928	-	-	-	-	1,749,928
Total	<u>\$ 7,459,028</u>	<u>\$ 426,250</u>	<u>\$ 1,600,903</u>	<u>\$ 1,391,000</u>	<u>\$ 24,505,786</u>	<u>\$ 35,382,967</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

9. RETIREMENT PLAN

Plan Description

The City of Bryan participates as one of 919 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, Title 8, Subtitle G, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS does not receive any funding from the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (ACFR) that can be obtained at www.tmr.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, and their age at retirement and other actuarial factors. The retiring member may select one of seven monthly benefit payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total member contributions 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, 2023

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	723
Inactive employees entitled to but not yet receiving benefits	523
Active employees	<u>902</u>
Total	2,148

Contributions

The member contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee's gross earnings, and the city matching percentages are either 1:1 (1 to 1), 1.5:1 (1 ½ to 1) or 2:1 (2 to 1), 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 city's contribution rate is based on the liabilities created from the benefit plan options selected by the city and any changes in benefits or actual experience over time.

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 9.18% and 8.85% in calendar years 2022 and 2023, respectively. The City opted to fund at a rate of 9.25% and 9.50%, respectively, which is over the actuarial determined required rate. The City's contributions to TMRS for the year ended September 30, 2023 were \$7,114,657, and were more to the required contributions by \$376,593.

Net Pension Asset

The City's Net Pension Asset (NPA) was measured as of December 31, 2022, 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, 2022 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Overall payroll growth	2.75% per year, adjusted down for population declines, if any
Investment Rate of Return	6.75%, net of pension plan investment expense, including inflation

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements 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 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. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2022 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35.00%	7.7%
Core Fixed Income	6.00%	4.9%
Non-Core Fixed Income	20.00%	8.7%
Other Public and Private Markets	12.00%	8.1%
Real Estate	12.00%	5.8%
Hedge Funds	5.00%	6.9%
Private Equity	10.00%	11.8%
Total	100.00%	

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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (a) - (b)
Balance at 12/31/2021	\$ 412,715,314	\$ 450,791,735	\$ (38,076,421)
Changes for the year:			
Service Cost	11,336,514	-	11,336,514
Interest	27,598,610	-	27,598,610
Change of benefit terms	-	-	-
Difference between expected and actual experience	5,049,014	-	5,049,014
Contributions - employer	-	6,538,898	(6,538,898)
Contributions - employee	-	4,947,357	(4,947,357)
Net investment income	-	(32,955,033)	32,955,033
Benefit payments, including refunds of employee contributions	(19,030,550)	(19,030,550)	-
Administrative expense	-	(284,750)	284,750
Other changes	-	339,792	(339,792)
Net changes	<u>24,953,588</u>	<u>(40,444,287)</u>	<u>65,397,875</u>
Balance at 12/31/2022	<u>\$ 437,668,902</u>	<u>\$ 410,347,448</u>	<u>\$ 27,321,454</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) \$	\$ 90,376,730	\$ 27,321,454	\$ (24,293,902)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report, in the Schedule of Changes in Fiduciary Net Position, by Participating City. That report may be obtained on the at www.tmr.com.

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

For the year ended September 30, 2023 the city recognized pension expense of \$13,810,486.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

At September 30, 2023 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	\$ 5,901,131	\$ -
Changes in actuarial assumptions	48,653	-
Difference between projected and actual investment earnings	29,622,619	-
Contributions subsequent to the measurement date	5,303,753	-
Total	<u>\$ 40,876,156</u>	<u>\$ -</u>

Deferred outflows of resources of \$5,303,753 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, 2024. 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>
2024	\$ 4,517,423
2025	9,146,156
2026	9,073,203
2027	12,835,621
Total	<u>\$ 35,572,403</u>

10. 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 \$200,000 and a maximum claims liability of \$12,746,603 for the twelve month period which began January 1, 2023 and ends December 31, 2023. 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 have been no settlements that have exceeded insurance coverage for the past three calendar years. The City's insurance carrier has paid out \$492,391 for calendar year 2021, \$691,270 for calendar year 2022, and \$220,165 for calendar year 2023 to date in settlements that exceeded the deductible applicable to individual stop loss coverage.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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

	<u>FY 2023</u>	<u>FY 2022</u>
Beginning balance unpaid claims	\$ 1,166,000	\$ 1,309,415
Incurred claims	11,116,840	10,170,055
Claim payments	<u>(11,223,840)</u>	<u>(10,313,470)</u>
Ending balance unpaid claims	<u>\$ 1,059,000</u>	<u>\$ 1,166,000</u>
Amounts due in one year	\$ 1,059,000	\$ 1,166,000

11. 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 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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023, retirees paid \$623,817 in premiums and \$2,177,420 in claims and premiums were paid for post-retirement health care and administrative charges. As of September 30, 2023, the City has 78 retirees and 68 dependents 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 \$9,239 and incurred claims and administrative expenses of \$11,933 during the year ended September 30, 2023. As of September 30, 2023, the City has no 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.

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 2023 \$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, 2022 (the measurement date):

Inactive plan members or beneficiaries currently receiving benefits	76
Inactive plan members entitled but not yet receiving benefits	0
Active plan members	<u>893</u>
Total plan members	969

Contributions to the Plan

For the year ended September 30, 2023, the City's contribution rate was \$1,306,797, or 1.73% 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, 2022 (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, 2022. As of the measurement date the total OPEB liability was \$21,777,277 and the net OPEB liability (net of plan fiduciary net position of \$3,293,848) was \$18,483,429.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 25 years as of September 30, 2023
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 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements.
Health Care Cost Trend Rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 15 years
Participation Rates	<u>Rule of 80</u> : 60% of pre-65 retirees and 6% of post-65 retirees; 90% of retirees are assumed to lapse coverage at age 65. <u>Under Rule of 80</u> : 10% pre-65 and 0% post-65

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, 2022.

For the purposes of the valuation performed as of December 31, 2022, the expected rate of return on OPEB portfolio investments is 6.25% (see the table above). Based on the most recent expected rate of return from the City's Investment Manager for the OPEB Trust (Highmark Capital) of 6.18%, management, in consultation with the City's actuary (GRS Consulting), has taken a conservative approach in assuming 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, 2023

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%	7.70%	2.04%
Domestic Equity - Mid Cap	5.00%	8.00%	0.40%
Domestic Equity - Small Cap	7.50%	8.50%	0.64%
Equity - International	6.00%	7.50%	0.45%
Equity - Emerging	3.25%	7.50%	0.24%
US Corporate Bonds - Short-Term	10.00%	3.30%	0.33%
US Corporate Bonds - Intermediate-Term	33.50%	4.00%	1.34%
US Corporate Bonds - High Yield	1.50%	5.70%	0.09%
US Treasuries (Cash Equivalents)	5.00%	2.60%	0.13%
Real Estate	1.75%	6.60%	0.12%
Total	100.00%		5.77%
Expected Inflation			0.41%
Total Return			6.18%
Total Return, rounded			6.18%

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Beginning Balance at 12/31/2021	\$ 20,868,668	\$ 3,302,204	\$ 17,566,464
Service cost	648,479	-	648,479
Interest on the total OPEB liability	1,301,949	-	1,301,949
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(318,378)	-	(318,378)
Changes of assumptions	-	-	-
Employer contributions	-	1,223,441	(1,223,441)
Net investment income (loss)	-	(489,775)	489,775
Benefits payments	(723,441)	(723,441)	-
Administrative expense	-	(18,581)	18,581
Other	-	-	-
Net changes	908,609	(8,356)	916,965
Ending Balance at 12/31/2022	\$ 21,777,277	\$ 3,293,848	\$ 18,483,429

Plan Fiduciary Net Position as a Percentage of Total OPEB Liability 15.82%

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:

	1.0% Decrease	Discount Rate	1.0% Increase
	5.25%	6.25%	7.25%
Net OPEB Liability	\$ 20,908,461	\$ 18,483,429	\$ 16,383,049

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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:

	1.0% Decrease	Current Rate Assumption	1.0% Increase
Net OPEB Liability	\$ 15,866,190	\$ 18,483,429	\$ 21,646,982

OPEB Expense and Deferred Outflows of Resources

For the year ended September 30, 2023, the City recognized OPEB expense of \$2,088,318. At September 30, 2023, 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	\$ 2,915,102	\$ 282,396
Changes in actuarial assumptions	-	1,029,778
Difference between projected and actual investment earnings	431,001	-
Contributions subsequent to the measurement date	1,075,677	-
	<u>\$ 4,421,780</u>	<u>\$ 1,312,174</u>

The \$1,075,677 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, 2024. Amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending September 30</u>	<u>Net Deferred Outflows (Inflows)</u>
2024	\$ 319,851
2025	346,712
2026	370,632
2027	382,538
2028	232,261
Thereafter	381,935
Total	<u>\$ 2,033,929</u>

See page 48 for the statement of fiduciary net position for the OPEB Trust Fund.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

12. 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.

13. 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. The plant was decommissioned and retired in FY 2022, but TMPA continues to own and operate approximately 350 circuit miles of transmission lines and 14 substations within ERCOT.

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 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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

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.

Subsequently, TMPA sold 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.

During the year ended September 30, 2023, the City Electric System paid TMPA \$1,066,603 for power purchases and related activity under the contract. As of September 30, 2023, the City Electric System had nothing payable to TMPA.

At September 30, 2023, BTU's portion of outstanding TMPA bonds and note purchase agreement was approximately \$45.5 million.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

TMPA's Annual Financial Report for the year ended September 30, 2023 reported the following:

	<u>FY 2023</u>
Total Assets	\$ 210,205,000
Total Liabilities	229,895,000
Total Deferred Inflows of Resources	<u>5,516,000</u>
Total Net Position	<u>\$ (25,206,000)</u>
Change in Net Position for year ended September 30, 2023	\$ (1,224,000)

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

14. 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, 2023, the City reported a receivable in the amount of \$1,881,413 of which \$310,000 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, 2023

BVSWMA's audited annual financial statements for the year ended September 30, 2023 reported the following:

	<u>FY 2023</u>
Total Assets	\$ 60,375,988
Total Liabilities	11,230,314
Total Deferred Inflow of Resources	<u>134,103</u>
Total Net Position	<u>\$ 49,011,571</u>
Change in net position for the year ended September 30, 2023	\$ 2,560,831
Bryan's undivided 50% share of changes in net position for the year ended September 30, 2023	\$ 1,280,415

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

15. INTERFUND BALANCES

Interfund receivable and payable balances at September 30, 2023 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	City Electric	\$ 341,021
	Nonmajor governmental	360,617
Nonmajor governmental	City Electric	149,568
City Electric	Rural Electric	776,735
Internal Service	General	380,291
	Nonmajor governmental	35,511
Water	City Electric	611,393
Wastewater	City Electric	374,683
Nonmajor enterprise funds	City Electric	201,157
Total		<u>\$ 3,230,977</u>
<u>Interfund Advance</u>	<u>Payable Fund</u>	<u>Amount</u>
Debt Service Fund	City Electric	\$ 13,474,466
	Water	1,581,826
	Wastewater	1,906,458
	Nonmajor Enterprise	1,924,752
	Internal Service Funds	<u>493,811</u>
		<u>\$ 19,381,313</u>

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

16. INTERFUND TRANSFERS

Interfund transfers for the year ended September 30, 2023 are as follows:

Transfers In	Transfers Out							Total
	General Fund	Nonmajor Governmental Funds	City Electric Fund	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Internal Service Funds	
General Fund	\$ -	\$ 3,100,000	\$ 14,918,481	\$ 783,377	\$ 692,173	\$ 421,329	\$ -	\$ 19,915,360
Debt Service	95,610	2,026,330	300,313	35,255	42,490	42,898	11,006	2,553,902
Nonmajor Governmental Funds	5,738,144	1,907,000	-	-	-	-	-	7,645,144
Water Fund	496,882	-	-	61,987	-	20,648	-	579,517
Wastewater Fund	90,272	-	-	-	-	24,516	-	114,788
Nonmajor Enterprise Funds	10,538,091	-	-	21,934	3,432	-	-	10,563,457
Internal Service Funds	141,341	-	-	56,536	59,106	-	100,000	356,983
Total transfers out	<u>\$ 17,100,340</u>	<u>\$ 7,033,330</u>	<u>\$ 15,218,794</u>	<u>\$ 959,089</u>	<u>\$ 797,201</u>	<u>\$ 509,391</u>	<u>\$ 111,006</u>	<u>\$ 41,729,151</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
- 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, 2023

17. ADMINISTRATIVE ALLOCATIONS TO OTHER FUNDS

The General Fund provides general and administrative support services to the City Electric Fund, Rural Electric Fund, Water Fund, Wastewater Fund, Solid Waste Fund, Insurance Fund, Special Projects Fund, Employee Benefits Fund, Bryan Commerce and Development Fund, and Coulter Airfield Fund. Costs of these services are allocated as follows:

	<u>General Fund</u>
<u>Administrative costs allocated to:</u>	
City and Rural Electric Fund	\$ 3,795,073
Water Fund	571,897
Wastewater Fund	609,378
Nonmajor Enterprise Fund (Solid Waste Fund)	635,768
Internal Service Fund (Insurance Fund)	231,883
Street Improvement	57,161
Drainage Fund	111,866
Employee Benefits Fund	206,704
Warehouse Fund	53,784
Bryan Commerce & Development	66,757
Coulter Airfield Fund	142,528
	<u>\$ 6,482,799</u>

18. LITIGATION MATTERS

There are currently fourteen litigation matters in which the City is involved. In three of these matters, in the event of an unfavorable outcome in the lawsuit, the City would be covered by insurance and the financial statements of the City would not be materially affected. In three of these matters, there appears to be a low likelihood that the City would be exposed to significant damages and in the event of an unfavorable outcome in the lawsuits the financial statements of the City would not be materially affected. Three 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 the City would pay in exchange for the interests. Two matters involve the City or its local government corporation, BCD, asserting a claim against another party. Subject to following comment regarding The Turner Lawsuit, in all other claims asserted against the 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. The Turner Lawsuit has been transferred to a multi-district litigation (MDL) pre-trial court, where over 150 other similar lawsuits have been transferred. In January 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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

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 or the City 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.

19. 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 2022, the City moved its liability insurance program to the Texas Municipal League Intergovernmental Risk Pool (TMLIRP). TMLIRP coverage provides a \$2,000,000 limit per occurrence/\$6,000,000 aggregate limit for general liability with a \$500,000 deductible for claims. This coverage became effective October 1, 2022. Liability insurance providing a \$3,000,000 limit per occurrence/\$6,000,000 aggregate limit for police liability, and \$2,000,000 limit per occurrence/\$4,000,000 aggregate limit for public officials, and employment practices, with a \$500,000 deductible was purchased with coverage effective October 1, 2022. Auto liability insurance providing a \$3,000,000 limit for each occurrence with a \$500,000 deductible was purchased with coverage effective October 1, 2022. 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 \$1,349,929 for claims that have been incurred but not reported as of September 30, 2023. 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, 2023

The schedule below represents the changes in estimated claims liabilities:

	<u>2023</u>	<u>2022</u>
Unpaid claims at beginning of fiscal year	\$1,249,961	\$ 1,161,647
Change in unpaid claims	898,182	831,347
Claim payments	<u>(528,228)</u>	<u>(743,033)</u>
Total unpaid claims at end of fiscal year	<u>\$ 1,619,915</u>	<u>\$ 1,249,961</u>
Amounts due in one year	\$ 531,926	\$ 545,278

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

20. 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, 2023

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, 2023

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 25.

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, 2023, BCDI holds approximately 168 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, 2023, 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.

In November 2020, the City of Bryan and Bryan Commerce and Development purchased the former Nutrabolt campus for the development of the new Lake Walk Innovation Center, now referred to as Design Spark Innovation Center. The Innovation Center is comprised of a collection of companies that occupy the 27,000 square foot office building portion of the former Nutrabolt campus, all aligned with a single vision. It is organized and funded by a group of individuals and companies who desire to foster meaningful innovation in this region and support Texas A&M. Individually and collectively, they invest in locating and nurturing startup and early stage companies that will be moved to The Lake Walk Innovation Center with the express purpose of growing them to the point where they can successfully operate on their own in the Brazos Valley. The acquisition of the former Nutrabolt campus was via a combination of third-party bank debt, secured by real estate and tax revenues for the City of Bryan, and an equity investment by BCD of \$2,760,000 plus closing costs and fees. Additional capital and operating reserves are funded by BCD and Traditions Acquisition Partnership, LP via a Chapter 380 Economic Development Agreement.

In October 2022, Bryan Commerce and Develop purchased a portion of the 55% limited partnership interest in Bryan/Traditions. In addition, five (5) key tracts on both Turkey Creek and Raymond Stotzer Parkway were acquired. The transaction included (i) the formation of a new entity, Bryan/Traditions Residential, (ii) the purchase by Bryan Commerce and Development (BCD) of tracts or parcels of commercial real property currently owned in fee by Traditions Acquisition Partnership (TAP) (iii) the amendment to the terms and conditions of the Memorandum of Master Economic Development Agreement (MEDA) and Memorandum of Traditions Development Agreement (TDA) to address the creation of Bryan/Traditions Residential and to include the tracts or parcels of commercial real property owned in fee by BCD, and (iv) the acquisition by William Cole (WC) and BCD of TAP’s fifty-five percent (55.00%) limited partnership interest in Bryan/Traditions and consented to the acquisition by William Cole of the TAP General Partnership interest. This was a \$4.8 million expenditure.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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 709 acres under the option agreement. In fiscal year 2017, BBCEDF purchased an adjacent 119 acres. In fiscal year 2023, BBCEDF conveyed 2 acres to the City of Bryan. The business park, known as the Texas Triangle Park, is currently the primary focus for economic development for the BBCEDF. Through September 30, 2023, BBCEDF sold 463 acres of the Texas Triangle Park and holds approximately 554 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.

Destination Bryan

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. 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. Destination Bryan's funding is primarily derived from the funding agreement with the City of Bryan.

Destination Bryan is reflected on the government wide statements in the Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances.

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 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

Through September 30, 2023, The City of Bryan has expended \$6.4 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, 2023, the City of Bryan has paid a total of \$176,965 to the City of College Station under the tax sharing agreement.

Bryan Texas Utilities

BTU purchase and construction commitments were \$445.2 million at September 30, 2023. This amount primarily includes provisions for future fuel and energy purchases.

On March 24, 2023, BTU executed forward market power purchases for a year term 2024 and a 2-year term from 2025 to 2026, for BTU's wholesale supply agreement with Texas A&M University (TAMU) to support a portion of TAMU's projected baseload energy requirements over those respective years. BTU transacted with two counterparties for the total power purchase of approximately 620,800 MWh.

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 with total future commitments of approximately 4,413,035 MWh.

On October 8, 2018, BTU entered into a 15-year power purchase agreement with an energy developer that was to construct a photovoltaic solar power plant in northeast Texas. The original agreement had an estimated commercial operation date of June 2022, and BTU was to purchase the output from 150 MW of generating capacity (100 MW for BTU and 50 MW on behalf of TAMU). Due to supply chain delays, BTU and the developer executed an amendment on August 31, 2022 that postponed the commercial operation date to December 31, 2022, and reduced the purchase output to 125 MW of generating capacity (75 MW for BTU and 50 for TAMU) with total future commitments of approximately 2,605,180 MWh for the revised 14-year term.

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.

On October 14, 2010, BTU entered into a 15-year power purchase agreement with Peñasal 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 Peñasal 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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023, 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 \$2,205,446 as of September 30, 2023. These amounts have been restricted in the General Fund balance during FY 2023. 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 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 \$11.9 million.

21. LEASE RECEIVABLE

During the fiscal year ended September 30, 2022, the City entered into a Chapter 380 program agreement for economic development with a grant amount of \$1.4 million, and amended a ground lease in the amount of \$350,000 per year for four years. The initial ground lease dated February 12, 2020 has a term of 25 years with two ten year renewal options. Rental payments are variable and based on a percentage of adjusted gross value as defined in the agreement.

The City entered into a lessor arrangement on January 1, 2023 to provide building space for a period of twenty years. Lease payments are \$9,572.50 per month with an escalation of 1.5% per year.

As of September 30, 2023, the City had a balance in deferred inflows - leases of \$2,195,660 and a balance in lease receivable of \$2,191,651. During the fiscal year ended September 30, 2023, the City recorded \$375,318 in lease revenue and \$67,269 in interest revenue.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

22. RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

Below is a reconciliation of the various restricted cash, cash equivalents and investments reported as of September 30, 2023:

	City Electric Fund	Rural Electric Fund	Water Fund	Wastewater Fund	Airport Fund	Total
Debt Reserve	\$ 2,824,100	\$ -	\$ -	\$ -	\$ -	\$ 2,824,100
Debt Service	5,551,554	888,289	1,762,580	1,391,000	9,609	9,603,032
Rate Stabilization	1,749,928	-	-	-	-	1,749,928
Customer Deposits Liability	4,818,138	1,617,468	-	-	-	6,435,606
Counter-party Collateral	63,520,000	-	-	-	-	63,520,000
Capital Debt Proceeds	46,492,924	-	18,028,521	-	-	64,521,445
	<u>\$ 124,956,644</u>	<u>\$ 2,505,757</u>	<u>\$ 19,791,101</u>	<u>\$ 1,391,000</u>	<u>\$ 9,609</u>	<u>\$ 148,654,111</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.

23. BUDGETARY EXPENDITURES IN EXCESS OF APPROPRIATIONS

For the fiscal year ended September 30, 2023 budgetary expenditures in excess of appropriations are reported as indicated below:

Fund	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - (Negative)
General Fund	\$ 91,934,000	\$ 95,350,711	\$ (3,416,711)
Queen and Palace Theaters Fund	1,216,800	1,252,483	(35,683)

Appropriations are made at the fund level. For the fiscal year ended September 30, 2023, the General Fund exceeded expenditures at the fund level by \$1,616,190 and the Queen and Palace Theater Fund exceeded budgeted expenditures at the fund level by \$35,681, both were primarily due to additional capital expenditures.

24. FUND DEFICITS

The Community Development Fund, a Special Revenue Fund, has a deficit unassigned fund balance as of September 30, 2023 in the amount of \$17,556. 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 2024.

The 2020 Certificates of Obligation Fund - Park, has a deficit unassigned fund balance as of September 30, 2023 in the amount of \$589,700. This is the result of park expenditures incurred in excess of the initial issuance. The City will cover the fund deficit in fiscal year 2024 through General Fund reimbursement.

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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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.

As of September 30, 2023, 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, 2023, the City estimates that it has funded \$32.3 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, 2023 is \$1,356,447 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. Incremental ad valorem property taxes provided sufficient funds to cover the entirety of debt service obligations in FY 2023.

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, 2023, the City estimates that it has funded \$2.8 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

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023 is \$496,828 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. Incremental ad valorem property taxes provided sufficient funds to cover the entirety of debt service obligations in FY 2023.

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. In 2022, the City issued \$27,425,000 in Certificates of Obligation, \$5,517,000 of which was allocated to TIRZ Zone #21. The outstanding debt balance as of September 30, 2023 is \$5,496,883 with debt service payments through 2052. As of September 30, 2023, \$878,965 has been spent on projects in the TIRZ #21 zone. Incremental ad valorem property taxes provided sufficient funds to cover the entirety of debt service obligations in FY 2023.

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, 2023, the City estimates that it has funded \$9.2 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, 2023 is \$1,517,954 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. Incremental ad valorem property taxes provided sufficient funds to cover the entirety of debt service obligations in FY 2023.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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>				
2023	\$ 430,476,095	\$ 637,640	\$ 429,838,455	\$ 2,608,229
2022	388,925,552	637,640	388,287,912	2,398,692
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
<u># 19</u>				
2023	77,473,107	2,213,289	75,259,818	434,745
2022	69,630,746	2,213,289	67,417,457	419,448
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
<u># 21</u>				
2023	93,384,182	41,070,995	52,313,187	571,157
2022	82,549,749	41,070,995	41,478,754	515,285
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
<u># 22</u>				
2023	71,175,413	2,464,400	68,711,013	444,135
2022	65,699,417	2,464,400	63,235,017	413,249
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

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.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

26. TAX ABATEMENTS

As of September 30, 2023, 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 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, 2023

At September 30, 2023, the City had established the following abatement agreements:

Property Owner	Date of Abatement	FY 2023 Appraised Values	FY 2023 Taxable Values	FY 2023 Abated Values	FY 2023 Eligible Taxes Levied *	FY 2023 Taxes Abated *
Chapter 311						
TIRZ 10	2001-2025	\$ 430,476,095	\$ 430,476,095	\$ 429,838,455	\$ 2,608,229	\$ 2,601,897
TIRZ 19	2006-2028	77,473,107	77,473,107	75,259,818	434,745	422,309
TIRZ 21	2007-2026	93,384,182	93,384,182	52,313,187	571,157	319,375
TIRZ 22 NORTH	2008-2027	22,317,508	22,317,508	21,891,198	139,261	136,601
TIRZ 22 TARGET	2008-2027	48,857,905	48,857,905	46,819,815	304,874	292,156
Total Chapter 311		<u>\$ 672,508,797</u>	<u>\$ 672,508,797</u>	<u>\$ 626,122,473</u>	<u>\$ 4,058,266</u>	<u>\$ 3,772,338</u>
Chapter 312						
Lubrizol	2018-2027	\$ 35,645,405	\$ 35,645,405	\$ 13,781,836	\$ 86,688	\$ 86,688
Total Chapter 312		<u>\$ 35,645,405</u>	<u>\$ 35,645,405</u>	<u>\$ 13,781,836</u>	<u>\$ 86,688</u>	<u>\$ 86,688</u>
Chapter 351						
Atlas Hotel ¹	2015-2025	N/A	N/A	\$ -	\$ 243,239	\$ 273,212
Total Chapter 351		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 243,239</u>	<u>\$ 273,212</u>
Chapter 380						
Property Tax						
Adam Development	2019-2030	\$ 69,618,539	\$ 69,618,539	\$ 68,562,389	\$ 431,257	\$ 431,257
BCS Modern Living, LLC - Jordan Center	2019-2025	118,553	118,553	-	-	-
Capitol Flooring	2020-2025	1,091,994	1,091,994	1,091,994	6,869	3,434
City of College Station (Biocorridor Revenue Sharing Agreement)		260,980,147	243,110,012	773,518	32,043	32,043
Cozumel Investors, Ltd. (The Ranch at Turkey Creek)	2018-2025	6,278,657	6,278,657	5,601,369	35,233	-
Clay Street Townhomes (Rock Pad, LLC)	2019-2025	3,451,423	3,451,423	3,134,583	19,717	9,780
EPMC Group (Legacy BTX Development)	7 years	775,268	775,268	-	-	-
Fujifilm	2014-2024	171,783,314	171,783,314	N/A	-	-
The American Trade Group	2019-2025	412,815	412,815	-	-	-
RELLIS Campus Data and Research Center, LLC	2023-2027	N/A	N/A	-	-	-
Total Property Tax		<u>514,510,710</u>	<u>496,640,575</u>	<u>79,163,853</u>	<u>525,118</u>	<u>476,514</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>\$ 514,510,710</u>	<u>\$ 496,640,575</u>	<u>\$ 79,163,853</u>	<u>\$ 525,118</u>	<u>\$ 476,514</u>
Total		<u>\$ 1,222,664,912</u>	<u>\$ 1,204,794,777</u>	<u>\$ 719,068,162</u>	<u>\$ 4,913,310</u>	<u>\$ 4,608,752</u>

* Taxes levied for the TIRZ only include the taxes related to the captured values. The FY 2023 taxes were collected from the Tax Year 2022 levy.

¹ Tax Abatement payments made to the Atlas Hotel included FY 2022 eligible taxes.

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, 2023

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, 2023, and determined the derivatives to be effective in substantially offsetting the changes in cash flows of the hedgeable items.

For the fiscal year ended September 30, 2023, the total fair value of outstanding hedging derivative instruments was a net liability of \$1,342,128. The fair value of those derivative financial instruments maturing within one year are reported on the Statements of Net Position as a current liability of \$1,210,268 at September 30, 2023. The fair value of those derivative financial instruments with maturities exceeding one year are reported on the Statement of Net Position as a noncurrent liability of \$131,860 at September 30, 2023.

City of Bryan, Texas

Notes to the Financial Statements

For the Fiscal Year Ended September 30, 2023

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, 2023, the fair value of the City Electric System's hedging derivative instruments - NYMEX-based commodity swaps - decreased by \$2,504,139; which is reported in the Statement of Net Position as a decrease of deferred outflows of resources. The deferred outflows 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, 2023, the deferred outflows of resources related to hedging derivatives was \$1,342,128.

The following information details the City Electric System's hedging derivative instruments as of September 30, 2023:

Type	Terms	Volume Hedged (MMBtu)	Execution Dates	Maturity Dates	Reference Index	Fair Value
Commodity Swaps	BTU pays prices of \$3.355 – 5.5	1,437,000	Dec 2021 - Feb 2023	Oct 2023 - Dec 2024	NYMEX	\$(1,342,128)

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. By engaging in hedging activities, BTU is exposed to counterparty credit risk. However, if necessary, BTU has the ability to require collateralization of the fair value of derivative instruments 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 2023, prompt month prices were \$2.556/MMBtu and \$2.401/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, 2023

28. SUBSEQUENT EVENTS

On November 2, 2023, The Bryan/Traditions Partnership sold the Lakewalk Innovation Center. Bryan Commerce and Development (BCD) Fund received proceeds of \$7,050,000 for their portion of the interest in the Bryan/Traditions Partnership.

In December 2023 BTU kicked off an Integrated Resources Planning (IRP) process for 2028 and beyond. BTU expects this IRP will take around 6 months and will result in the procurement of additional resources to serve BTU's load in a reliable and cost-effective manner.

In February 2024, the City of Bryan issued revenue bonds dated February 27, 2024 ("Rural Electric System Revenue Bonds, Series 2024") totaling \$14,465,000 for the Rural Electric System.

In March 2024, the City of Bryan issued combination tax and revenue certificates of obligation dated March 5, 2024 ("Combination Tax and Revenue Certificates of Obligation, Series 2024") totaling \$44,360,000.

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	2022	2023
Actuarially Determined Contribution	\$ 7,686,872	\$ 8,279,509	\$ 8,521,169	\$ 8,887,727	\$ 9,224,947	\$ 9,525,048	\$ 9,921,334	\$ 7,519,738	\$ 6,738,064
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	7,555,519	7,114,657
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (35,781)	\$ (376,593)
Covered payroll	\$ 48,991,679	\$ 54,614,239	\$ 55,894,466	\$ 58,312,792	\$ 61,308,968	\$ 62,882,877	\$ 64,682,955	\$ 69,476,693	\$ 75,406,309
Contributions as a percentage of covered payroll	15.69%	15.16%	15.25%	15.24%	15.05%	15.15%	15.34%	10.87%	9.44%

Note to Schedule of Contributions

Only nine 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 (longest amortization ladder)
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	2021	2022
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	\$ 10,529,924	\$ 11,336,514
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	26,073,483	27,598,610
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	3,222,804	5,049,014
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)	(16,239,518)	(19,030,550)
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	23,586,693	24,953,588
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	389,128,621	412,715,314
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	\$ 412,715,314	\$ 437,668,902
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	\$ 10,084,137	\$ 6,538,898
Contributions - Employee	3,312,987	3,490,130	3,741,223	3,964,541	4,123,958	4,335,533	4,586,237	4,586,281	4,947,357
Net Investment Income	12,827,812	349,403	15,980,505	34,922,324	(8,610,807)	43,051,984	24,391,784	52,276,194	(32,955,033)
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)	(16,239,518)	(19,030,550)
Administrative expense	(133,929)	(212,814)	(180,465)	(180,962)	(166,408)	(243,255)	(157,833)	(241,472)	(284,750)
Other	(11,011)	(10,511)	(9,723)	(9,171)	(8,694)	(7,307)	(6,159)	1,654	339,792
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	50,467,276	(40,444,287)
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	400,324,459	450,791,735
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	\$ 450,791,735	\$ 410,347,448
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)	\$ (38,076,421)	\$ 27,321,454
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%	109.23%	93.76%
Covered Payroll	\$ 47,328,382	\$ 49,849,779	\$ 53,382,332	\$ 56,512,266	\$ 58,913,678	\$ 61,936,186	\$ 65,517,665	\$ 65,484,602	\$ 70,676,521
Net Pension Liability (Asset) as a Percentage of Covered Payroll	82.17%	113.41%	107.85%	71.49%	115.55%	73.43%	-17.09%	-58.15%	38.66%

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

Only nine 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	2022	2023
Actuarially Determined Contribution	\$ 1,498,635	\$ 1,528,513	\$ 1,559,061	\$ 1,590,296	\$ 1,601,390	\$ 1,633,919
Actual Contributions	1,471,374	1,624,112	2,072,827	2,238,608	517,474	1,306,797
Contribution deficiency (excess)	\$ 27,261	\$ (95,599)	\$ (513,766)	\$ (648,312)	\$ 1,083,916	\$ 327,122
Covered Employee Payroll	\$ 58,312,792	\$ 61,308,968	\$ 62,882,877	\$ 64,682,955	\$ 69,476,693	\$ 75,406,309
Actual Contribution as a % of Covered Payroll	2.52%	2.65%	3.30%	3.46%	0.74%	1.73%

Note to Schedule of Contributions

Only six 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, 25 years as of September 30, 2023
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 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables to account for future mortality improvements.
Health Care Cost Trend Rates	Initial rate of 7.00% declining to an ultimate rate of 4.15% after 15 years
Participation Rates	<u>Rule of 80</u> : 60% of pre-65 retirees and 6% of post-65 retirees; 90% of retirees are assumed to lapse coverage at age 65. <u>Under Rule of 80</u> : 10% pre-65 and 0% post-65

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	2021	2022
Total OPEB Liability						
Service Cost	\$ 478,077	\$ 492,419	\$ 546,768	\$ 533,421	\$ 574,199	\$ 648,479
Interest (on the Total Opeb Liability)	1,021,963	1,052,909	1,103,438	1,071,099	1,124,019	1,301,949
Difference between expected and actual experience	-	306,887	1,378,181	451,655	2,266,651	(318,378)
Change of assumptions	-	-	(1,671,518)	-	(189,270)	-
Benefit payments, including refunds of employee contributions	(983,981)	(1,078,262)	(1,125,781)	(1,251,388)	(1,208,285)	(723,441)
Net Change in Total OPEB Liability	516,059	773,953	231,088	804,787	2,567,314	908,609
Total OPEB Liability - Beginning	15,975,467	16,491,526	17,265,479	17,496,567	18,301,354	20,868,668
Total OPEB Liability - Ending (a)	\$ 16,491,526	\$ 17,265,479	\$ 17,496,567	\$ 18,301,354	\$ 20,868,668	\$ 21,777,277
Plan Fiduciary Net Position						
Contributions - Employer	\$ 1,608,981	\$ 1,578,262	\$ 1,625,781	\$ 1,751,388	\$ 1,708,285	\$ 1,223,441
Net Investment Income	17,311	(46,639)	221,183	247,603	279,268	(489,775)
Benefit payments	(983,981)	(1,078,262)	(1,125,781)	(1,251,388)	(1,208,285)	(723,441)
Plan administrative expense	(770)	(4,565)	(7,690)	(11,618)	(16,879)	(18,581)
Net Change in Plan Fiduciary Net Position	641,541	448,796	713,493	735,985	762,389	(8,356)
Plan Fiduciary Net Position - Beginning	-	641,541	1,090,337	1,803,830	2,539,815	3,302,204
Plan Fiduciary Net Position - Ending (b)	\$ 641,541	\$ 1,090,337	\$ 1,803,830	\$ 2,539,815	\$ 3,302,204	\$ 3,293,848
Net OPEB Liability - Ending (a) - (b)	\$ 15,849,985	\$ 16,175,142	\$ 15,692,737	\$ 15,761,539	\$ 17,566,464	\$ 18,483,429
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	3.89%	6.32%	10.31%	13.88%	15.82%	15.13%
Covered Employee Payroll	\$ 56,523,781	\$ 58,936,756	\$ 61,961,283	\$ 65,543,364	\$ 66,777,586	\$ 70,691,468
Net OPEB Liability as a Percentage of Covered Employee Payroll	28.04%	27.44%	25.33%	24.05%	26.31%	26.15%

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

Only six 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, 2020 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% as of December 31, 2018 to 6.25% as of December 31, 2019, and revised TMRS demographic and salary increase assumptions.

For the year ending September 30, 2022 the changes of assumptions reflect a change to the methodology used to determine service cost. The attribution period for the accumulation of service costs is now based only on employment with the City of Bryan.

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget - Over (Under)
Revenues:				
Taxes:				
Property	\$ 28,458,600	\$ 28,458,600	\$ 28,696,344	\$ 237,744
Sales	30,264,000	30,264,000	30,712,088	448,088
Franchise	2,154,100	2,154,100	2,092,162	(61,938)
Alcoholic beverage	150,000	150,000	307,698	157,698
Bingo	175,000	175,000	262,356	87,356
Charges for services:				
Ambulance charges	3,020,500	3,020,500	3,851,844	831,344
Recreational charges	768,000	768,000	873,074	105,074
Health and public safety	1,777,000	1,777,000	1,614,692	(162,308)
Miscellaneous charges	144,500	144,500	282,007	137,507
Fines and court charges:				
Municipal court	1,498,400	1,498,400	1,797,735	299,335
Licenses and permits	927,000	927,000	1,022,262	95,262
Grants:				
Texas Attorney General - LEOSE	9,000	9,000	8,356	(644)
U.S. Department of Criminal Justice	5,000	5,000	-	(5,000)
U.S. Department of Treasury	-	-	293,111	293,111
Contributions to Library - College Station	1,223,000	1,223,000	1,222,293	(707)
FEMA	-	-	84,672	84,672
Other	200,000	200,000	175,742	(24,258)
Investment earnings	250,000	250,000	2,516,431	2,266,431
Investment mark to market	-	-	183,571	183,571
Other	1,533,100	1,533,100	3,003,927	1,470,827
Total revenues	72,557,200	72,557,200	79,000,365	6,443,165
Expenditures:				
Current:				
General government and administration:				
Executive	3,707,800	3,707,800	3,490,568	(217,232)
City Secretary	1,302,100	1,332,100	1,249,193	(82,907)
Legal services	927,800	927,800	775,548	(152,252)
Payments to other agencies	5,088,900	5,088,900	5,908,301	819,401
Fiscal services	1,849,600	1,849,600	1,867,371	17,771
Information technology	7,450,400	7,450,400	6,808,942	(641,458)
Human resources	806,100	806,100	881,033	74,933
Fleet services	911,200	911,200	704,415	(206,785)
Facility services	2,258,700	2,258,700	2,060,929	(197,771)
ARPA administration	-	-	104,899	104,899
Total general government and administration	24,302,600	24,332,600	23,851,199	(481,401)
Development services:				
Planning	2,764,300	2,764,300	2,548,524	(215,776)
Engineering	1,856,900	1,856,900	1,500,996	(355,904)
Building	494,000	494,000	458,617	(35,383)
Special projects	253,500	253,500	190,564	(62,936)
Total development services	5,368,700	5,368,700	4,698,701	(669,999)
Public works services:				
Drainage and streets	2,268,100	2,268,100	1,970,335	(297,765)
Traffic operations	1,974,250	1,974,250	1,860,369	(113,881)
Total public works services	4,242,350	4,242,350	3,830,704	(411,646)

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, 2023

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget - Over (Under)
Public safety:				
Police services	24,408,900	24,408,900	22,882,735	(1,526,165)
Fire and emergency medical services	20,971,500	22,371,500	23,116,228	744,728
Animal Center	1,065,850	1,065,850	984,514	(81,336)
Municipal court	1,675,500	1,675,500	1,606,370	(69,130)
Total public safety	<u>48,121,750</u>	<u>49,521,750</u>	<u>48,589,847</u>	<u>(931,903)</u>
Cultural and recreational:				
Library services	2,882,800	2,882,800	2,973,671	90,871
Parks and recreation services	5,741,300	6,241,300	5,542,663	(698,637)
Total cultural and recreational	<u>8,624,100</u>	<u>9,124,100</u>	<u>8,516,334</u>	<u>(607,766)</u>
Administrative reimbursement	(6,482,800)	(6,482,800)	(6,482,799)	1
Capital outlay	5,327,300	5,827,300	11,609,943	5,782,643
Right of Use Principal	-	-	622,430	622,430
Right of Use Interest	-	-	114,352	114,352
Total expenditures	<u>89,504,000</u>	<u>91,934,000</u>	<u>95,350,711</u>	<u>3,416,711</u>
(Excess) deficiency of expenditures (over) under revenues	(16,946,800)	(19,376,800)	(16,350,346)	3,026,454
Other financing sources (uses):				
Sale of capital assets	-	-	462,000	462,000
Lease Financing	-	-	2,108,520	2,108,520
Transfers in	19,906,800	19,906,800	19,915,360	8,560
Transfers out	(12,870,900)	(17,870,900)	(17,100,340)	770,560
Total other financing sources (uses)	<u>7,035,900</u>	<u>2,035,900</u>	<u>5,385,540</u>	<u>3,349,640</u>
Net change in fund balance	(9,910,900)	(17,340,900)	(10,964,806)	6,376,094
Fund Balance, October 1, 2022	53,179,133	63,121,630	63,121,630	-
Fund Balance, September 30, 2023	<u>\$ 43,268,233</u>	<u>\$ 45,780,730</u>	<u>\$ 52,156,824</u>	<u>\$ 6,376,094</u>

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
 - 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.

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.

2022 Certificates of Obligation - To account for the construction of streets, drainage, sidewalks, lighting, soundwalls, landscaping, and traffic signal improvements.

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, 2023

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total
<u>Assets</u>				
Cash and cash equivalents	\$ 3,887,773	\$ 2,993,143	\$ 191,882	\$ 7,072,798
Investments	22,515,467	21,473,858	1,377,151	45,366,476
Receivables:				
Accounts receivable	1,081,326	-	-	1,081,326
Less allowance for uncollectible	(61,896)	-	-	(61,896)
Leases	1,531,518			1,531,518
Notes	2,211,205	-	-	2,211,205
Less allowance for uncollectible - Notes	(150,498)	-	-	(150,498)
Grants	283,081	-	-	283,081
Interest	232,103	216,203	13,771	462,077
Due from other funds	149,568	-	-	149,568
Inventory	113,109	-	-	113,109
Prepaid and other assets	181,205	-	-	181,205
Total assets	<u>\$ 31,973,961</u>	<u>\$ 24,683,204</u>	<u>\$ 1,582,804</u>	<u>\$ 58,239,969</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>				
Liabilities:				
Accounts payable	\$ 822,908	\$ 1,208,131	\$ -	\$ 2,031,039
Accrued liabilities	25,680		-	25,680
Retainage payable	346,090	610,722	-	956,812
Due to other funds	282,980	120,922	-	403,902
Unearned revenue	316,862	-	-	316,862
Total liabilities	<u>1,794,520</u>	<u>1,939,775</u>	<u>-</u>	<u>3,734,295</u>
Deferred inflows:				
Deferred inflows - right of use assets	1,481,025	-	-	1,481,025
Unavailable notes receivable	2,060,707	-	-	2,060,707
Other unavailable revenue	9,850	-	-	9,850
Total deferred inflows	<u>3,551,582</u>	<u>-</u>	<u>-</u>	<u>3,551,582</u>
Fund balances:				
Nonspendable	181,205	-	1,465,582	1,646,787
Restricted	6,492,660	23,333,129	117,222	29,943,011
Committed	19,971,550	-	-	19,971,550
Unassigned (deficit)	(17,556)	(589,700)	-	(607,256)
Total fund balances	<u>26,627,859</u>	<u>22,743,429</u>	<u>1,582,804</u>	<u>50,954,092</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 31,973,961</u>	<u>\$ 24,683,204</u>	<u>\$ 1,582,804</u>	<u>\$ 58,239,969</u>

CITY OF BRYAN, TEXAS
Combining Balance Sheet
Nonmajor Governmental Funds - Special Revenue Funds
As of September 30, 2023

	Grant Fund	Community Development Fund	Hotel and Motel Tax Fund	Oil and Gas Fund	Capital Reserve Fund	Midtown Park Operations Fund	Phillips Event Center	Queen and Palace Theater
<u>Assets</u>								
Cash and cash equivalents	\$ -	\$ -	\$ 233,990	\$ 195,860	\$ 153,713	\$ 454,939	\$ 207,921	\$ 182,419
Investments	-	-	1,679,362	1,405,699	1,103,213	1,503,257	424,747	-
Receivables:								
Accounts receivable	-	27	318,601	-	-	146,612	22,970	14,445
Less allowance for uncollectible	-	-	-	-	-	-	-	-
Leases	-	-	-	-	-	1,531,518	-	-
Notes	-	2,211,205	-	-	-	-	-	-
Less allowance for uncollectible - Notes	-	(150,498)	-	-	-	-	-	-
Grants	205,353	77,728	-	-	-	-	-	-
Interest	-	-	16,794	14,057	11,032	21,942	4,281	-
Due from other funds	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	36,353	62,960	13,796
Prepaid and other assets	-	-	-	-	-	145,334	919	22,564
Total assets	<u>\$ 205,353</u>	<u>\$ 2,138,462</u>	<u>\$ 2,248,747</u>	<u>\$ 1,615,616</u>	<u>\$ 1,267,958</u>	<u>\$ 3,839,955</u>	<u>\$ 723,798</u>	<u>\$ 233,224</u>
<u>Liabilities, Deferred Inflows and Fund Balances</u>								
Liabilities:								
Accounts payable	\$ 6,179	\$ 4,755	\$ 84,603	\$ 18,892	\$ -	\$ 83,819	\$ 132,808	\$ 27,305
Accrued liabilities	-	3,878	3,105	-	-	18,697	-	-
Retainage payable	-	17,556	8,033	-	-	-	198,228	-
Due to other funds	178,347	69,122	-	-	-	-	-	35,511
Unearned revenue	-	-	-	-	-	34,980	28,749	-
Total liabilities	<u>184,526</u>	<u>95,311</u>	<u>95,741</u>	<u>18,892</u>	<u>-</u>	<u>137,496</u>	<u>359,785</u>	<u>62,816</u>
Deferred inflows:								
Deferred inflows - right of use assets	-	-	-	-	-	1,481,025	-	-
Unavailable notes receivable	-	2,060,707	-	-	-	-	-	-
Other unavailable revenue	-	-	-	-	-	9,850	-	-
Total deferred inflows	<u>-</u>	<u>2,060,707</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,490,875</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Nonspendable	-	-	-	-	-	145,334	919	22,564
Restricted:								
Hotel/Motel	-	-	2,153,006	-	-	-	-	-
Sidewalks	-	-	-	-	-	-	-	-
Municipal Court	-	-	-	-	-	-	-	-
TIRZ Development	-	-	-	-	-	-	-	-
Committed:								
Streets	-	-	-	-	-	-	-	-
Drainage	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	2,066,250	363,094	147,844
Other Purposes	20,827	-	-	1,596,724	1,267,958	-	-	-
Unassigned (deficit)	-	(17,556)	-	-	-	-	-	-
Total fund balances	<u>20,827</u>	<u>(17,556)</u>	<u>2,153,006</u>	<u>1,596,724</u>	<u>1,267,958</u>	<u>2,211,584</u>	<u>364,013</u>	<u>170,408</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 205,353</u>	<u>\$ 2,138,462</u>	<u>\$ 2,248,747</u>	<u>\$ 1,615,616</u>	<u>\$ 1,267,958</u>	<u>\$ 3,839,955</u>	<u>\$ 723,798</u>	<u>\$ 233,224</u>

CITY OF BRYAN, TEXAS

Combining Balance Sheet (continued)
 Nonmajor Governmental Funds - Special Revenue Funds
 As of September 30, 2023

	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
Assets										
Cash and cash equivalents	\$ 28,969	\$ 26,063	\$ 1,547,744	\$ 173,958	\$ 310,162	\$ 61,646	\$ 117,965	\$ 18,436	\$ 173,988	\$ 3,887,773
Investments	207,916	187,055	11,108,259	1,248,509	2,226,048	442,436	846,645	132,321	-	22,515,467
Receivables:										
Accounts receivable	-	-	475,514	79,345	7,461	-	-	-	16,351	1,081,326
Less allowance for uncollectible	-	-	(53,045)	(8,851)	-	-	-	-	-	(61,896)
Leases	-	-	-	-	-	-	-	-	-	1,531,518
Notes	-	-	-	-	-	-	-	-	-	2,211,205
Less allowance for uncollectible	-	-	-	-	-	-	-	-	-	(150,498)
Grants	-	-	-	-	-	-	-	-	-	283,081
Interest	2,079	1,871	111,086	12,485	22,261	4,425	8,467	1,323	-	232,103
Due from other funds	-	-	128,180	21,388	-	-	-	-	-	149,568
Inventory	-	-	-	-	-	-	-	-	-	113,109
Prepaid and other assets	-	-	-	-	-	-	-	-	12,388	181,205
Total assets	\$ 238,964	\$ 214,989	\$ 13,317,738	\$ 1,526,834	\$ 2,565,932	\$ 508,507	\$ 973,077	\$ 152,080	\$ 202,727	\$ 31,973,961
Liabilities, Deferred Inflows and Fund Balances										
Liabilities:										
Accounts payable	\$ -	\$ 192	\$ 244,484	\$ 27,744	\$ -	\$ -	\$ 85,558	\$ -	\$ 106,569	\$ 822,908
Accrued liabilities	-	-	-	-	-	-	-	-	-	25,680
Retainage payable	-	-	106,790	8,671	-	-	6,812	-	-	346,090
Due to other funds	-	-	-	-	-	-	-	-	-	282,980
Unearned revenue	221,333	-	-	-	-	-	-	-	31,800	316,862
Total liabilities	221,333	192	351,274	36,415	-	-	92,370	-	138,369	1,794,520
Deferred inflows:										
Deferred inflows - right of use assets	-	-	-	-	-	-	-	-	-	1,481,025
Deferred notes receivable	-	-	-	-	-	-	-	-	-	2,060,707
Other unavailable revenue	-	-	-	-	-	-	-	-	-	9,850
Total deferred inflows	-	-	-	-	-	-	-	-	-	3,551,582
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	12,388	181,205
Restricted:										
Hotel/Motel	-	-	-	-	-	-	-	-	-	2,153,006
Sidewalks	17,631	-	-	-	-	-	-	-	-	17,631
Municipal Court	-	214,797	-	-	-	-	-	-	-	214,797
TIRZ Development	-	-	-	-	2,565,932	508,507	880,707	152,080	-	4,107,226
Committed:										
Streets	-	-	12,966,464	-	-	-	-	-	-	12,966,464
Drainage	-	-	-	1,490,419	-	-	-	-	-	1,490,419
Parks	-	-	-	-	-	-	-	-	-	2,577,188
Other Purposes	-	-	-	-	-	-	-	-	51,970	2,937,479
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	(17,556)
Total fund balances	17,631	214,797	12,966,464	1,490,419	2,565,932	508,507	880,707	152,080	64,358	26,627,859
Total liabilities, deferred inflows and fund balances	\$ 238,964	\$ 214,989	\$ 13,317,738	\$ 1,526,834	\$ 2,565,932	\$ 508,507	\$ 973,077	\$ 152,080	\$ 202,727	\$ 31,973,961

CITY OF BRYAN, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds - Capital Project Funds

As of September 30, 2023

	2016 Certificates of Obligation Fund	2018 Certificates of Obligation Fund	2020 Certificates of Obligation Fund-Park	2020 Certificates of Obligation Fund-General	2022 Certificates of Obligation Fund	Total
<u>Assets</u>						
Cash and cash equivalents	\$ 84,454	\$ 281,210	\$ -	\$ 139,916	\$ 2,487,563	\$ 2,993,143
Investments	606,126	2,018,264	-	1,004,191	17,845,277	21,473,858
Interest receivable	6,061	20,183	-	10,042	179,917	216,203
Total assets	<u>\$ 696,641</u>	<u>\$ 2,319,657</u>	<u>\$ -</u>	<u>\$ 1,154,149</u>	<u>\$ 20,512,757</u>	<u>\$ 24,683,204</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	\$ 900	\$ -	\$ 291,821	\$ 559,628	\$ 355,782	\$ 1,208,131
Retainage payable	152	24,479	176,957	141,406	267,728	610,722
Due to other funds	-	-	120,922	-	-	120,922
Total liabilities	<u>1,052</u>	<u>24,479</u>	<u>589,700</u>	<u>701,034</u>	<u>623,510</u>	<u>1,939,775</u>
Fund balances:						
Restricted to capital projects	695,589	2,295,178	-	453,115	19,889,247	23,333,129
Unassigned (deficit)	-	-	(589,700)	-	-	(589,700)
Total fund balances	<u>695,589</u>	<u>2,295,178</u>	<u>(589,700)</u>	<u>453,115</u>	<u>19,889,247</u>	<u>22,743,429</u>
Total liabilities and fund balances	<u>\$ 696,641</u>	<u>\$ 2,319,657</u>	<u>\$ -</u>	<u>\$ 1,154,149</u>	<u>\$ 20,512,757</u>	<u>\$ 24,683,204</u>

CITY OF BRYAN, TEXAS

Combining Balance Sheet

Nonmajor Governmental Funds - Permanent Funds

As of September 30, 2023

	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
<u>Assets</u>										
Cash and cash equivalents	\$ 342	\$ 1,226	\$ 1,948	\$ 123	\$ 178,372	\$ 8,084	\$ 117	\$ 671	\$ 999	191,882
Investments	2,457	8,796	13,977	881	1,280,187	58,017	843	4,819	7,174	1,377,151
Interest receivable	25	88	139	9	12,802	580	8	49	71	13,771
Total assets	<u>\$ 2,824</u>	<u>\$ 10,110</u>	<u>\$ 16,064</u>	<u>\$ 1,013</u>	<u>\$ 1,471,361</u>	<u>\$ 66,681</u>	<u>\$ 968</u>	<u>\$ 5,539</u>	<u>\$ 8,244</u>	<u>\$ 1,582,804</u>
Nonspendable - Permanent Funds Corpus	\$ 1,399	\$ 5,000	\$ 1,500	\$ 500	\$ 1,442,939	\$ 4,950	\$ 500	\$ 2,085	\$ 6,709	\$ 1,465,582
Restricted:										
Cemeteries	1,425	5,110	14,564	513	28,422	61,731	468	-	-	112,233
Libraries	-	-	-	-	-	-	-	3,454	1,535	4,989
Total fund balances	<u>2,824</u>	<u>10,110</u>	<u>16,064</u>	<u>1,013</u>	<u>1,471,361</u>	<u>66,681</u>	<u>968</u>	<u>5,539</u>	<u>8,244</u>	<u>1,582,804</u>
Total liabilities and fund balances	<u>\$ 2,824</u>	<u>\$ 10,110</u>	<u>\$ 16,064</u>	<u>\$ 1,013</u>	<u>\$ 1,471,361</u>	<u>\$ 66,681</u>	<u>\$ 968</u>	<u>\$ 5,539</u>	<u>\$ 8,244</u>	<u>\$ 1,582,804</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, 2023

	Special Revenue Funds	Capital Project Funds	Permanent Funds	Total
Revenues:				
Property taxes	\$ 5,517,725	\$ -	\$ -	\$ 5,517,725
Hotel occupancy taxes	2,349,175	-	-	2,349,175
Transportation and drainage assessments	7,517,363	-	-	7,517,363
Fines and court charges	36,170	-	-	36,170
Grants	1,240,090	-	-	1,240,090
Investment earnings	914,817	1,184,949	55,771	2,155,537
Investment mark to market	(113,445)	369,909	(5,278)	251,186
Oil and gas royalties	134,763	-	-	134,763
Parks & Recreation Operations	3,433,295	-	-	3,433,295
Destination Bryan	84,700	-	-	84,700
Other	135,810	-	85,050	220,860
Total revenues	<u>21,250,463</u>	<u>1,554,858</u>	<u>135,543</u>	<u>22,940,864</u>
Expenditures:				
Current:				
General government and administration	2,271,032	-	-	2,271,032
Development services	1,149,110	-	-	1,149,110
Public works services	802,920	-	-	802,920
Public safety	215,490	-	-	215,490
Cultural and recreational	6,582,489	-	-	6,582,489
Capital outlay	6,920,936	16,855,322	7,811	23,784,069
Debt service:				
Lease Principal	82,724	-	-	82,724
Lease Interest	5,570	-	-	5,570
Total expenditures	<u>18,030,271</u>	<u>16,855,322</u>	<u>7,811</u>	<u>34,893,404</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,220,192</u>	<u>(15,300,464)</u>	<u>127,732</u>	<u>(11,952,540)</u>
Other financing sources (uses):				
Transfers in	7,645,144	-	-	7,645,144
Transfers out	(7,033,330)	-	-	(7,033,330)
Total other financing sources (uses)	<u>611,814</u>	<u>-</u>	<u>-</u>	<u>611,814</u>
Net change in fund balances	3,832,006	(15,300,464)	127,732	(11,340,726)
Fund balances, October 1, 2022	<u>22,795,853</u>	<u>38,043,893</u>	<u>1,455,072</u>	<u>62,294,818</u>
Fund balances, September 30, 2023	<u>\$ 26,627,859</u>	<u>\$ 22,743,429</u>	<u>\$ 1,582,804</u>	<u>\$ 50,954,092</u>

CITY OF BRYAN, TEXAS

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

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2023

	Grant Fund	Community Development Fund	Hotel and Motel Tax Fund	Oil and Gas Fund	Capital Reserve Fund	Midtown Park Operations Fund	Phillips Event Center	Queen and Palace Theater
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ 188,800	\$ -	\$ -	\$ -	\$ -
Hotel occupancy taxes	-	-	2,349,175	-	-	-	-	-
Transportation and drainage assessments	-	-	-	-	-	-	-	-
Grants	345,520	894,570	-	-	-	-	-	-
Fines and court charges	-	-	-	-	-	-	-	-
Investment earnings	1,358	-	75,163	52,404	45,504	66,542	2,203	1,823
Investment mark to market	498	-	6,603	(11,333)	(2,892)	(21)	(11,775)	-
Oil and gas royalties	-	-	-	134,763	-	-	-	-
Parks & Recreation Operations	-	-	-	-	-	1,400,386	1,711,271	321,638
Destination Bryan	-	-	-	-	-	-	-	-
Other	-	126,643	9,167	-	-	-	-	-
Total revenues	<u>347,376</u>	<u>1,021,213</u>	<u>2,440,108</u>	<u>364,634</u>	<u>42,612</u>	<u>1,466,907</u>	<u>1,701,699</u>	<u>323,461</u>
Expenditures:								
Current:								
General government and administration	-	-	-	-	-	-	-	-
Development services	-	944,932	-	-	-	-	-	-
Public works services	-	-	-	-	-	-	-	-
Public safety	193,232	-	-	-	-	-	-	-
Cultural and recreational	-	-	694,482	-	-	2,777,543	2,102,717	1,007,747
Capital outlay	184,630	-	121,283	-	-	621,541	1,930,351	244,736
Lease Principal	-	41,225	-	-	-	-	41,499	-
Lease Interest	-	3,499	-	-	-	-	2,071	-
Total expenditures	<u>377,862</u>	<u>989,656</u>	<u>815,765</u>	<u>-</u>	<u>-</u>	<u>3,399,084</u>	<u>4,076,638</u>	<u>1,252,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(30,486)</u>	<u>31,557</u>	<u>1,624,343</u>	<u>364,634</u>	<u>42,612</u>	<u>(1,932,177)</u>	<u>(2,374,939)</u>	<u>(929,022)</u>
Other financing sources (uses):								
Transfers in	-	-	-	-	-	2,167,307	2,240,849	1,021,988
Transfers out	-	-	(1,907,000)	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,907,000)</u>	<u>-</u>	<u>-</u>	<u>2,167,307</u>	<u>2,240,849</u>	<u>1,021,988</u>
Net change in fund balances	<u>(30,486)</u>	<u>31,557</u>	<u>(282,657)</u>	<u>364,634</u>	<u>42,612</u>	<u>235,130</u>	<u>(134,090)</u>	<u>92,966</u>
Fund balances, October 1, 2022	<u>51,313</u>	<u>(49,113)</u>	<u>2,435,663</u>	<u>1,232,090</u>	<u>1,225,346</u>	<u>1,976,454</u>	<u>498,103</u>	<u>77,442</u>
Fund balances, September 30, 2023	<u>\$ 20,827</u>	<u>\$ (17,556)</u>	<u>\$ 2,153,006</u>	<u>\$ 1,596,724</u>	<u>\$ 1,267,958</u>	<u>\$ 2,211,584</u>	<u>\$ 364,013</u>	<u>\$ 170,408</u>

CITY OF BRYAN, TEXAS

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

Nonmajor Governmental Funds - Special Revenue Funds

For the Fiscal Year Ended September 30, 2023

	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	\$ -	\$ -	\$ -	\$ -	\$ 3,892,938	\$ 422,309	\$ 317,420	\$ 696,258	\$ -	\$ 5,517,725
Hotel occupancy taxes	-	-	-	-	-	-	-	-	-	2,349,175
Transportation and drainage assessments	-	-	6,442,380	1,074,983	-	-	-	-	-	7,517,363
Grants	-	-	-	-	-	-	-	-	-	1,240,090
Fines and court charges	-	36,170	-	-	-	-	-	-	-	36,170
Investment earnings	8,576	7,585	398,528	51,890	133,397	17,911	39,813	12,120	-	914,817
Investment mark to market	(545)	(796)	(62,462)	(11,358)	(12,126)	(7,390)	1,788	(1,636)	-	(113,445)
Oil and gas royalties	-	-	-	-	-	-	-	-	-	134,763
Parks & Recreation Operations	-	-	-	-	-	-	-	-	-	3,433,295
Destination Bryan	-	-	-	-	-	-	-	-	84,700	84,700
Other	-	-	-	-	-	-	-	-	-	135,810
Total revenues	8,031	42,959	6,778,446	1,115,515	4,014,209	432,830	359,021	706,742	84,700	21,250,463
Expenditures:										
Current:										
General government and administration	-	-	-	-	-	-	-	-	2,271,032	2,271,032
Development services	-	-	-	-	31,178	-	73,000	100,000	-	1,149,110
Public works services	-	-	558,470	244,450	-	-	-	-	-	802,920
Public safety	-	22,258	-	-	-	-	-	-	-	215,490
Cultural and recreational	-	-	-	-	-	-	-	-	-	6,582,489
Capital outlay	-	-	3,399,491	282,668	-	-	136,236	-	-	6,920,936
Bond and principal retirement	-	-	-	-	-	-	-	-	-	82,724
Interest and fiscal charges	-	-	-	-	-	-	-	-	-	5,570
Total expenditures	-	22,258	3,957,961	527,118	31,178	-	209,236	100,000	2,271,032	18,030,271
Excess (deficiency) of revenues over (under) expenditures	8,031	20,701	2,820,485	588,397	3,983,031	432,830	149,785	606,742	(2,186,332)	3,220,192
Other financing sources (uses):										
Transfers in	-	-	-	-	-	-	-	-	2,215,000	7,645,144
Transfers out	-	-	(371,034)	(91,373)	(3,609,286)	(137,131)	(312,516)	(604,990)	-	(7,033,330)
Total other financing sources (uses)	-	-	(371,034)	(91,373)	(3,609,286)	(137,131)	(312,516)	(604,990)	2,215,000	611,814
Net change in fund balances	8,031	20,701	2,449,451	497,024	373,745	295,699	(162,731)	1,752	28,668	3,832,006
Fund balances, October 1, 2022	9,600	194,096	10,517,013	993,395	2,192,187	212,808	1,043,438	150,328	35,690	22,795,853
Fund balances, September 30, 2023	\$ 17,631	\$ 214,797	\$ 12,966,464	\$ 1,490,419	\$ 2,565,932	\$ 508,507	\$ 880,707	\$ 152,080	\$ 64,358	\$ 26,627,859

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, 2023

	2016 Certificates of Obligation Fund	2018 Certificates of Obligation Fund	2020 Certificates of Obligation Fund-Park	2020 Certificates of Obligation Fund-General	2022 Certificates of Obligation Fund-General	Total
Revenues:						
Investment earnings	\$ 25,436	\$ 83,376	\$ 154,236	\$ 126,159	\$ 795,742	\$ 1,184,949
Investment mark to market	(298)	(5,143)	274,320	66,090	34,940	369,909
Total revenues	<u>25,138</u>	<u>78,233</u>	<u>428,556</u>	<u>192,249</u>	<u>830,682</u>	<u>1,554,858</u>
Expenditures:						
Current:						
Capital outlay	27,894	6,926	9,027,174	3,845,899	3,947,429	16,855,322
Total expenditures	<u>27,894</u>	<u>6,926</u>	<u>9,027,174</u>	<u>3,845,899</u>	<u>3,947,429</u>	<u>16,855,322</u>
Excess (deficiency) of revenues over (under) expenditures	(2,756)	71,307	(8,598,618)	(3,653,650)	(3,116,747)	(15,300,464)
Fund balances, October 1, 2022	<u>698,345</u>	<u>2,223,871</u>	<u>8,008,918</u>	<u>4,106,765</u>	<u>23,005,994</u>	<u>38,043,893</u>
Fund balances, September 30, 2023	<u>\$ 695,589</u>	<u>\$ 2,295,178</u>	<u>\$ (589,700)</u>	<u>\$ 453,115</u>	<u>\$ 19,889,247</u>	<u>\$ 22,743,429</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, 2023

	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	\$ -	\$ -	\$ -	\$ -	\$ 85,050	\$ -	\$ -	\$ -	\$ -	\$ 85,050
Investment earnings	101	363	577	36	51,773	2,393	34	199	295	55,771
Investment mark to market	(6)	(23)	(37)	(2)	(5,024)	(152)	(2)	(13)	(19)	(5,278)
Total revenues	<u>95</u>	<u>340</u>	<u>540</u>	<u>34</u>	<u>131,799</u>	<u>2,241</u>	<u>32</u>	<u>186</u>	<u>276</u>	<u>135,543</u>
Expenditures:										
Capital outlay	-	-	-	-	7,811	-	-	-	-	7,811
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,811</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,811</u>
Net change in fund balances	95	340	540	34	123,988	2,241	32	186	276.00	127,732
Fund balances, October 1, 2022	<u>2,729</u>	<u>9,770</u>	<u>15,524</u>	<u>979</u>	<u>1,347,373</u>	<u>64,440</u>	<u>936</u>	<u>5,353</u>	<u>7,968</u>	<u>1,455,072</u>
Fund balances, September 30, 2023	<u>\$ 2,824</u>	<u>\$ 10,110</u>	<u>\$ 16,064</u>	<u>\$ 1,013</u>	<u>\$ 1,471,361</u>	<u>\$ 66,681</u>	<u>\$ 968</u>	<u>\$ 5,539</u>	<u>\$ 8,244</u>	<u>\$ 1,582,804</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, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 14,377,900	\$ 14,377,900	\$ 14,514,661	\$ 136,761
Investment earnings	61,500	61,500	298,797	237,297
Investment mark to market	-	-	(43,666)	(43,666)
Other	<u>371,000</u>	<u>371,000</u>	<u>76,043</u>	<u>(294,957)</u>
Total revenues	<u>14,810,400</u>	<u>14,810,400</u>	<u>14,845,835</u>	<u>35,435</u>
Expenditures:				
Debt service:				
Bond and principal retirement	11,239,200	11,239,200	10,489,162	(750,038)
Interest and fiscal charges	6,962,200	6,962,200	6,205,546	(756,654)
Debt issuance costs	<u>10,000</u>	<u>10,000</u>	-	<u>(10,000)</u>
Total expenditures	<u>18,211,400</u>	<u>18,211,400</u>	<u>16,694,708</u>	<u>(1,516,692)</u>
Excess of revenues over expenditures	(3,401,000)	(3,401,000)	(1,848,873)	1,552,127
Other financing sources (uses):				
Transfers in	<u>3,109,000</u>	<u>3,109,000</u>	<u>2,553,903</u>	<u>(555,097)</u>
Total other financing sources (uses)	<u>3,109,000</u>	<u>3,109,000</u>	<u>2,553,903</u>	<u>(555,097)</u>
Net change in fund balance	(292,000)	(292,000)	705,030	997,030
Fund Balance, October 1, 2022	<u>1,856,725</u>	<u>24,125,252</u>	<u>24,125,252</u>	-
Fund Balance, September 30, 2023	<u>\$ 1,564,725</u>	<u>\$ 23,833,252</u>	<u>\$ 24,830,282</u>	<u>\$ 997,030</u>

CITY OF BRYAN, TEXAS

Community Development Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget (GAAP Basis) and Actual
 For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Grants	\$ 2,202,000	\$ 2,202,000	\$ 894,570	\$ (1,307,430)
Other	106,100	106,100	126,643	20,543
Total revenues	<u>2,308,100</u>	<u>2,308,100</u>	<u>1,021,213</u>	<u>(1,286,887)</u>
Expenditures:				
Development services	2,308,100	2,308,100	944,932	(1,363,168)
Debt service:				
Lease Principal	-	-	41,225	41,225
Lease Interest	-	-	3,499	3,499
Total expenditures	<u>2,308,100</u>	<u>2,308,100</u>	<u>989,656</u>	<u>(1,318,444)</u>
Net change in fund balance	-	-	31,557	31,557
Fund balance, October 1, 2022	-	(49,113)	(49,113)	-
Fund balance, September 30, 2023	<u>\$ -</u>	<u>\$ (49,113)</u>	<u>\$ (17,556)</u>	<u>\$ 31,557</u>

CITY OF BRYAN, TEXAS

Hotel and Motel Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Hotel occupancy taxes	\$ 1,900,000	\$ 1,900,000	\$ 2,349,175	\$ 449,175
Investment earnings	20,000	20,000	75,163	55,163
Investment mark to market	-	-	6,603	6,603
Other	-	-	9,167	9,167
Total revenues	<u>1,920,000</u>	<u>1,920,000</u>	<u>2,440,108</u>	<u>520,108</u>
Expenditures:				
Cultural and recreational	2,426,100	2,826,100	694,482	(2,131,618)
Capital outlay	-	-	121,283	121,283
Total expenditures	<u>2,426,100</u>	<u>2,826,100</u>	<u>815,765</u>	<u>(2,010,335)</u>
Excess (deficiency) of revenues over (under) expenditures	(506,100)	(906,100)	1,624,343	2,530,443
Other financing uses:				
Transfers out	-	-	(1,907,000)	(1,907,000)
Net change in fund balance	(506,100)	(906,100)	(282,657)	623,443
Fund balance, October 1, 2022	<u>2,177,375</u>	<u>2,435,663</u>	<u>2,435,663</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 1,671,275</u>	<u>\$ 1,529,563</u>	<u>\$ 2,153,006</u>	<u>\$ 623,443</u>

CITY OF BRYAN, TEXAS

Oil & Gas Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property Taxes - Mineral	\$ 188,800	\$ 188,800	\$ 188,800	\$ -
Investment earnings	5,000	5,000	52,404	47,404
Investment mark to market	-	-	(11,333)	(11,333)
Oil and gas royalties	186,800	186,800	134,763	(52,037)
Total revenues	<u>380,600</u>	<u>380,600</u>	<u>364,634</u>	<u>(15,966)</u>
Net change in fund balance	380,600	380,600	364,634	(15,966)
Fund balance, October 1, 2022	<u>1,154,177</u>	<u>1,232,090</u>	<u>1,232,090</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 1,534,777</u>	<u>\$ 1,612,690</u>	<u>\$ 1,596,724</u>	<u>\$ (15,966)</u>

CITY OF BRYAN, TEXAS

Capital Reserve Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Investment earnings	\$ 6,000	\$ 6,000	\$ 45,504	\$ 39,504
Investment mark to market	-	-	(2,892)	(2,892)
Total revenues	<u>6,000</u>	<u>6,000</u>	<u>42,612</u>	<u>36,612</u>
Net change in fund balance	6,000	6,000	42,612	36,612
Fund balance, October 1, 2022	<u>1,237,286</u>	<u>1,225,346</u>	<u>1,225,346</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 1,243,286</u>	<u>\$ 1,231,346</u>	<u>\$ 1,267,958</u>	<u>\$ 36,612</u>

CITY OF BRYAN, TEXAS

Midtown Park Operations Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Parks & Recreation Operations	\$ 1,577,500	\$ 1,577,500	\$ 1,400,386	\$ (177,114)
Investment earnings	20,000	20,000	66,542	46,542
Investment mark to market	-	-	(21)	(21)
Total revenues	<u>1,597,500</u>	<u>1,597,500</u>	<u>1,466,907</u>	<u>46,521</u>
Expenditures:				
Cultural and Recreational	4,969,400	4,969,400	2,777,543	(2,191,857)
Capital outlay	739,400	739,400	621,541	(117,859)
Total expenditures	<u>5,708,800</u>	<u>5,708,800</u>	<u>3,399,084</u>	<u>(2,309,716)</u>
Excess (deficiency) of revenues over (under) expenditures	(4,111,300)	(4,111,300)	(1,932,177)	(2,263,195)
Other financing sources (uses)				
Transfers in	4,000,000	4,000,000	2,167,307	(1,832,693)
Total other financing sources (uses)	<u>4,000,000</u>	<u>4,000,000</u>	<u>2,167,307</u>	<u>(1,832,693)</u>
Net change in fund balance	(111,300)	(111,300)	235,130	346,430
Fund balance, October 1, 2022	<u>2,135,878</u>	<u>1,976,454</u>	<u>1,976,454</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 2,024,578</u>	<u>\$ 1,865,154</u>	<u>\$ 2,211,584</u>	<u>\$ 346,430</u>

CITY OF BRYAN, TEXAS

Phillips Event Center Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Parks & Recreation Operations	\$ 1,700,000	\$ 1,700,000	\$ 1,711,271	\$ 11,271
Investment Earnings	-	-	2,203	2,203
Investment mark to market	-	-	(11,775)	(11,775)
Total revenues	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,701,699</u>	<u>1,699</u>
Expenditures:				
Cultural and recreational	2,624,200	2,624,200	2,102,717	(521,483)
Capital outlay	2,327,000	2,327,000	1,930,351	(396,649)
Debt service:				
Lease Principal	-	-	41,499	41,499
Lease Interest	-	-	2,071	2,071
Total Expenditures	<u>4,951,200</u>	<u>4,951,200</u>	<u>4,076,638</u>	<u>(874,562)</u>
Excess (deficiency) of revenues over (under) expenditures	(3,251,200)	(3,251,200)	(2,374,939)	876,261
Other financing sources:				
Transfer in	2,325,000	2,325,000	2,240,849	(84,151)
Total other financing sources	<u>2,325,000</u>	<u>2,325,000</u>	<u>2,240,849</u>	<u>(84,151)</u>
Net change in fund balance	(926,200)	(926,200)	(134,090)	792,110
Fund balance, October 1, 2022	<u>1,228,637</u>	<u>498,103</u>	<u>498,103</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 302,437</u>	<u>\$ (428,097)</u>	<u>\$ 364,013</u>	<u>\$ 792,110</u>

CITY OF BRYAN, TEXAS

Queen and Palace Theaters Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Parks & Recreation Operations	\$ 566,800	\$ 566,800	\$ 321,638	\$ (245,162)
Investment Earnings	-	-	1,823	1,823
Total revenues	<u>566,800</u>	<u>566,800</u>	<u>323,461</u>	<u>(243,339)</u>
Expenditures:				
Facilities:				
Cultural & Recreational	1,216,800	1,216,800	1,007,747	(209,053)
Capital outlay	-	-	244,736	244,736
Total Expenditures	<u>1,216,800</u>	<u>1,216,800</u>	<u>1,252,483</u>	<u>35,683</u>
Excess (deficiency) of revenues over (under) expenditures	(650,000)	(650,000)	(929,022)	(279,022)
Other financing sources:				
Transfer in	<u>625,000</u>	<u>625,000</u>	<u>1,021,988</u>	<u>396,988</u>
Total other financing sources	<u>625,000</u>	<u>625,000</u>	<u>1,021,988</u>	<u>396,988</u>
Net change in fund balance	(25,000)	(25,000)	92,966	117,966
Fund balance, October 1, 2022	<u>88,015</u>	<u>77,442</u>	<u>77,442</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 63,015</u>	<u>\$ 52,442</u>	<u>\$ 170,408</u>	<u>\$ 117,966</u>

CITY OF BRYAN, TEXAS

Court Technology Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Technology fee	\$ 27,000	\$ 27,000	\$ 36,170	\$ 9,170
Investment earnings	2,000	2,000	7,585	5,585
Investment mark to market	-	-	(796)	(796)
Total revenues	<u>29,000</u>	<u>29,000</u>	<u>42,959</u>	<u>13,959</u>
Expenditures:				
Public safety	<u>34,500</u>	<u>34,500</u>	<u>22,258</u>	<u>(12,242)</u>
Total expenditures	<u>34,500</u>	<u>34,500</u>	<u>22,258</u>	<u>(12,242)</u>
Net change in fund balance	(5,500)	(5,500)	20,701	26,201
Fund balance, October 1, 2022	<u>190,107</u>	<u>194,096</u>	<u>194,096</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 184,607</u>	<u>\$ 188,596</u>	<u>\$ 214,797</u>	<u>\$ 26,201</u>

CITY OF BRYAN, TEXAS

Street Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Transportation assessments	\$ 6,070,000	\$ 6,070,000	\$ 6,442,380	\$ 372,380
Investment earnings	60,000	60,000	398,528	338,528
Investment mark to market	-	-	(62,462)	(62,462)
Total revenues	<u>6,130,000</u>	<u>6,130,000</u>	<u>6,778,446</u>	<u>648,446</u>
Expenditures:				
Public works services	2,500,100	2,500,100	558,470	(1,941,630)
Capital outlay	<u>4,640,000</u>	<u>4,640,000</u>	<u>3,399,491</u>	<u>(1,240,509)</u>
Total expenditures	<u>7,140,100</u>	<u>7,140,100</u>	<u>3,957,961</u>	<u>(3,182,139)</u>
Excess (deficiency) of revenues over (under) expenditures	(1,010,100)	(1,010,100)	2,820,485	3,830,585
Other financing sources (uses):				
Transfers out	<u>(371,000)</u>	<u>(371,000)</u>	<u>(371,034)</u>	<u>(34)</u>
Total other financing sources (uses)	<u>(371,000)</u>	<u>(371,000)</u>	<u>(371,034)</u>	<u>(34)</u>
Net change in fund balance	(1,381,100)	(1,381,100)	2,449,451	3,830,551
Fund balance, October 1, 2022	<u>6,575,312</u>	<u>10,517,013</u>	<u>10,517,013</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 5,194,212</u>	<u>\$ 9,135,913</u>	<u>\$ 12,966,464</u>	<u>\$ 3,830,551</u>

CITY OF BRYAN, TEXAS

Drainage Improvement Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget (GAAP Basis) and Actual

For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Drainage assessments	\$ 1,011,000	\$ 1,011,000	\$ 1,074,983	\$ 63,983
Investment earnings	10,000	10,000	51,890	41,890
Investment mark to market	-	-	(11,358)	(11,358)
Total revenues	<u>1,021,000</u>	<u>1,021,000</u>	<u>1,115,515</u>	<u>94,515</u>
Expenditures:				
Public works services	216,900	216,900	244,450	27,550
Capital outlay	<u>726,500</u>	<u>726,500</u>	<u>282,668</u>	<u>(443,832)</u>
Total expenditures	<u>943,400</u>	<u>943,400</u>	<u>527,118</u>	<u>(416,282)</u>
Excess (deficiency) of revenues over (under) expenditures	77,600	77,600	588,397	510,797
Other financing uses:				
Transfers out	<u>(91,400)</u>	<u>(91,400)</u>	<u>(91,373)</u>	<u>27</u>
Total other financing sources (uses)	<u>(91,400)</u>	<u>(91,400)</u>	<u>(91,373)</u>	<u>27</u>
Net change in fund balance	(13,800)	(13,800)	497,024	510,824
Fund balance, October 1, 2022	<u>253,436</u>	<u>993,395</u>	<u>993,395</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 239,636</u>	<u>\$ 979,595</u>	<u>\$ 1,490,419</u>	<u>\$ 510,824</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
For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 4,189,000	\$ 4,189,000	\$ 3,892,938	\$ (296,062)
Investment earnings	15,000	15,000	133,397	118,397
Investment mark to market	-	-	(12,126)	(12,126)
Total revenues	<u>4,204,000</u>	<u>4,204,000</u>	<u>4,014,209</u>	<u>(189,791)</u>
Expenditures:				
Development services	<u>25,000</u>	<u>35,000</u>	<u>31,178</u>	<u>(3,822)</u>
Total expenditures	<u>25,000</u>	<u>35,000</u>	<u>31,178</u>	<u>(3,822)</u>
Excess of revenues over expenditures	4,179,000	4,169,000	3,983,031	(193,613)
Other financing uses:				
Transfers out	<u>(3,609,300)</u>	<u>(3,609,300)</u>	<u>(3,609,286)</u>	<u>14</u>
Total other financing uses	<u>(3,609,300)</u>	<u>(3,609,300)</u>	<u>(3,609,286)</u>	<u>14</u>
Net change in fund balance	569,700	559,700	373,745	(185,955)
Fund balance, October 1, 2022	<u>2,220,819</u>	<u>2,192,187</u>	<u>2,192,187</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 2,790,519</u>	<u>\$ 2,751,887</u>	<u>\$ 2,565,932</u>	<u>\$ (185,955)</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
For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 445,100	\$ 445,100	\$ 422,309	\$ (22,791)
Investment earnings	9,000	9,000	17,911	8,911
Investment mark to market	-	-	(7,390)	(7,390)
Total revenues	<u>454,100</u>	<u>454,100</u>	<u>432,830</u>	<u>(21,270)</u>
Other financing uses:				
Transfers out	<u>(137,200)</u>	<u>(137,200)</u>	<u>(137,131)</u>	<u>69</u>
Total other financing uses	<u>(137,200)</u>	<u>(137,200)</u>	<u>(137,131)</u>	<u>69</u>
Net change in fund balance	316,900	316,900	295,699	(21,201)
Fund balance, October 1, 2022	<u>207,226</u>	<u>212,808</u>	<u>212,808</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 524,126</u>	<u>\$ 529,708</u>	<u>\$ 508,507</u>	<u>\$ (21,201)</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
 For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 326,000	\$ 326,000	\$ 317,420	\$ (8,580)
Investment earnings	6,300	6,300	39,813	33,513
Investment mark to market	-	-	1,788	1,788
Total revenues	<u>332,300</u>	<u>332,300</u>	<u>359,021</u>	<u>26,721</u>
Expenditures:				
Development services	675,000	675,000	73,000	(602,000)
Capital outlay	-	-	136,236	136,236
Total expenditures	<u>675,000</u>	<u>675,000</u>	<u>209,236</u>	<u>(465,764)</u>
Excess (deficiency) of revenues over (under) expenditures	(342,700)	(342,700)	149,785	492,485
Other financing sources (uses)				
Transfers out	(312,600)	(312,600)	(312,516)	84
Total other financing sources	<u>(312,600)</u>	<u>(312,600)</u>	<u>(312,516)</u>	<u>84</u>
Net change in fund balance	(655,300)	(655,300)	(162,731)	492,569
Fund balance, October 1, 2022	<u>1,031,650</u>	<u>1,043,438</u>	<u>1,043,438</u>	<u>-</u>
Fund balance, September 30, 2023	<u>\$ 376,350</u>	<u>\$ 388,138</u>	<u>\$ 880,707</u>	<u>\$ 492,569</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
 For the Fiscal Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Over (Under)
Revenues:				
Property taxes	\$ 702,200	\$ 702,200	\$ 696,258	\$ (5,942)
Investment earnings	2,700	2,700	12,120	9,420
Investment mark to market	-	-	(1,636)	(1,636)
Total revenues	<u>704,900</u>	<u>704,900</u>	<u>706,742</u>	<u>1,842</u>
Expenditures:				
Development services	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	-
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	-
Excess of revenues over expenditures	604,900	604,900	606,742	1,842
Other financing uses:				
Transfers out	<u>(605,100)</u>	<u>(605,100)</u>	<u>(604,990)</u>	110
Total other financing uses	<u>(605,100)</u>	<u>(605,100)</u>	<u>(604,990)</u>	110
Net change in fund balance	(200)	(200)	1,752	1,952
Fund balance, October 1, 2022	<u>147,125</u>	<u>150,328</u>	<u>150,328</u>	-
Fund balance, September 30, 2023	<u>\$ 146,925</u>	<u>\$ 150,128</u>	<u>\$ 152,080</u>	<u>\$ 1,952</u>



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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, 2023

<u>Assets</u>	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Current assets:				
Cash and cash equivalents	\$ 1,032,743	\$ 45,316	\$ 86,362	\$ 1,164,421
Investments	7,412,066	325,231	619,827	8,357,124
Accounts receivable	624,837	23,220	-	648,057
Less allowance for uncollectible	(47,161)	-	-	(47,161)
Grants receivable	-	46,086	-	46,086
Interest receivable	74,123	3,335	6,198	83,656
Inventories	-	61,164	-	61,164
Due from other funds	201,157	-	-	201,157
Total current assets	<u>9,297,765</u>	<u>504,352</u>	<u>712,387</u>	<u>10,514,504</u>
Noncurrent assets:				
Restricted assets:				
Cash and cash equivalents	-	1,148	-	1,148
Investments	-	8,461	-	8,461
Investment in BSWMA	24,505,786	-	-	24,505,786
Capital assets:				
Land	-	654,670	23,410,016	24,064,686
Buildings	174,581	2,567,184	4,791,169	7,532,934
Equipment	13,893,922	152,329	-	14,046,251
Improvements other than buildings	453,790	4,239,566	-	4,693,356
Construction in progress	9,484	-	-	9,484
Less accumulated depreciation	(10,033,374)	(4,695,583)	(424,607)	(15,153,564)
Right-to-use lease assets	-	96,106	-	96,106
Less accumulated amortization	-	(38,442)	-	(38,442)
Total capital assets (net of accumulated depreciation and amortization)	<u>4,498,403</u>	<u>2,975,830</u>	<u>27,776,578</u>	<u>35,250,811</u>
Total noncurrent assets	<u>29,004,189</u>	<u>2,985,439</u>	<u>27,776,578</u>	<u>59,766,206</u>
Total assets	<u>\$ 38,301,954</u>	<u>\$ 3,489,791</u>	<u>\$ 28,488,965</u>	<u>\$ 70,280,710</u>
<u>Deferred Outflows</u>				
Pensions	1,451,671	65,712	-	1,517,383
Other post employment benefits	203,797	9,058	-	212,855
Total deferred outflows	<u>\$ 1,655,468</u>	<u>\$ 74,770</u>	<u>\$ -</u>	<u>\$ 1,730,238</u>

CITY OF BRYAN, TEXAS

Combining Statement of Net Position

Nonmajor Enterprise Funds

As of September 30, 2023

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 746,263	\$ 69,608	\$ 7,547	\$ 823,418
Accrued liabilities	213,931	15,757	-	229,688
Accrued interest	-	3,014	-	3,014
Accrued vacation and sick pay	107,582	7,147	-	114,729
Leases	-	37,645	-	37,645
Current liabilities payable from restricted assets:				
Bonds payable, net	-	55,465	-	55,465
Customer deposits	-	14,655	-	14,655
Total current liabilities	<u>1,067,776</u>	<u>203,291</u>	<u>7,547</u>	<u>1,278,614</u>
Noncurrent liabilities:				
Bonds payable, net	-	804,187	-	804,187
Interfund advance	1,841,400	83,352	-	1,924,752
Net pension liability (NPL)	970,294	43,922	-	1,014,216
Net other post employment benefits liability (OPEB)	920,038	40,891	-	960,929
Accrued vacation and sick pay	58,158	3,863	-	62,021
Leases	-	40,717	-	40,717
Total noncurrent liabilities	<u>3,789,890</u>	<u>1,016,932</u>	<u>-</u>	<u>4,806,822</u>
Total liabilities	<u>\$ 4,857,666</u>	<u>\$ 1,220,223</u>	<u>\$ 7,547</u>	<u>\$ 6,085,436</u>
<u>Deferred Inflows</u>				
Other post employment benefits	50,700	2,255	-	52,955
Total deferred inflows	<u>\$ 50,700</u>	<u>\$ 2,255</u>	<u>\$ -</u>	<u>\$ 52,955</u>
<u>Net Position</u>				
Net investment in capital assets	4,498,403	2,037,816	27,776,578	34,312,797
Restricted for BVSWMA	24,505,786	-	-	24,505,786
Unrestricted	6,044,867	304,267	704,840	7,053,974
Total net position	<u>\$ 35,049,056</u>	<u>\$ 2,342,083</u>	<u>\$ 28,481,418</u>	<u>\$ 65,872,557</u>

CITY OF BRYAN, TEXAS

Combining Statement of Revenues, Expenses and Changes in Net Position

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2023

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Operating revenues:				
Solid waste	\$ 8,952,808	\$ -	\$ -	\$ 8,952,808
Other	-	974,608	97,229	1,071,837
Total operating revenues	<u>8,952,808</u>	<u>974,608</u>	<u>97,229</u>	<u>10,024,645</u>
Operating expenses:				
Personnel services	3,868,117	374,747	-	4,242,864
Maintenance	419,578	31,026	-	450,604
Other services and charges	1,249,089	155,374	590,607	1,995,070
Other expenses	817,894	484,395	-	1,302,289
General and administrative	1,229,196	142,528	-	1,371,724
Total operating expenses	<u>7,583,874</u>	<u>1,188,070</u>	<u>590,607</u>	<u>9,362,551</u>
before depreciation and amortization	1,368,934	(213,462)	(493,378)	662,094
Operating income (loss) before depreciation and amortization	<u>994,164</u>	<u>230,869</u>	<u>145,579</u>	<u>1,370,612</u>
Depreciation and amortization				
Operating income (loss)	<u>374,770</u>	<u>(444,331)</u>	<u>(638,957)</u>	<u>(708,518)</u>
Nonoperating revenues (expenses):				
Investment earnings	501,862	12,710	37,144	551,716
Investment Mark to Market	(203,621)	(8,937)	(17,028)	(229,586)
Interest expense	-	(22,788)	-	(22,788)
Distributive share of BVSWMA net income	1,280,416	-	-	1,280,416
Other - net	270,264	46,086	-	316,350
Total nonoperating revenues (expenses)	<u>1,848,921</u>	<u>27,071</u>	<u>20,116</u>	<u>1,896,108</u>
Income (loss) before contributions and transfers	2,223,691	(417,260)	(618,841)	1,187,590
Transfers in	108,457	455,000	10,000,000	10,563,457
Transfers out	(507,533)	(1,858)	-	(509,391)
Change in net position	<u>1,824,615</u>	<u>35,882</u>	<u>9,381,159</u>	<u>11,241,656</u>
Net position, October 1, 2022	<u>33,224,441</u>	<u>2,306,201</u>	<u>19,100,259</u>	<u>54,630,901</u>
Net position, September 30, 2023	<u>\$ 35,049,056</u>	<u>\$ 2,342,083</u>	<u>\$ 28,481,418</u>	<u>\$ 65,872,557</u>

CITY OF BRYAN, TEXAS

Combining Statement of Cash Flows

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2023

	Solid Waste Fund	Bryan Airport Fund	Bryan Commerce & Development	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 8,760,913	\$ 915,298	\$ 97,229	\$ 9,773,440
Payments to suppliers	(1,832,196)	(650,740)	(598,288)	(3,081,224)
Payments to employees	(3,681,080)	(360,172)	-	(4,041,252)
Payments for interfund services used	(1,229,196)	(142,528)	-	(1,371,724)
Other receipts	270,264	46,086	-	316,350
Net cash provided (used) by operating activities	<u>2,288,705</u>	<u>(192,056)</u>	<u>(501,059)</u>	<u>1,595,590</u>
Cash flows from noncapital financing activities:				
Transfers in	108,457	455,000	10,000,000	10,563,457
Transfers out	(507,533)	(1,858)	-	(509,391)
Net cash provided (used) by noncapital financing activities	<u>(399,076)</u>	<u>453,142</u>	<u>10,000,000</u>	<u>10,054,066</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(2,128,165)	(80,166)	(10,510,316)	(12,718,647)
Proceeds from sale of assets	-	-	942,102	942,102
Principal paid on bonds, contractual obligations, and leases	-	(55,388)	-	(55,388)
Interest paid on bonds, contractual obligations, and leases	-	(22,788)	-	(22,788)
Net cash (used) by capital and related financing activities	<u>(2,128,165)</u>	<u>(158,342)</u>	<u>(9,568,214)</u>	<u>(11,854,721)</u>
Cash flows from investing activities:				
Purchase of investment securities	(7,680,995)	(345,803)	(642,315)	(8,669,113)
Sale of investment securities	6,049,789	199,203	544,224	6,793,216
Interest on investments	465,041	10,593	34,297	509,931
Net cash (used) by investing activities	<u>(1,166,165)</u>	<u>(136,007)</u>	<u>(63,794)</u>	<u>(1,365,966)</u>
Net increase (decrease) in cash and cash equivalents	(1,404,701)	(33,263)	(133,067)	(1,571,031)
Cash and cash equivalents, October 1, 2022	<u>2,437,444</u>	<u>79,727</u>	<u>219,429</u>	<u>2,736,600</u>
Cash and cash equivalents, September 30, 2023	<u>\$ 1,032,743</u>	<u>\$ 46,464</u>	<u>\$ 86,362</u>	<u>\$ 1,165,569</u>

CITY OF BRYAN, TEXAS

Combining Statement of Cash Flows (continued)

Nonmajor Enterprise Funds

For the Fiscal Year Ended September 30, 2023

	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)	\$ 374,770	\$ (444,331)	\$ (638,957)	\$ (708,518)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation and amortization	994,164	230,869	145,579	1,370,612
Other revenue	270,264	46,086	-	316,350
Change in assets and liabilities:				
Change in accounts receivable	(18,990)	(8,403)	-	(27,393)
Change in grant receivable	-	(46,086)	-	(46,086)
Change in inventory	-	(2,488)	-	(2,488)
Change in due from other funds	(120,167)	-	-	(120,167)
Change in accounts payable	630,289	18,511	(7,681)	641,119
Change in accrued liabilities	24,076	1,544	-	25,620
Deferred outflows/inflows of resources - OPEB & Net Pension	(2,091,409)	(94,664)	-	(2,186,073)
Change in customer deposits	-	55	-	55
Change in interfund advance	(52,738)	(2,388)	-	(55,126)
Change in OPEB and Net Pension	2,367,686	107,138	-	2,474,824
Change in accrued vacation and sick pay	(89,240)	2,101	-	(87,139)
Net cash provided (used) by operating activities	<u>\$ 2,288,705</u>	<u>\$ (192,056)</u>	<u>\$ (501,059)</u>	<u>\$ 1,595,590</u>
Reconciliation of total cash and cash equivalents:				
Current assets - cash and cash equivalents	\$ 1,032,743	\$ 45,316	\$ 86,362	\$ 1,164,421
Restricted assets - cash and cash equivalents	-	1,148	-	1,148
Total cash and cash equivalents	<u>\$ 1,032,743</u>	<u>\$ 46,464</u>	<u>\$ 86,362</u>	<u>\$ 1,165,569</u>

During this past year, the Enterprise Funds investment in BVSWMA increased \$1,280,415 as a result of its operations.

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, 2023

<u>Assets</u>	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Current assets:				
Cash and cash equivalents	\$ 15,581	\$ 596,383	\$ 1,384,240	\$ 1,996,204
Investments	111,827	4,300,194	9,934,786	14,346,807
Interest receivable	1,118	43,003	99,313	143,434
Inventories	267,865	-	-	267,865
Due from other funds	-	415,802	-	415,802
Total current assets	<u>396,391</u>	<u>5,355,382</u>	<u>11,418,339</u>	<u>17,170,112</u>
Noncurrent assets:				
Capital assets:				
Buildings	-	23,420	-	23,420
Equipment	27,390	122,016	-	149,406
Improvements other than buildings	159,086	29,572	-	188,658
Less accumulated depreciation	<u>(142,730)</u>	<u>(161,728)</u>	<u>-</u>	<u>(304,458)</u>
Total capital assets (net of accumulated depreciation)	<u>43,746</u>	<u>13,280</u>	<u>-</u>	<u>57,026</u>
Total assets	<u>\$ 440,137</u>	<u>\$ 5,368,662</u>	<u>\$ 11,418,339</u>	<u>\$ 17,227,138</u>
<u>Deferred outflows</u>				
Pensions	115,187	274,110	-	389,297
Other post employment benefits	<u>13,587</u>	<u>27,172</u>	<u>-</u>	<u>40,759</u>
Total deferred outflows	<u>\$ 128,774</u>	<u>\$ 301,282</u>	<u>\$ -</u>	<u>\$ 430,056</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	\$ 26,646	\$ 9,469	\$ 350,807	\$ 386,922
Claims payable	-	531,926	1,059,000	1,590,926
Accrued liabilities	11,892	24,939	-	36,831
Accrued vacation and sick pay	<u>11,851</u>	<u>10,104</u>	<u>-</u>	<u>21,955</u>
Total current liabilities	<u>50,389</u>	<u>576,438</u>	<u>1,409,807</u>	<u>2,036,634</u>
Noncurrent liabilities:				
Claims payable	-	1,087,989	-	1,087,989
Net pension liability (NPL)	76,989	183,216	-	260,205
Interfund Advance	146,110	347,701	-	493,811
Net other post employment benefit liability (OPEB)	61,336	122,672	-	184,008
Accrued vacation and sick pay	<u>29,542</u>	<u>25,189</u>	<u>-</u>	<u>54,731</u>
Total noncurrent liabilities	<u>313,977</u>	<u>1,766,767</u>	<u>-</u>	<u>2,080,744</u>
Total liabilities	<u>\$ 364,366</u>	<u>\$ 2,343,205</u>	<u>\$ 1,409,807</u>	<u>\$ 4,117,378</u>
<u>Deferred inflows</u>				
Other post employment benefits	<u>3,381</u>	<u>6,759</u>	<u>-</u>	<u>10,140</u>
Total deferred inflows	<u>\$ 3,381</u>	<u>\$ 6,759</u>	<u>\$ -</u>	<u>\$ 10,140</u>
<u>Net Position</u>				
Net investment in capital assets	43,746	13,280	-	57,026
Unrestricted	<u>157,418</u>	<u>3,306,700</u>	<u>10,008,532</u>	<u>13,472,650</u>
Total net position	<u>\$ 201,164</u>	<u>\$ 3,319,980</u>	<u>\$ 10,008,532</u>	<u>\$ 13,529,676</u>

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, 2023

	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Operating revenues:				
Intragovernmental	\$ 142,059	\$ 2,902,998	\$ 12,319,930	\$ 15,364,987
Other	-	339,092	4,581,656	4,920,748
Total operating revenues	<u>142,059</u>	<u>3,242,090</u>	<u>16,901,586</u>	<u>20,285,735</u>
Operating expenses:				
Personnel services	264,462	552,123	-	816,585
Maintenance	1,117	133	-	1,250
Claims	-	1,046,738	11,223,840	12,270,578
Other services and charges	58,996	1,602,219	2,839,640	4,500,855
Other expenses	15,198	74,611	-	89,809
Total operating expenses before depreciation	<u>339,773</u>	<u>3,275,824</u>	<u>14,063,480</u>	<u>17,679,077</u>
Operating gain(loss) before depreciation	(197,714)	(33,734)	2,838,106	2,606,658
Depreciation	4,553	7,906	-	12,459
Operating income (loss)	<u>(202,267)</u>	<u>(41,640)</u>	<u>2,838,106</u>	<u>2,594,199</u>
Nonoperating revenues:				
Investment earnings	3,492	169,410	358,737	531,639
Investment mark to market	(2,039)	(11,399)	(88,010)	(101,448)
Total nonoperating revenues	<u>1,453</u>	<u>158,011</u>	<u>270,727</u>	<u>430,191</u>
Income (loss) before transfers	(200,814)	116,371	3,108,833	3,024,390
Transfers in	256,983	-	100,000	356,983
Transfers out	(3,256)	(107,750)	-	(111,006)
Change in net position	52,913	8,621	3,208,833	3,270,367
Net position, October 1, 2022	<u>148,251</u>	<u>3,311,359</u>	<u>6,799,699</u>	<u>10,259,309</u>
Net position, September 30, 2023	<u>\$ 201,164</u>	<u>\$ 3,319,980</u>	<u>\$ 10,008,532</u>	<u>\$ 13,529,676</u>

CITY OF BRYAN, TEXAS
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2023

	Warehouse Fund	Insurance Fund	Employee Benefit Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ -	\$ -	\$ 2,989,776	\$ 2,989,776
Receipts for interfund services provided	137,875	2,893,040	12,319,930	15,350,845
Payments to suppliers and claim administrators	(50,087)	(2,685,410)	(14,133,105)	(16,868,602)
Payments to employees	(260,629)	(502,702)	-	(763,331)
Other receipts	-	339,092	1,605,834	1,944,926
Net cash provided (used) by operating activities	<u>(172,841)</u>	<u>44,020</u>	<u>2,782,435</u>	<u>2,653,614</u>
Cash flows from noncapital financing activities:				
Transfers in	256,983	-	100,000	356,983
Transfers out	(3,256)	(107,750)	-	(111,006)
Net cash provided (used) by noncapital activities	<u>253,727</u>	<u>(107,750)</u>	<u>100,000</u>	<u>245,977</u>
Cash flows from investing activities:				
Purchase of investment securities	(115,884)	(4,456,217)	(10,295,245)	(14,867,346)
Sale of investment securities	34,693	3,519,211	6,120,422	9,674,326
Interest on investments	2,577	147,664	294,791	445,032
Net cash provided (used) by investing activities	<u>(78,614)</u>	<u>(789,342)</u>	<u>(3,880,032)</u>	<u>(4,747,988)</u>
Net increase (decrease) in cash and cash equivalents	2,272	(853,072)	(997,597)	(1,848,397)
Cash and cash equivalents, October 1, 2022	<u>13,309</u>	<u>1,449,455</u>	<u>2,381,837</u>	<u>3,844,601</u>
Cash and cash equivalents, September 30, 2023	<u>\$ 15,581</u>	<u>\$ 596,383</u>	<u>\$ 1,384,240</u>	<u>\$ 1,996,204</u>
Reconciliation of operating income (loss) to net cash provided (used) operating activities:				
Operating Income (loss)	(202,267)	(41,640)	2,838,106	2,594,199
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	4,553	7,906	-	12,459
Change in assets and liabilities:				
Change in accounts receivable	-	-	13,954	13,954
Change in inventory	47,941	-	-	47,941
Change in due from other funds	-	(415,802)	-	(415,802)
Change in prepaid assets	-	90,000	-	90,000
Change in accounts payable	(22,717)	(5,861)	37,375	8,797
Change in accrued liabilities	947	1,975	-	2,922
Change in claims payable	-	369,954	(107,000)	262,954
Change in vacation and sick pay	(18,547)	(2,588)	-	(21,135)
Change in Interfund Advance	(4,184)	(9,958)	-	(14,142)
Change in OPEB and Net Pension	21,433	50,034	-	71,467
Net cash provided (used) by operating activities	<u>\$ (172,841)</u>	<u>\$ 44,020</u>	<u>\$ 2,782,435</u>	<u>\$ 2,653,614</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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Governmental activities										
Net investment in capital assets	\$ 67,019,218	\$ 68,002,663	\$ 81,026,014	\$ 88,289,291	\$ 93,348,161	\$ 86,377,222	\$ 108,129,853	\$ 137,153,990	\$ 162,390,390	\$ 181,533,378
Restricted	23,068,934	22,972,793	18,104,805	19,918,996	20,799,558	20,528,578	21,514,186	26,640,847	47,242,210	25,868,892
Unrestricted	27,501,716	18,998,510	16,933,496	5,722,042	(3,265,076)	19,554,730	46,217,536	30,722,971	20,887,472	38,246,693
Total governmental activities net position	<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>	<u>\$ 230,520,072</u>	<u>\$ 245,648,963</u>
Business-type activities										
Net investment in capital assets	269,168,669	281,007,278	293,636,350	312,335,006	317,597,463	331,471,407	371,885,626	320,015,225	459,407,258	502,511,704
Restricted	34,139,444	39,419,987	34,672,042	28,731,318	36,067,616	34,500,061	33,508,196	40,439,140	47,999,524	35,382,967
Unrestricted	82,220,018	73,915,223	78,673,277	79,324,576	95,833,112	138,985,347	141,030,536	221,310,726	147,905,009	193,101,597
Total Business-type activities net position	<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>	<u>\$ 655,311,791</u>	<u>\$ 730,996,268</u>
Primary government										
Net investment in capital assets	336,187,887	349,009,941	374,662,364	400,624,297	410,945,624	417,848,629	480,015,479	457,169,215	621,797,648	684,045,082
Restricted	57,208,378	62,392,780	52,776,847	48,650,314	56,867,174	55,028,639	55,022,382	67,079,987	95,241,734	61,251,859
Unrestricted	109,721,734	92,913,733	95,606,773	85,046,618	92,568,036	158,540,077	187,248,072	252,033,697	168,792,481	231,348,290
Total primary government net position	<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>	<u>\$ 885,831,863</u>	<u>\$ 976,645,231</u>

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

Table 2

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Expenses										
Governmental Activities:										
General government and administration	\$ 11,862,127	\$ 9,775,235	\$ 18,119,110	\$ 17,481,720	\$ 17,843,501	\$ 17,828,658	\$ 16,179,781	\$ 17,129,907	\$ 14,590,813	\$ 24,174,546
Development services	5,265,275	5,403,697	6,556,417	8,956,465	6,077,939	8,063,283	6,438,717	6,746,206	6,333,102	5,856,843
Public works services	14,180,817	16,894,814	16,585,766	20,061,531	17,923,447	15,122,805	12,867,878	13,186,070	16,010,652	14,639,232
Public Safety	33,069,954	33,648,379	35,934,773	39,753,105	41,229,027	44,658,085	46,256,622	45,774,029	47,773,925	49,622,658
Cultural and Recreational	8,332,012	8,374,038	9,106,566	9,827,528	12,799,663	11,620,981	10,833,728	10,779,452	12,850,552	16,568,038
Interest on long-term debt	3,548,309	3,299,163	2,989,038	2,732,128	2,815,131	2,786,148	2,816,111	5,689,781	5,611,708	6,015,107
Total governmental activities expenses	<u>76,258,494</u>	<u>77,395,326</u>	<u>89,291,670</u>	<u>98,812,477</u>	<u>98,688,708</u>	<u>100,079,960</u>	<u>95,392,837</u>	<u>99,305,445</u>	<u>103,170,752</u>	<u>116,876,424</u>
Business-type activities:										
Electric	170,664,649	171,705,349	175,336,256	176,616,366	170,963,238	160,442,705	142,043,711	327,503,769	174,243,166	190,574,316
Rural Electric	33,312,663	36,214,517	40,163,724	41,664,199	46,189,436	38,857,150	36,280,420	47,333,876	43,929,977	46,281,887
Water	9,761,250	9,841,218	11,651,741	11,385,667	11,287,775	11,227,487	10,761,384	11,250,194	12,547,178	13,424,642
Wastewater	10,272,703	9,935,489	10,840,072	11,756,197	11,566,231	12,017,801	11,469,226	12,127,118	13,449,974	14,195,673
Other	7,851,301	7,860,010	8,128,393	8,486,233	8,575,416	8,272,034	7,753,652	8,859,868	10,068,848	10,660,410
Total business-type activities expenses	<u>231,862,566</u>	<u>235,556,583</u>	<u>246,120,186</u>	<u>249,908,662</u>	<u>248,582,096</u>	<u>230,817,177</u>	<u>208,308,393</u>	<u>407,074,825</u>	<u>254,239,142</u>	<u>275,136,928</u>
Total primary government expenses	<u>\$ 308,121,060</u>	<u>\$ 312,951,909</u>	<u>\$ 335,411,856</u>	<u>\$ 348,721,139</u>	<u>\$ 347,270,804</u>	<u>\$ 330,897,137</u>	<u>\$ 303,701,230</u>	<u>\$ 506,380,270</u>	<u>\$ 357,409,894</u>	<u>\$ 392,013,352</u>
Program Revenues										
Governmental activities:										
Fees, fines, and charges for services										
General government and administration	286,868	337,174	454,949	208,607	318,557	334,778	261,585	243,932	372,500	282,007
Development services	668,583	625,106	1,045,668	859,574	976,345	764,522	1,029,792	1,382,111	1,587,507	1,022,262
Public safety	4,568,322	4,684,494	4,866,930	5,400,679	5,606,498	5,421,746	6,074,324	4,566,415	6,189,817	7,300,441
Cultural and recreational	1,304,457	1,279,525	1,478,733	1,723,126	1,720,765	1,764,236	1,582,294	825,542	3,570,238	4,306,369
Operating grants and contributions	2,490,517	2,769,647	2,507,033	3,040,292	2,963,291	3,134,487	7,671,725	4,020,453	13,380,520	3,024,264
Capital grants and contributions	1,661,849	2,049,078	4,531,545	2,657,984	4,885,776	9,041,299	14,726,449	7,740,216	11,244,886	9,860,741
Total governmental activities program revenues	<u>10,980,596</u>	<u>11,745,024</u>	<u>14,884,858</u>	<u>13,890,262</u>	<u>16,471,232</u>	<u>20,461,068</u>	<u>31,346,168</u>	<u>18,778,669</u>	<u>36,345,468</u>	<u>25,796,084</u>
Business-type activities:										
Electric	183,923,241	184,252,089	187,624,655	190,064,226	199,082,844	204,747,110	185,889,665	362,660,519	239,352,244	235,528,777
Rural Electric	35,728,300	39,287,075	41,931,026	44,224,725	48,935,501	47,539,897	45,850,000	48,006,906	57,642,815	57,824,648
Water	11,678,692	12,390,019	12,656,177	13,428,055	14,014,033	13,101,114	14,449,661	13,252,956	15,924,867	17,286,917
Wastewater	12,496,697	12,883,147	13,007,294	13,111,988	13,343,497	13,122,328	13,387,061	13,625,996	14,296,820	15,100,939
Other Enterprise Funds	8,226,316	12,608,721	9,569,471	9,882,226	13,212,744	9,460,361	10,679,163	9,211,488	11,347,201	10,024,645
Capital grants and contributions	1,784,937	2,755,942	4,826,334	3,677,071	2,709,437	4,961,213	7,962,431	4,345,773	5,925,767	5,156,094
Total business-type activities program revenue	<u>253,838,183</u>	<u>264,176,993</u>	<u>269,614,957</u>	<u>274,388,291</u>	<u>291,298,056</u>	<u>292,932,023</u>	<u>278,217,981</u>	<u>451,103,638</u>	<u>344,489,714</u>	<u>340,922,020</u>
Total primary government program revenues	<u>\$ 264,818,779</u>	<u>\$ 275,922,017</u>	<u>\$ 284,499,815</u>	<u>\$ 288,278,553</u>	<u>\$ 307,769,288</u>	<u>\$ 313,393,091</u>	<u>\$ 309,564,149</u>	<u>\$ 469,882,307</u>	<u>\$ 380,835,182</u>	<u>\$ 366,718,104</u>
Net (expense)/revenue										
Governmental activities										
Governmental activities	(65,277,898)	(65,650,302)	(74,406,812)	(84,922,215)	(82,216,846)	(79,618,892)	(64,046,669)	(80,526,776)	(66,825,284)	(91,080,340)
Business-type activities										
Business-type activities	21,975,617	28,620,410	23,494,771	24,479,639	42,715,960	62,114,846	69,909,588	44,028,813	90,250,572	65,785,092
Total primary government net expense	<u>\$ (43,302,281)</u>	<u>\$ (37,029,892)</u>	<u>\$ (50,912,041)</u>	<u>\$ (60,442,576)</u>	<u>\$ (39,500,886)</u>	<u>\$ (17,504,046)</u>	<u>\$ 5,862,919</u>	<u>\$ (36,497,963)</u>	<u>\$ 23,425,288</u>	<u>\$ (25,295,248)</u>

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Revenue and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 25,765,716	\$ 28,039,989	\$ 29,674,521	\$ 31,409,788	\$ 34,140,282	\$ 37,035,640	\$ 39,370,526	\$ 41,610,800	\$ 43,305,764	\$ 48,823,436
Sales taxes	17,882,449	17,788,430	19,025,856	19,608,634	21,290,148	23,580,209	24,465,953	25,477,704	29,581,453	30,712,088
Franchise taxes	2,380,787	2,191,346	2,037,593	2,179,203	2,230,544	2,081,194	1,938,892	2,037,423	2,198,001	2,092,162
Alcoholic beverage taxes	130,791	149,776	153,522	154,279	161,631	186,568	140,082	179,443	267,554	307,698
Bingo taxes	260,733	267,434	261,943	261,967	208,508	241,346	294,040	251,717	314,326	262,356
Hotel occupancy taxes	1,179,774	1,286,072	1,182,916	1,453,321	1,748,501	1,798,691	1,095,785	1,393,369	2,027,840	2,349,175
Transportation and drainage fees	6,398,465	6,553,176	6,589,263	6,639,924	6,721,956	6,847,716	6,988,935	7,169,131	7,355,803	7,517,363
Unrestricted investment earnings	290,514	523,146	483,317	454,389	639,513	2,134,759	1,352,938	371,744	(1,591,011)	5,521,320
Miscellaneous	3,541,748	3,512,707	6,552,374	5,194,379	5,835,633	6,743,547	2,941,259	8,555,261	2,704,963	2,396,920
Transfers (net)	12,138,907	14,789,653	14,535,856	15,432,345	13,866,017	14,547,109	34,859,304	12,136,417	14,054,602	6,226,713
Total governmental activities:	<u>69,969,883</u>	<u>75,101,729</u>	<u>80,497,161</u>	<u>82,788,229</u>	<u>86,842,733</u>	<u>95,196,779</u>	<u>113,447,714</u>	<u>99,183,009</u>	<u>100,219,295</u>	<u>106,209,231</u>
Business-type activities:										
Unrestricted investment earnings	611,791	1,032,154	856,704	1,056,355	1,174,531	6,634,033	4,223,505	481,182	(4,090,716)	12,060,621
Miscellaneous	2,484,255	3,240,871	2,823,562	3,305,581	3,445,118	1,256,854	2,193,754	2,967,155	1,583,955	4,065,477
Special items - Gain on sale of capital assets	2,493,174	505,000	-	-	-	-	-	-	-	-
Transfers (net)	(12,138,907)	(14,789,653)	(14,535,856)	(15,432,345)	(13,866,017)	(14,547,109)	(34,859,304)	(12,136,417)	(14,054,602)	(6,226,713)
Total business-type activities	<u>(6,549,687)</u>	<u>(10,011,628)</u>	<u>(10,855,590)</u>	<u>(11,070,409)</u>	<u>(9,246,368)</u>	<u>(6,656,222)</u>	<u>(28,442,045)</u>	<u>(8,688,080)</u>	<u>(16,561,363)</u>	<u>9,899,385</u>
Total primary government	<u>\$ 63,420,196</u>	<u>\$ 65,090,101</u>	<u>\$ 69,641,571</u>	<u>\$ 71,717,820</u>	<u>\$ 77,596,365</u>	<u>\$ 88,540,557</u>	<u>\$ 85,005,669</u>	<u>\$ 90,494,929</u>	<u>\$ 83,657,932</u>	<u>\$ 116,108,616</u>
Change in Net Position										
Governmental activities	4,691,986	9,451,427	6,090,349	(2,133,986)	4,625,887	15,577,887	49,401,045	18,656,233	33,394,011	15,128,891
Business-type activities	15,425,933	18,608,782	12,639,181	13,409,230	33,469,592	55,458,624	41,467,543	35,340,733	73,689,209	75,684,477
Total primary government	<u>\$ 20,117,919</u>	<u>\$ 28,060,209</u>	<u>\$ 18,729,530</u>	<u>\$ 11,275,244</u>	<u>\$ 38,095,479</u>	<u>\$ 71,036,511</u>	<u>\$ 90,868,588</u>	<u>\$ 53,996,966</u>	<u>\$ 107,083,220</u>	<u>\$ 90,813,368</u>

City of Bryan, Texas

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

Table 3

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General fund										
Nonspendable	\$ 59,572	\$ 109,393	\$ 106,321	\$ 1,817	\$ 63,713	\$ 120,963	\$ 106,631	\$ 97,337	\$ 33,207	\$ 57,022
Restricted	719,860	720,583	841,565	2,036,743	2,606,587	2,755,245	3,977,076	4,720,084	2,703,377	4,087,773
Committed	2,366,766	2,384,963	2,778,145	3,211,078	3,511,715	2,882,323	6,726,575	5,398,158	5,838,670	6,181,714
Assigned	503,799	1,531,754	7,731,534	4,962,007	3,237,201	2,838,331	3,425,810	3,386,123	13,239,840	22,701,787
Unassigned	24,529,175	30,621,712	22,095,483	17,752,837	19,058,051	24,466,995	31,975,877	37,335,487	41,306,536	19,128,574
Total general fund	<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>	<u>\$ 63,121,630</u>	<u>\$ 52,156,870</u>
All other governmental funds										
Nonspendable:										
Permanent funds and other	\$ 852,374	\$ 895,724	\$ 938,069	\$ 994,989	\$ 1,051,295	\$ 1,102,032	\$ 1,176,117	\$ 1,299,930	\$ 3,594,516	\$ 3,528,200
Restricted:										
Capital Project Funds	8,286,216	7,465,788	13,327,432	4,261,143	6,661,659	5,470,389	51,115,106	38,490,807	38,043,893	23,333,129
Debt Service Fund	6,128,399	6,080,301	5,840,959	5,928,427	5,827,239	1,873,816	2,174,282	21,661,156	21,948,839	22,948,869
Permanent Funds:										
Cemeteries	1,044,069	1,018,042	346,358	29,507	38,989	80,468	84,412	87,626	70,085	112,233
Libraries	3,768	3,858	3,938	4,011	4,117	4,517	4,663	4,684	4,527	4,989
Special Revenue Funds:										
Grants	14,500	11,423	33,827	83,204	332	5,808	-	-	-	-
Hotel/Motel	1,122,712	1,784,048	2,171,320	2,050,708	2,416,862	2,781,618	2,412,531	2,422,213	2,435,663	2,153,006
Municipal Court	259,748	244,157	245,569	188,100	160,052	180,681	182,107	188,283	194,096	214,797
TIRZ Development	439,715	706,544	807,993	1,037,861	1,169,520	1,267,824	2,658,753	3,093,947	3,598,761	4,107,226
Other Purposes	1,240	1,808	-	-	-	-	11,973	12,412	9,600	17,631
Committed:										
Streets	13,648,319	12,387,623	11,773,499	8,111,108	6,290,734	7,538,322	8,297,803	9,945,050	10,517,013	12,966,464
Drainage	1,893,491	2,364,950	2,851,094	2,890,276	3,310,765	3,496,567	1,956,622	923,707	993,395	1,490,419
Parks	-	-	-	-	-	-	15,310,744	15,183,119	2,550,046	2,577,188
Other Purposes	-	-	1,551,036	3,902,621	4,621,792	5,488,499	5,806,143	2,281,348	2,508,749	2,937,479
Assigned:	-	-	-	-	-	-	15,628,798	-	-	-
Unassigned:										
Special Revenue Funds	(21,552)	(9,354)	(16,399)	-	(22,446)	(26,503)	(45,785)	(38,423)	(49,113)	(607,256)
Total all other governmental funds	<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>	<u>\$ 86,420,070</u>	<u>\$ 75,784,374</u>
Total governmental funds	\$ 61,852,171	\$ 68,323,317	\$ 73,427,743	\$ 57,446,437	\$ 60,008,177	\$ 62,327,895	\$ 152,986,238	\$ 146,493,048	\$ 149,541,700	\$ 127,941,244

City of Bryan, Texas

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified accrual basis of accounting)

Table 4

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Property taxes	\$ 25,561,961	\$ 28,274,580	\$ 29,693,884	\$ 31,385,195	\$ 34,112,352	\$ 36,998,975	\$ 39,431,870	\$ 41,510,242	\$ 43,330,469	\$ 48,728,730
Sales taxes	17,882,449	17,788,430	19,025,856	19,608,634	21,290,148	23,580,209	24,465,953	25,477,704	29,581,453	30,712,088
Franchise taxes	2,380,787	2,191,346	2,037,593	2,179,203	2,230,544	2,081,194	1,938,892	2,037,423	2,198,001	2,092,162
Alcoholic beverage taxes	130,791	149,776	153,522	154,279	161,631	186,568	140,082	179,443	267,554	307,698
Bingo taxes	260,733	267,434	261,943	261,967	208,508	241,346	294,040	251,717	314,326	262,356
Hotel occupancy taxes	1,179,774	1,286,072	1,182,916	1,453,321	1,748,501	1,798,691	1,095,785	1,393,369	2,027,840	2,349,175
Transportation and drainage fees	6,398,465	6,553,176	6,589,263	6,639,924	6,721,956	6,847,716	6,988,935	7,169,131	7,355,803	7,517,363
Charges for services	4,394,267	4,538,814	5,031,445	5,504,971	5,877,052	5,895,651	6,594,140	4,353,023	6,054,751	6,621,617
Fines and court charges	1,765,380	1,762,379	1,709,700	1,770,534	1,768,768	1,625,109	1,324,063	1,282,866	1,656,894	1,833,905
Licenses and permits	668,583	625,106	1,105,135	916,481	976,345	764,522	1,029,792	1,382,111	1,587,507	1,022,262
Grants	2,490,518	2,769,647	2,507,033	3,040,292	2,963,921	3,134,487	7,671,726	4,020,453	13,380,520	3,024,264
Investment earnings	264,450	486,542	450,313	424,969	593,701	1,964,336	1,282,397	356,536	1,718,855	4,970,765
Investment mark to market	-	-	-	-	-	-	-	-	(3,251,747)	391,091
Interfund Advance	-	-	-	-	-	-	-	20,446,631	250,585	134,763
Oil and gas royalties	-	-	-	-	-	-	211,887	184,687	2,420,910	3,433,295
Destination Bryan	-	-	-	-	-	-	-	206,296	83,627	84,700
Other	4,055,739	2,117,264	2,585,856	3,475,198	3,967,606	3,604,239	3,112,145	4,157,321	3,037,167	3,300,876
Total revenues	67,433,897	68,810,566	72,334,459	76,814,968	82,621,033	88,723,043	95,581,706	114,408,953	112,014,515	116,787,110
Expenditures:										
Current:										
General government and administration	13,284,344	13,667,518	17,579,763	16,066,047	18,812,321	19,262,481	20,204,393	17,754,096	19,086,744	19,639,432
Development services	4,548,936	4,624,579	5,791,992	8,130,645	5,247,240	7,226,350	6,327,073	6,805,110	6,323,380	5,847,811
Public works services	7,701,249	10,468,227	10,051,020	13,339,973	11,069,288	7,714,354	4,177,371	4,528,593	6,293,519	4,633,624
Public safety	30,160,267	30,954,028	33,636,636	37,174,641	38,860,500	41,429,739	43,615,531	43,899,962	45,560,738	48,805,337
Cultural and recreational	7,080,030	7,205,362	7,957,438	8,497,669	10,801,706	10,212,041	9,326,946	9,677,325	11,577,082	15,098,823
Administrative reimbursement	(3,396,294)	(3,476,440)	(3,066,657)	(3,037,162)	(3,351,396)	(5,934,384)	(6,093,231)	-	-	-
Capital outlay	3,984,249	4,768,236	8,511,681	17,529,177	14,191,321	7,236,977	24,646,941	36,113,557	50,306,423	35,394,012
Debt Service:										
Bond and principal retirement	6,714,987	7,141,927	7,841,492	7,649,158	7,801,531	7,951,005	8,354,991	8,166,498	9,987,201	10,489,162
Interest and fiscal charges	3,352,210	3,367,234	2,834,697	2,702,174	2,543,474	2,832,450	2,267,897	5,972,967	5,068,485	6,205,546
Debt issuance cost	66,571	71,009	149,526	-	186,174	74,520	318,825	192,500	136,409	-
Lease Principal	-	-	-	-	-	-	-	-	283,791	705,154
Lease Interest	-	-	-	-	-	-	-	-	61,221	119,922
Total expenditures	73,496,550	78,791,680	91,287,588	108,052,322	106,162,159	98,005,533	113,146,737	133,110,608	154,684,993	146,938,823
Excess of expenditures over revenues	(6,062,653)	(9,981,114)	(18,953,129)	(31,237,354)	(23,541,126)	(9,282,490)	(17,565,031)	(18,701,655)	(42,670,478)	(30,151,713)
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	27,425,000	-
Premium (discount) on long-term debt issued	12,517	-	430,700	-	359,538	-	2,594,393	(313,247)	1,717,966	-
Proceeds of refunding bonds issued	6,954,249	11,745,000	7,755,000	-	6,265,000	4,660,000	7,125,000	-	-	-
Payment to refunded bond escrow agent	(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	57,981	557,141	372,165	-	314,046	321,429	440,801	-	-	-
Issuance of Lease	-	-	-	-	-	-	-	-	126,657	2,108,520
Sales of capital assets	12,258	1,591,734	23,693	51,367	61,557	397,064	836,126	105,467	26,996	462,000
Transfers in	14,799,448	18,127,404	17,024,652	17,648,735	18,180,784	17,666,298	58,846,311	23,553,930	24,794,176	30,114,407
Transfers out	(2,660,541)	(3,337,751)	(2,779,882)	(2,444,054)	(4,556,648)	(3,371,048)	(24,236,565)	(11,643,433)	(10,979,918)	(24,133,670)
Total other financing sources	19,993,283	16,452,260	24,057,555	15,256,048	26,102,866	14,782,208	108,223,375	12,208,464	43,110,877	8,551,257
Net change in fund balances	\$ 13,930,630	\$ 6,471,146	\$ 5,104,426	\$ (15,981,306)	\$ 2,561,740	\$ 5,499,718	\$ 90,658,344	\$ (6,493,191)	\$ 440,399	\$ (21,600,456)
Debt service as a percentage of noncapital expenditures	14.48%	14.20%	12.90%	11.44%	11.25%	11.88%	12.00%	14.58%	14.42%	14.97%

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
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
2022	43,330,469	29,581,453	2,198,001	267,554	314,326	2,027,840	7,355,803	85,075,446
2023	48,728,730	30,712,088	2,092,162	307,698	262,356	2,349,175	7,517,363	91,969,572
Change 2014-2023	89.12%	71.74%	-12.12%	135.26%	0.62%	99.12%	17.49%	70.32%

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					
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
2022	5,020,123,755	1,315,783,842	845,052,665	317,962,209	6,862,998,053	0.629000	6,862,998,053
2023	5,991,483,430	1,466,236,315	905,785,261	503,283,324	7,860,221,682	0.624000	7,860,221,682

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										Subtotal Direct Rates	Subtotal Overlapping Rates	Total Direct & Overlapping Rates
	City of Bryan ⁽¹⁾			Brazos County ⁽²⁾			Bryan Independent 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				
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	
2022	0.418980	0.210020	0.629000	0.4423	0.0512	0.4935	0.9518	0.2750	1.2268	0.629000	1.7203	2.3493	
2023	0.412996	0.211004	0.624000	0.3893	0.0401	0.4294	0.8646	0.2750	1.1396	0.624000	1.5690	2.1930	

⁽¹⁾ City of Bryan Budget Office

⁽²⁾ Brazos County

⁽³⁾ Bryan ISD

City of Bryan, Texas
Principal Property Taxpayers
As of September 30, 2023

Table 8

Taxpayer	2023			2014		
	Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
	Value		Value	Value		Value
Sanderson Farms	\$ 84,577,795	1	1.08%			
Liquidpower Specialty Products	87,765,192	2	1.12%			
Comcapp Willowick LLC	37,811,523	3	0.48%			
SZ College Station Cottages LLC	34,296,382	4	0.44%			
Jamespoint Management Co	32,382,128	5	0.41%			
West Shore Traditions LLC	29,849,000	6	0.38%			
SW Meadows Point LP	29,150,527	7	0.37%			
Honeywell Electronic	30,309,500	8	0.39%			
Hawkwood Energy Operating LLC	28,802,555	9	0.37%			
Saint-Gobain Norpro Corporation	47,081,750	10	0.60%			
Sanderson Farms Inc				\$ 42,089,777	1	1.04%
Waves Z Islander of Bryan LLC				35,611,150	2	0.88%
Jamespoint Management Co				29,769,660	3	0.73%
Weatherford Artificial Lift Systems Inc				23,639,390	4	0.58%
SW Meadows Point LP				21,926,730	5	0.54%
Texas A&M University - Ground Lease				20,710,280	6	0.51%
Bryan Senior Investors				20,689,490	7	0.51%
Wal-Mart Real Estate				20,462,700	8	0.50%
KC Presidio Apartments LLC				19,121,520	9	0.47%
21 Gramercy Park LP				18,388,190	10	0.45%
Totals	<u>\$ 442,026,352</u>		<u>5.62%</u>	<u>\$ 252,408,887</u>		<u>6.22%</u>

Source: Brazos Central Appraisal District

City of Bryan, Texas
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 As of September 30, 2023

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
2014	\$ 25,299,027	\$ 24,931,688	98.55%	\$ 321,202	\$ 25,252,890	99.82%
2015	26,961,308	26,578,195	98.58%	330,626	26,908,821	99.81%
2016	28,568,696	28,011,317	98.05%	499,496	28,510,813	99.80%
2017	30,254,227	29,819,509	98.56%	368,377	30,187,886	99.78%
2018	32,736,990	32,268,978	98.57%	390,229	32,659,207	99.76%
2019	35,438,038	34,950,886	98.63%	398,425	35,349,311	99.75%
2020	37,845,056	37,302,171	98.57%	423,543	37,725,714	99.68%
2021	39,861,557	39,355,268	98.73%	352,463	39,707,731	99.61%
2022	41,729,547	41,187,242	98.70%	305,255	41,492,497	99.43%
2023	47,136,025	46,614,509	98.89%	-	46,614,509	98.89%

City of Bryan, Texas

Top Ten Electric Customers
For Fiscal Year Ended September 30, 2023

Table 10

Electric Customers - City Electric

<u>Customer</u>	<u>Type of Industry</u>	<u>Electric Usage kWh</u>	<u>Rank</u>	<u>Percentage of Top Ten Electric Users</u>
Sanderson Farms Inc	Corporation	46,410,229	1	2.81%
Texas A&M University	Education	34,745,177	2	2.10%
City of Bryan	Local Government	34,590,814	3	2.09%
Axis Pipe & Tube	Manufacturing	32,608,737	4	1.97%
Bryan ISD	Education	28,301,892	5	1.71%
CHI St Joseph Hospital	Medical	26,417,414	6	1.60%
B Way Corporation	Corporation	20,775,278	7	1.26%
Brazos County	Local Government	18,563,838	8	1.12%
Wimberly Bldg Redevelopment	Corporation	11,621,278	9	0.70%
New Alenco Window LTD	Manufacturing	11,195,521	10	0.68%
Total		<u>265,230,179</u>		<u>16.04%</u>
Total City Electric System kWh		1,653,329,776		

Electric Customers - Rural Electric

<u>Customer</u>	<u>Type of Industry</u>	<u>Electric Usage kWh</u>	<u>Rank</u>	<u>Percentage of Top Ten Electric Users</u>
City of College Station	Local Government	11,673,474	1	2.27%
Hawkwood Energy Operating LLC	Corporation	9,767,757	2	1.90%
Texas A&M University	Education	8,824,360	3	1.72%
College Station ISD	Education	5,770,736	4	1.12%
Frontier Southwest Inc	Corporation	5,025,443	5	0.98%
MPS Egg Farms	Agriculture	3,450,424	6	0.67%
C&E Production LLC	Corporation	3,402,432	7	0.66%
Wickson Creek SUD	Rural Water District	3,110,053	8	0.60%
Wellborn SUD	Rural Water District	2,646,970	9	0.51%
ST Feed Mill LLC	Corporation	2,528,078	10	0.49%
Total		<u>56,199,728</u>		<u>10.93%</u>
Total Rural Electric System kWh		514,361,859		

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

Table 11

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
City Electric										
Type of Customer										
Residential	370,812,000	384,732,000	375,152,000	381,241,000	405,081,000	405,212,000	408,468,000	410,581,000	459,514,000	465,116,000
Commercial and Industrial	522,896,000	573,631,000	570,736,000	595,565,000	613,771,000	626,585,000	599,808,000	594,017,000	633,960,000	631,354,000
Rural	419,250,000	435,206,000	439,341,000	437,988,000	493,829,000	501,818,000	496,104,000	495,300,000	551,208,000	550,359,000
Other Utilities	779,781,000	647,490,000	708,571,000	657,519,000	679,085,000	570,779,000	669,703,000	587,608,000	550,925,000	553,528,000
Interdepartmental ⁽¹⁾	32,218,000	-	-	-	-	-	-	-	-	-
	<u>2,124,957,000</u>	<u>2,041,059,000</u>	<u>2,093,800,000</u>	<u>2,072,313,000</u>	<u>2,191,766,000</u>	<u>2,104,394,000</u>	<u>2,174,083,000</u>	<u>2,087,506,000</u>	<u>2,195,607,000</u>	<u>2,200,357,000</u>
Rural Electric										
Type of Customer										
Residential	272,149,000	280,441,000	265,036,000	272,097,000	303,678,000	302,390,000	303,080,000	309,725,000	335,480,052	340,082,000
Commercial and Industrial	113,691,000	124,966,000	127,789,000	133,407,000	151,836,000	149,395,000	143,881,000	142,460,000	165,733,000	172,222,000
Other Utilities	-	1,928,000	1,888,000	1,914,000	1,936,000	1,969,000	1,944,000	1,992,000	2,044,000	2,058,000
	<u>385,840,000</u>	<u>407,335,000</u>	<u>394,713,000</u>	<u>407,418,000</u>	<u>457,450,000</u>	<u>453,754,000</u>	<u>448,905,000</u>	<u>454,177,000</u>	<u>503,257,052</u>	<u>514,362,000</u>

⁽¹⁾ Interdepartmental rates were eliminated in 2015 and were subsequently billed based on respective load profiles.

	2014			2015			2016			2017			2018		
	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)	\$ 10.28	\$ -	\$ 0.0861	\$ 11.00	\$ -	\$ 0.0822	\$ 11.00	\$ -	\$ 0.0837	\$ 11.00	\$ -	\$ 0.0837	\$ 11.00	\$ -	\$ 0.0837
Residential Summer (May-Oct)	10.28	-	0.0987	11.00	-	0.0949	11.00	-	0.0964	11.00	-	0.0964	11.00	-	0.0964
Small Commercial	13.82	-	0.0955	15.50	-	0.0920	15.50	-	0.0952	15.50	-	0.0924	15.50	-	0.0924
General Service Commercial	26.34	6.31	0.0606	29.75	6.31	0.0516	33.25	7.81	0.0476	37.00	9.39	0.0412	37.00	9.39	0.0412
Large Industrial	400.00	10.28	0.0407	400.00	12.50	0.0376	400.00	12.50	0.0401	400.00	12.50	0.0401	400.00	12.50	0.0401
Primary Service				400.00	12.25	0.0365	400.00	12.25	0.0390	400.00	12.25	0.0389	400.00	12.25	0.0389
Transmission Service	1,633.00	10.20	0.0384	1,725.00	12.68	0.0290	1,725.00	12.68	0.0323	1,725.00	12.68	0.0322	1,725.00	12.68	0.0322
Bryan Public Schools	39.52		0.1020												
Interdepartmental	30.00		0.0855												
Rural Electric Division	-	5.42	0.0501	8,100.00	5.88	0.0525	17,200.00	10.28	0.0395	22,400.00	13.33	0.0316	22,400.00	13.33	0.0343
Rural Electric System															
Residential Winter (Nov-Apr)	9.61	-	0.0788	11.00	-	0.0807	11.50	-	0.0906	12.00	-	0.0930	12.00	-	0.0908
Residential Summer (May-Oct)	9.61	-	0.0911	11.00	-	0.0938	11.50	-	0.1048	12.00	-	0.1084	12.00	-	0.1062
Residential College Station (Nov-Apr)	10.28	-	0.0839	11.00	-	0.0824	11.00	-	0.0889	11.00	-	0.0889	11.00	-	0.0867
Residential College Station (May-Oct)	10.28	-	0.0965	11.00	-	0.0957	11.00	-	0.1022	11.00	-	0.1022	11.00	-	0.1000
Small Commercial	13.16	-	0.0919	14.00	-	0.0889	15.00	-	0.0959	16.00	-	0.0904	16.00	-	0.0882
General Service Commercial	19.25	6.00	0.0527	21.00	6.00	0.0531	21.00	7.50	0.0520	21.00	9.02	0.0457	21.00	9.02	0.0435
Public/Private Schools ⁽¹⁾	33.01	-	0.0949	-	-	-	-	-	-	-	-	-	-	-	-
Large Industrial	-	-	-	400.00	12.81	0.0380	400.00	12.81	0.0430	400.00	12.81	0.0430	400.00	12.81	0.0408
Primary Service	-	-	-	400.00	12.56	0.0378	400.00	12.56	0.0416	400.00	12.56	0.0416	400.00	12.56	0.0394
2019															
	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	\$ -	\$ 0.0833	\$ 11.00	\$ -	\$ 0.0824	\$ 11.00	\$ -	\$ 0.0824	\$ 11.00	\$ -	\$ 0.0914	\$ 11.00	\$ -	\$ 0.0914
Residential Summer (May-Oct)	11.00	-	0.0960	11.00	-	0.0951	11.00	-	0.0951	11.00	-	0.1041	11.00	-	0.1041
Small Commercial	15.50	-	0.0900	15.50	-	0.0890	15.50	-	0.0890	15.50	-	0.0958	15.50	-	0.0958
General Service Commercial	37.00	9.39	0.0412	37.00	9.39	0.0384	37.00	9.39	0.0384	37.00	9.39	0.0444	37.00	9.39	0.0444
Large Industrial	400.00	12.50	0.0401	400.00	12.50	0.0373	400.00	12.50	0.0373	400.00	12.50	0.0433	400.00	12.50	0.0433
Primary Service	400.00	12.25	0.0393	400.00	12.25	0.0366	400.00	12.25	0.0366	400.00	12.25	0.0425	400.00	12.25	0.0425
Transmission Service	1,725.00	12.68	0.0322	1,725.00	12.68	0.0296	1,725.00	12.68	0.0296	1,725.00	12.68	0.0354	1,725.00	12.68	0.0354
Rural Electric Division	200,000.00	1.43	0.0413	200,000.00	1.43	0.0421	200,000.00	1.43	0.0595	200,000.00	1.43	0.0631	200,000.00	1.43	0.0605
Rural Electric System															
Residential Winter (Nov-Apr)	12.00	-	0.0907	12.00	-	0.0908	12.00	-	0.0908	12.00	-	0.0979	12.00	-	0.0979
Residential Summer (May-Oct)	12.00	-	0.1061	12.00	-	0.1062	12.00	-	0.1062	12.00	-	0.1133	12.00	-	0.1133
Residential College Station (Nov-Apr)	11.00	-	0.0859	11.00	-	0.0858	11.00	-	0.0858	11.00	-	0.0936	11.00	-	0.0936
Residential College Station (May-Oct)	11.00	-	0.0992	11.00	-	0.0991	11.00	-	0.0991	11.00	-	0.1069	11.00	-	0.1069
Small Commercial	16.00	-	0.0863	16.00	-	0.0858	16.00	-	0.0858	16.00	-	0.0929	16.00	-	0.0929
General Service Commercial	21.00	9.02	0.0434	21.00	9.02	0.0406	21.00	9.02	0.0406	21.00	9.02	0.0467	21.00	9.02	0.0467
Large Industrial	400.00	12.81	0.0407	400.00	12.81	0.0379	400.00	12.81	0.0379	400.00	12.81	0.0440	400.00	12.81	0.0440
Primary Service	400.00	12.56	0.0396	400.00	12.56	0.0369	400.00	12.56	0.0369	400.00	12.56	0.0428	400.00	12.56	0.0428

City of Bryan, Texas
 Top Ten Water Customers
 For Fiscal Year Ended September 30, 2023

Table 13

Customer	Type of Industry	Water Usage Gallons	Rank	Percentage of Total Water Usage
Wellborn Special Utility District	Utility District	384,516,700	1	8.14%
St. Joseph Hospital	Health Care Facility	122,801,300	2	2.60%
Wickson Water Supply	Utility District	110,397,700	3	2.34%
BISD	Public School	93,704,300	4	1.98%
Brazos County	County Government	61,973,700	5	1.31%
Comcapp Bryan	Housing	59,031,200	6	1.25%
City of Bryan	Local Government	48,921,200	7	1.04%
Oakwood/Country Village	MHP	43,934,400	8	0.93%
TDCJ - Hamilton Unit	Correctional Facility	33,393,300	9	0.71%
Housing Authority	Housing	32,311,000	10	0.68%
Total		<u>990,984,800</u>		<u>20.98%</u>
Total gallons of water sold		4,723,211,600		

City of Bryan, Texas
 Top Ten Sewer Customers
 For Fiscal Year Ended September 30, 2023

Table 14

Customer	Type of Industry	Sewer Usage Gallons	Rank	Percentage of Total Gallons of Sewer Treated
St. Joseph Hospital	Health Care Facility	116,839,200	1	4.19%
Comcapp Bryan	Housing	56,757,900	2	2.04%
Brazos County	County Government	52,786,200	3	1.89%
BISD	Public School	49,414,300	4	1.77%
Oakwood/Country Village	MHP	43,934,400	5	1.58%
TDCJ - Hamilton Unit	Correctional Facility	33,383,300	6	1.20%
Housing Authority	Housing	32,311,000	7	1.16%
Federal Prison Camp	Correctional Facility	31,894,900	8	1.14%
Saint Gobain Norpro	Manufacturing	30,968,100	9	1.11%
TAMU Health Science Center	Medical/Learning Facility	22,780,100	10	0.82%
Total		<u>471,069,400</u>		<u>16.91%</u>
Total gallons of wastewater treated		2,786,520,000		

City of Bryan, Texas
 Monthly Water Rates
 Effective September 30, 2023

Table 15

Monthly Water Rates

Water Class	Minimum Customer	Volume Charge Per	Volume Charge Per	Volume Charge Per
	Charge Per Month	1,000 Gallons 0-30,000 Gallons	1,000 Gallons 30,001-50,000 Gallons	1,000 Gallons >50,000 Gallons
Residential	\$ 9.70	\$ 2.76	\$ 3.00	\$ 3.50
Commercial/Industrial	13.80	2.38	2.38	2.38
Bryan Public Schools	13.80	2.38	2.38	2.38
Interdepartmental	13.80	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

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage Of Personal Income	Per ^(a) Capita
	General Obligation Bonds	Certificates of Obligation	Leases	SBITA	Govt Only Per ^(a) Capita	Utility Revenue Bonds	Private Placement Revenue Bonds	General Obligation Bonds	Certificates of Obligation	Leases			
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	-	417,125,172	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	13.6%	6,490
2022 ^(c)	82,771,394	122,047,433	1,604,296	-	2,206	348,319,998	24,330,000	5,320,956	30,962,639	78,363	615,435,079	13.6%	6,576
2023 ^(c)	75,115,016	118,820,090	3,398,602	904,489	2,108	333,456,808	22,385,000	3,768,010	29,474,935	78,363	587,401,313	N/A	6,276

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.

^(c) Reported net of premium or discount, and private placement bonds reported separately as of FY 2022.

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, 2023 is \$0.62400 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)
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	10,670,182	215,518,798	3.29%	2,303
2022	241,102,422	13,971,856	227,130,566	3.31%	2,427
2023	227,178,051	15,114,688	212,063,363	2.70%	2,266

^(a) Includes Certificates of Obligation and General Obligation bond issues for Governmental Activities and Business-type Activities. Fiscal Years 2016 - 2023 debt is presented net of any premiums and discounts.

^(b) Includes the Debt Service Fund balance less the Interfund Advance 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, 2023

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	\$ 244,870,000	68.07%	\$ 166,690,818
Brazos County	97,045,000	31.44%	30,507,660
Subtotal, overlapping debt			<u>197,198,478</u>
 City of Bryan net bonded debt ⁽¹⁾	 253,595,064	 100.00%	 253,595,064
			<u><u>\$ 450,793,542</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⁾
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	60,475,468	11,470,498	5.26
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	284,372,491	363,245	78,651,273	15,417,863	4.87
2022	237,447,855	149,036,570	(3,109,835)	85,301,450	16,538,837	5.30
2023	235,528,777	158,736,138	8,604,230	85,396,869	16,227,739	5.04

⁽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⁾
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	47,539,896	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
2022	57,642,815	37,864,612	(683,890)	19,094,313	3,063,567	6.23
2023	57,824,648	39,840,526	1,715,266	19,699,388	3,033,586	6.49

⁽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⁾	
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	
2022	30,221,687	16,373,723	(178,279)	13,669,685	2,019,522	6.77	
2023	32,387,856	16,795,091	1,418,995	17,011,760	1,926,038	8.83	

⁽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

Category:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Communications and information	\$ 1,301,546	\$ 1,248,058	\$ 1,524,893	\$ 1,470,983	\$ 1,509,698	\$ 1,703,365	\$ 1,563,603	\$ 1,163,946	\$ 1,250,247	\$ 1,343,315
Home furnishings and appliances	284,910	296,203	328,616	345,163	369,672	407,103	693,296	547,982	536,182	717,719
Eating and drinking establishments	1,782,607	1,963,511	2,023,825	2,126,150	2,174,487	2,279,622	2,130,042	2,481,355	2,759,852	2,980,036
Department and retail stores	2,318,066	1,252,378	1,875,662	430,245	481,503	1,996,100	2,567,016	2,768,767	4,282,855	3,272,019
Oil and gas operations	243,942	228,011	114,837	269,493	251,862	756,752	1,376,802	110,151	315,087	107,920
Construction and building	(338,386)	114,626	343,702	1,005,179	827,170	947,341	1,639,931	152,527	417,622	1,489,486
Auto dealers and supplies	804,230	734,761	652,612	718,897	704,537	597,451	968,231	991,601	1,184,627	1,114,011
Printing/Publishers	96,547	94,316	216,618	221,505	167,090	254,085	267,298	271,152	329,510	364,854
Contractors	258,052	239,346	363,622	386,891	245,128	288,136	423,983	734,718	978,405	201,060
Manufacturing	913,475	554,296	805,400	573,477	653,035	633,968	1,018,286	1,116,055	1,672,428	853,400
Wholesalers	1,349,014	1,260,378	1,674,185	1,883,080	2,567,259	2,990,406	1,519,784	3,383,865	3,981,835	3,479,697
Food Stores	633,784	659,635	734,517	754,479	896,542	760,438	769,970	877,316	936,303	1,001,600
Other stores	3,624,535	3,828,445	3,842,518	3,809,206	3,852,800	2,700,665	3,625,756	5,748,276	3,919,949	4,249,751
Apparel	228,548	236,879	232,003	234,169	253,121	403,383	389,522	531,825	596,513	629,141
All other outlets	17,579	3,315	9,787	9,636	2,498	5,471	12,069	9,988	8,240	20,698
Financial services	158,925	92,429	163,384	105,108	79,308	84,147	102,188	125,116	113,655	133,049
Rentals and leasing	600,118	587,148	594,701	654,428	785,407	797,605	723,017	619,086	922,718	930,381
Professional services	565,631	528,114	751,653	782,118	969,471	1,394,227	953,860	853,814	1,315,516	1,416,148
Repair and maintenance	578,585	443,815	480,890	507,419	498,343	400,363	1,222,753	677,160	724,011	593,997
Hotels/Motels	33,193	12,539	10,890	21,347	35,511	36,278	36,278	73,831	64,534	52,834
Other products and equipment	73,971	58,129	13,823	100,232	3,555	66,936	47,832	93,792	110	828,669
Other	1,669,556	3,387,022	1,595,668	2,604,477	3,596,405	3,768,238	1,406,712	1,677,746	2,601,587	4,932,303
Total	\$ 17,198,428	\$ 17,823,356	\$ 18,353,806	\$ 19,013,682	\$ 20,924,402	\$ 23,272,083	\$ 23,458,230	\$ 25,010,067	\$ 28,911,786	\$ 30,712,088

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⁾
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	\$13,004,370,000	\$47,803	3.80%
2022	93,590	16,005	\$13,478,398,000	\$48,514	3.10%
2023	93,590	16,011	Not Available	Not Available	3.20%

⁽¹⁾ U.S. Census Bureau and <https://www.census.gov/quickfacts/fact/table/bryancitytexas/LND110210>
the City is contesting the 2020 Census estimate.

⁽²⁾ Texas Education Agency 2022-2023 TAPR Report for Bryan ISD

⁽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

2023	2014
Axis Pipe and Tube	Blinn College
Brazos County	Brazos County
Bryan Independent School District	Bryan Independent School District
City of Bryan	City of Bryan
Kent Moore Cabinets	Kent Moore Cabinets
Knife River Corporation	Knife River
Sanderson Farms	Ply Gem Windows
Skywriter MD	Sanderson Farms
St. Joseph Health System	St. Joseph Regional Hospital
Texas Steel Conversion	Wal Mart

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

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

The information contained in the above table represents information for Bryan only.

Other major employers in the area are classified as being in College Station by the BVEDC.

City of Bryan, Texas
Actual Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Table 26

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government and Administration										
Executive Services	6	6	5	6	6	6	6	6	6	6
Communications & Marketing	4	4	4	4	4	4	4	4	5	4
Neighborhood and Youth Services	-	1	1	1	1	1	1	1	1	1
Special Projects	-	1	-	-	-	-	-	-	-	-
Economic Development	2	2	4	5	5	5	5	5	5	5
Internal Audit	1	1	1	1	-	-	-	-	-	-
City Secretary	6	6	6	6	6	6	6	6	6	6
Legal Services	5	4	5	5	5	5	5	6	7	5
Support Services										
Fiscal Services	10	11	11	11	12	12	10	11	11	14
Purchasing Services	2	3	3	3	2	2	2	3	3	3
Information Technology	17	19	19	19	19	37	37	38	38	40
Human Resources	5	5	5	5	5	5	5	5	5	5
Facility Services	16	17	17	15	17	17	18	18	18	16
Fleet Services	5	8	9	8	9	10	10	11	11	6
Warehouse	4	4	3	3	3	3	3	3	3	3
Risk Management	6	6	6	6	6	6	6	6	6	6
Development Services										
Planning and Development	8	8	7	7	6	7	8	10	14	14
Building Services	11	11	11	14	14	14	15	18	13	13
Code Enforcement		3	4	3	4	4	4	5	4	5
Community Development	6	6	6	6	6	6	6	6	6	5
Public Works Services										
Engineering Services	12	13	14	13	12	13	14	14	15	14
Transportation & Drainage	15	16	17	16	15	16	16	17	17	13
Traffic Services	8	9	9	10	8	11	9	10	10	7
Public Safety										
Police Officers	140	139	146	144	149	154	152	144	147	159
Civilians	31	30	33	34	34	31	30	32	34	32
Firefighters/Emergency Medical Technicians	118	112	128	134	129	136	145	150	155	163
Civilians	4	4	4	4	4	4	4	5	4	5
Emergency Management Coordinator	1	1	1	1	1	1	1	1	1	1
Bryan Animal Center	10	10	10	9	11	11	11	11	11	9
Municipal Court	15	17	17	17	15	16	15	16	16	15
Cultural and Recreation/Community Services										
Library Services	21	21	21	20	20	21	19	19	21	15
College Station Library	17	16	16	16	16	16	17	18	17	17
Parks and Recreation	21	23	22	23	21	22	20	22	22	23
Midtown Park Operations										2
Water	33	37	37	32	36	34	34	36	36	32
Wastewater	31	29	36	37	36	36	37	41	42	39
Solid Waste	41	43	38	40	37	38	35	40	40	35
Call Center	5	5	5	5	5	5	5	5	5	5
Airport	1	2	2	2	2	2	2	2	4	4
Electric Department-Municipal and Rural	177	185	186	189	189	181	176	185	182	179
Total	815	838	869	874	870	897	892	928	941	925

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

Table 27

Function:	2014	2015	2016	2017	2018	2020*	2021	2022	2023
Police									
Physical arrest	5,497	5,644	5,560	5,606	4,830	4,052	4,371	4,389	4,928
Traffic citations	9,812	9,170	8,509	9,475	9,067	2,920	5,738	6,481	9,921
Fire									
Number of Fire and EMS calls	10,272	11,062	11,193	11,766	12,423	12,986	14,904	14,643	15,124
Transportation									
Potholes repaired	321	380	353	547	395	372	487	208	172
HMAC (Hot Mix Asphaltic Concrete) placed (tons)	1,434	1,100	1,065	1,309	1,063	1,122	1,267	912	914
In-house concrete poured (cubic yards)	434	250	462	127	365	350	75	15	-
Culture and recreation									
New library patron registration	7,018	6,281	5,748	5,716	4,871	5,066	2,979	6,048	6,207
Library circulation of materials	726,617	837,658	866,635	750,995	834,766	702,999	408,160	675,438	585,692
Number of cooperative programs with Bryan ISD and College Station Parks and Recreation department	18	19	20	21	22	14	16	16	18
Pavilion rentals	1,215	1,441	1,801	1,022	1,166	1,022	799	938	868
Athletic field usage (hours)									
Travis Park (1 field)	n/a	n/a	n/a	n/a	n/a	Brazos Bombers use	Brazos Bombers use	Brazos Bombers use	Brazos Bombers Use
Travis Park (1 field)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Little League Fields - 1350	1881
Bryan Regional Athletic Complex (4 softball fields)	2,510	2,390	2,180	2,260	2,140	-	22	1,460	1645
Bryan Regional Athletic Complex (9 soccer fields)	1,094	1,020	1,135	1,235	1,390	-	2	1,095	841
Neighborhood/Youth Services									
Neighborhood Associations registered	41	41	42	43	43	43	42	36	31
Municipal Court									
Number of cases filed	13,304	11,878	11,383	12,976	12,761	7,723	8,931	10,253	10,634
Community Development									
Number of citizens provided homebuyers assistance	6	9	9	11	12	5	2	5	1
Number of households provided rehabilitation	3	2	2	3	2	2	3	2	2
Number of households provided minor rehabilitation	54	69	60	70	50	66	66	55	17
Housing Development (new construction)	-	-	1	1	-	-	-	4	1
Water									
Number of new connections	167	188	115	288	393	641	759	306	381
Maximum daily capacity (gallons)	37,708,000	37,700,000	37,700,000	37,700,000	37,700,000	37,708,000	37,708,000	37,700,000	37,700,000
Daily average usage (gallons)	9,605,065	9,896,634	10,368,469	11,046,148	11,268,994	11,126,408	10,266,205	12,688,670	12,940,306
Total usage (gallons)	3,505,848,800	3,612,271,400	3,794,859,500	4,031,844,200	4,113,182,700	4,072,265,000	3,732,564,900	4,631,364,500	4,723,211,600
Wastewater									
Combined capacity (gallons per day)	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000
Daily average usage (gallons)	6,997,132	7,352,896	7,282,932	7,070,904	6,928,060	7,066,411	7,551,836	7,114,466	7634301
Total treated (gallons)	2,553,953,000	2,691,160,000	2,658,270,000	2,580,880,000	2,535,670,000	2,579,240,000	2,756,420,000	2,596,780,000	2,786,520,000
Solid Waste									
Refuse collected (tons)	55,345	57,664	60,760	65,444	62,063	66,078	69,196	60,563	69,296

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:	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Public Safety										
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of sworn personnel	140	143	146	144	148	148	152	146	147	158
Fire and emergency medical services:										
Number of stations	5	5	5	5	5	5	5	5	5	5
Number of personnel	117	123	128	139	144	145	150	150	161	166
Highways and streets:										
Lane miles of paved streets	752	752	755	762	766	800	806	814	875	888
Culture and recreation:										
Number of parks	53	52	52	52	54	54	55	53	53	53
Park acreage	683	690	690	703	707	707	709	2,434	2,434	2,434
Number of golf courses	1	1	1	1	1	1	1	1	1	1
Golf course acreage	104	127	127	127	107	114	114	107	107	120
Hike and bike trails - number of miles	23	35	37	36	36	36	36	38	38	38
Number of cemeteries	3	3	3	3	3	3	3	3	3	3
Cemetery acreage	70	92	92	92	92	88	88	92	92	92
Number of libraries	3	3	3	3	3	3	3	3	3	3
Library volumes	223,266	211,240	238,969	203,519	207,492	191,027	213,784	67,617	190,477	215,648
Water system:										
Miles of line	474	482	490	479	482	486	498	502	505	509
Number of connections	22,418	22,870	22,985	23,223	23,428	23,926	24,479	25,242	25,548	26,373
Number of wells	12	12	12	12	12	12	12	12	12	12
Wastewater system:										
Miles of line	396	389	393	400	401	407	410	422	426	428
Number of connections	22,021	22,350	22,538	22,907	23,373	23,968	24,691	25,655	26,475	27,042
Number of treatment plants	3	3	3	3	3	3	3	3	3	3
Electric system:										
Generating capacity (kW)	226,000	221,000	226,000	226,000	226,000	226,000	226,000	226,000	226,000	226,000
Number of substations	7	7	7	7	7	7	7	8	8	8
Number of connections	34,609	35,174	35,716	36,819	37,660	38,758	39,536	40,482	41,416	42,193
Rural Electric system:										
Number of utility connections	18,328	19,068	20,155	21,121	21,637	22,048	22,911	23,520	24,230	24,854
Number of substations	19	20	21	21	20	23	24	23	24	24

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, 2023

Table GO-1

2022/2023 Market Valuation Established by Brazos Central Appraisal District (Excluding totally exempt property)		\$ 8,363,505,006
Less Exemptions/Reductions at 100% Market Value		
Over 65 or Disabled Exemptions	\$ 71,605,875	
Homestead Cap Adjustment	190,939,192	
Disabled Veterans Exemptions	68,686,618	
Agricultural Land Use Reductions	85,112,125	
Pollution Control	3,156,530	
Solar Panels	109,250	
Freeport Exemptions	69,512,624	
Member of Armed Services Surviving Spouse	379,274	
Tax Abatement Reductions	<u>13,781,836</u>	<u>503,283,324</u>
2022/2023 Net Taxable Valuation - As reported on Table 6		<u>\$ 7,860,221,682</u>
General Obligation & Certificates of Obligation Debt Payable from Ad Valorem Taxes (as of 9/30/23)		\$ 221,920,000
Less : Self Supporting Debt		<u>69,581,597</u>
Net General Obligation Debt Payable from Ad Valorem Taxes		<u>\$ 152,338,403</u>
General Obligation Interest and Sinking Fund as of 9/30/2023		\$ 5,448,969
Ratio Net General Obligation Tax Debt to Taxable Assessed Valuation		1.94%

2023 Estimated Population - 93,590
Per Capita Taxable Assessed Valuation - \$73,330
Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$1,715

City of Bryan, Texas

Taxable Assessed Valuations by Category

As of September 30, 2023

Category	2023		2022		2021		2020		2019	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 4,791,196,946	57.29%	\$ 3,902,657,842	54.35%	\$ 3,669,081,582	53.32%	\$ 3,416,834,372	52.55%	\$ 3,139,991,048	51.39%
Real, Residential, Multi-Family	912,546,468	10.91%	830,095,979	11.56%	804,092,274	11.69%	810,482,665	12.46%	728,173,960	11.92%
Real, Vacant Lots/Tracts	141,827,941	1.70%	140,104,490	1.95%	130,584,891	1.90%	120,275,066	1.85%	115,613,691	1.89%
Real, Acreage (Land Only)	145,658,207	1.74%	147,006,548	2.05%	141,801,524	2.06%	126,471,466	1.95%	129,123,967	2.11%
Real, Farm and Ranch Improvements	253,868	0.00%	258,896	0.00%	256,180	0.00%	204,389	0.00%	206,441	0.00%
Real, Commercial and Industrial	1,349,157,470	16.13%	1,224,953,780	17.06%	1,213,975,277	17.64%	1,166,152,156	17.93%	1,098,932,694	17.99%
Real, Oil, Gas and Other Mineral Reserves	45,176,769	0.54%	30,807,403	0.43%	43,007,626	0.63%	66,858,011	1.03%	28,032,362	0.46%
Real and Tangible Personal, Utilities	71,902,076	0.86%	60,022,659	0.84%	53,750,365	0.78%	51,944,056	0.80%	49,625,553	0.81%
Tangible Personal, Business	787,427,168	9.42%	734,611,828	10.23%	723,234,524	10.51%	652,685,520	10.04%	734,721,099	12.02%
Tangible Personal, Other	34,469,609	0.41%	35,067,812	0.49%	34,441,117	0.50%	33,211,030	0.51%	31,226,610	0.51%
Real, Inventory and Special Inventory	83,888,484	1.00%	75,373,025	1.05%	66,948,701	0.97%	56,996,826	0.88%	54,528,790	0.89%
Total Appraised Value before Exemptions	8,363,505,006	100.00%	7,180,960,262	100.00%	6,881,174,061	100.00%	6,502,115,557	100.00%	6,110,176,215	100.00%
Less: Total Exemptions/Reductions	503,283,324		317,962,209		323,138,236		300,760,635		320,825,723	
Taxable Assessed Value	<u>\$ 7,860,221,682</u>		<u>\$ 6,862,998,053</u>		<u>\$ 6,558,035,825</u>		<u>\$ 6,201,354,922</u>		<u>\$ 5,789,350,492</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, 2023

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>
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	93,590	6,558,035,825	70,072	221,850,000	3.38%	2,370
2022	93,590	6,862,998,053	73,330	235,445,000	3.43%	2,516
2023	93,590	7,860,221,682	83,986	221,920,000	2.82%	2,371

⁽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, 2023

Table GO-4

<u>Fiscal Year Ended 9/30</u>	<u>Tax Rate</u>	<u>General Fund</u>	<u>Interest and Sinking Fund</u>	<u>Tax Levy</u>	<u>% Current Collections</u>	<u>% Total Collections</u>
2019	\$0.629990	\$0.478708	\$0.151282	\$35,438,038	98.63%	99.59%
2020	0.629990	0.476018	0.153972	\$37,845,056	98.57%	99.47%
2021	0.629000	0.454001	0.174999	\$39,861,557	98.73%	99.27%
2022	0.629000	0.418980	0.210020	\$41,729,547	98.70%	98.70%
2023	0.624000	0.412996	0.211004	\$47,136,025	98.89%	98.89%

City of Bryan, Texas
 Ten Largest Taxpayers
 As of September 30, 2023

Table GO-5

<u>Name of Taxpayer</u>	<u>Nature of Property</u>	<u>2022-2023 Assessed Valuation</u>	<u>% of Total Taxable Assessed Valuation</u>
Sanderson Farms	Food Processing	\$ 84,577,795	1.08%
Liquidpower Specialty Products	Manufacturing	87,765,192	1.12%
Comcapp Willowick LLC	Apartments	37,811,523	0.48%
SZ College Station Cottages LLC	Student Housing	34,296,382	0.44%
Jamespoint Management Co	Manufacturing	32,382,128	0.41%
West Shore Traditions LLC	Apartments	29,849,000	0.38%
SW Meadows Point LP	Apartments	29,150,527	0.37%
Honeywell Electronic	Real Estate Development	30,309,500	0.39%
Hawkwood Energy Operating LLC	Apartments	28,802,555	0.37%
Saint-Gobain Norpro Corporation	Business Services Sector	47,081,750	0.60%
		<u>\$ 442,026,352</u>	<u>5.62%</u>

City of Bryan, Texas

Debt Information - General Obligation - Debt Service Requirements*

As of September 30, 2023

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
2024	14,405,000	6,762,401	21,167,401	5,652,853	2,181,160	7,834,013	8,752,147	4,581,241	13,333,388
2025	13,810,000	6,266,084	20,076,084	5,604,484	1,979,395	7,583,879	8,205,516	4,286,689	12,492,205
2026	11,600,000	5,831,280	17,431,280	3,931,659	1,827,217	5,758,876	7,668,341	4,004,063	11,672,404
2027	10,095,000	5,451,143	15,546,143	3,510,352	1,715,062	5,225,414	6,584,648	3,736,081	10,320,729
2028	10,565,000	5,108,052	15,673,052	3,658,356	1,609,095	5,267,451	6,906,644	3,498,957	10,405,601
2029	10,165,000	4,741,566	14,906,566	3,613,751	1,495,040	5,108,791	6,551,249	3,246,526	9,797,775
2030	9,735,000	4,411,305	14,146,305	3,343,546	1,383,873	4,727,419	6,391,454	3,027,432	9,418,886
2031	9,590,000	4,098,874	13,688,874	3,434,269	1,281,403	4,715,672	6,155,731	2,817,471	8,973,202
2032	9,585,000	3,832,803	13,417,803	3,450,498	1,177,001	4,627,499	6,134,502	2,655,802	8,790,304
2033	10,015,000	3,567,717	13,582,717	3,625,435	1,070,224	4,695,659	6,389,565	2,497,493	8,887,058
2034	10,025,000	3,291,155	13,316,155	3,376,719	957,812	4,334,531	6,648,281	2,333,343	8,981,624
2035	9,980,000	3,013,571	12,993,571	3,540,479	855,242	4,395,721	6,439,521	2,158,329	8,597,850
2036	10,420,000	2,733,503	13,153,503	3,703,983	745,882	4,449,865	6,716,017	1,987,621	8,703,638
2037	10,260,000	2,433,117	12,693,117	3,806,188	628,717	4,434,905	6,453,812	1,804,400	8,258,212
2038	10,740,000	2,128,996	12,868,996	3,994,265	505,142	4,499,407	6,745,735	1,623,854	8,369,589
2039	10,270,000	1,808,675	12,078,675	4,150,326	373,949	4,524,275	6,119,674	1,434,726	7,554,400
2040	8,660,000	1,496,335	10,156,335	2,249,580	235,329	2,484,909	6,410,420	1,261,006	7,671,426
2041	3,760,000	1,249,931	5,009,931	401,262	169,269	570,531	3,358,738	1,080,662	4,439,400
2042	3,870,000	1,141,256	5,011,256	414,640	156,285	570,925	3,455,360	984,971	4,440,331
2043	3,985,000	1,029,231	5,014,231	428,018	142,846	570,864	3,556,982	886,385	4,443,367
2044	4,095,000	913,831	5,008,831	440,875	128,972	569,847	3,654,125	784,859	4,438,984
2045	4,205,000	795,157	5,000,157	453,731	114,672	568,403	3,751,269	680,485	4,431,754
2046	3,630,000	673,006	4,303,006	468,599	99,903	568,502	3,161,401	573,103	3,734,504
2047	3,740,000	564,556	4,304,556	483,952	84,628	568,580	3,256,048	479,928	3,735,976
2048	3,855,000	452,582	4,307,582	500,311	68,813	569,124	3,354,689	383,769	3,738,458
2049	3,970,000	333,681	4,303,681	516,670	52,117	568,787	3,453,330	281,564	3,734,894
2050	4,095,000	211,075	4,306,075	264,534	27,781	292,315	3,830,466	183,294	4,013,760
2051	1,370,000	84,400	1,454,400	275,599	16,978	292,577	1,094,401	67,422	1,161,823
2052	1,425,000	28,500	1,453,500	286,663	5,733	292,396	1,138,337	22,767	1,161,104
	<u>\$ 221,920,000</u>	<u>\$ 74,453,783</u>	<u>\$ 296,373,783</u>	<u>\$ 69,581,597</u>	<u>\$ 21,089,540</u>	<u>\$ 90,671,137</u>	<u>\$ 152,338,403</u>	<u>\$ 53,364,243</u>	<u>\$ 205,702,646</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, 2023

Table GO-7

Estimated Debt Service Requirements, Fiscal Year Ending 9-30-23		\$ 18,211,400 ⁽¹⁾
Interest and Sinking Fund, 09-30-23	5,448,969	
2023 Interest and Sinking Fund Tax Levy Collection	14,358,690	
Delinquent Tax Collections	155,971	
Budget Transfers	3,109,000	
Estimated Investment and Other Income	<u>331,174</u>	<u>23,403,804</u>
Estimated Balance, 9-30-23		<u>\$ 5,192,404</u>

⁽¹⁾ Fiscal Year 2023 Budget Projection.

City of Bryan, Texas

Computation of Self-Supporting Debt ⁽¹⁾

As of September 30, 2023

Table GO-8

Net System Revenue, FYE 9-30-23	\$ 120,900,841
Less: System Revenue Bond Requirements, For Fiscal Year Ending 09-30-24	<u>28,104,786</u>
Balance Available for Other Purposes	<u>\$ 92,796,055</u>
Self Supporting System GO and CO Bond Requirements, For Fiscal Year Ending 09-30-24	\$ 7,834,013

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 BVSWMA.

City of Bryan, Texas

Authorized by Unissued General Obligation Bonds

As of September 30, 2023

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, 2023

GO-10

The City has no Other Obligations outstanding as of September 30, 2023.

City of Bryan, Texas

General Fund Revenues and Expenditure History (modified accrual basis)

For the Year Ended September 30, 2023

Table GO-11

	Fiscal Year Ended September 30				
	2023	2022	2021	2020	2019
Revenues					
Taxes	\$ 62,070,648	\$ 57,857,497	\$ 54,270,342	\$ 52,804,791	\$ 50,859,078
Licenses and Permits	1,022,262	1,587,507	1,382,111	1,029,792	764,522
Grants	1,784,174	11,607,390	1,364,282	1,384,624	1,368,160
Charges for Services	6,621,617	6,054,751	4,353,023	6,594,140	5,895,651
Investment Earnings	2,700,002	(907,930)	95,373	395,995	951,435
Fines and Forfeitures	1,797,735	1,624,498	1,256,660	1,298,601	1,590,251
Miscellaneous	3,003,973	2,403,989	1,980,693	2,302,344	2,470,980
Total Revenues	79,000,411	80,227,702	64,702,484	65,810,286	63,900,077
Expenditures					
General Government	17,368,400	17,434,862	16,735,476	20,202,351	19,262,481
Reimbursed Administrative Expenses	-	-	-	(6,093,231)	(5,934,384)
Public Safety	48,589,847	45,328,599	43,443,049	38,464,623	41,183,383
Development Services	4,698,701	4,580,259	4,289,061	3,986,465	3,856,481
Public Works	3,830,704	3,882,875	3,548,004	3,541,682	3,801,853
Cultural and Recreational	8,516,334	7,470,181	6,877,350	7,666,287	8,620,116
Capital Outlay	11,609,943	3,952,597	2,125,375	5,357,920	3,771,758
Debt Service	736,782	279,080	-	-	-
Total Expenditures	95,350,711	82,928,453	77,018,315	73,126,097	74,561,688
Excess (Deficit) Revenues					
Over (Under) Expenditures	(16,350,300)	(2,700,751)	(12,315,831)	(7,315,811)	(10,661,611)
Lease Financing	2,108,520	-	-	-	-
Operating Transfers In	19,915,360	19,722,779	18,707,421	20,675,742	15,736,811
Operating Transfers Out	(17,100,340)	(4,864,583)	(1,771,838)	(1,047,944)	(885,674)
Sale of Capital Assets	462,000	26,996	105,467	836,126	397,064
Total Other	5,385,540	14,885,192	17,041,050	20,463,924	15,248,201
Net Increase (Decrease)	(10,964,760)	12,184,441	4,725,219	13,148,113	4,586,590
Beginning Fund Balance	63,121,630	50,937,189	46,211,970	33,063,857	28,477,267
Ending Fund Balance	<u>\$ 52,156,870</u>	<u>\$ 63,121,630</u>	<u>\$ 50,937,189</u>	<u>\$ 46,211,970</u>	<u>\$ 33,063,857</u>

City of Bryan, Texas

Changes in Net Position

For the Year Ended September 30, 2023

Table GO-11A

	Governmental Activities				
	2023	2022	2021	2020	2019
<u>Revenues</u>					
Program Revenues					
Charges for Services	\$ 12,911,079	\$ 11,720,062	\$ 7,018,000	\$ 8,947,994	\$ 8,285,282
Operating Grant and Contributions	3,024,264	13,380,520	4,020,453	7,671,725	3,134,487
Capital Grants and Contributions	9,860,741	11,244,886	7,740,216	14,726,449	9,041,299
General Revenues					
Property Taxes	48,823,436	43,305,764	41,610,800	39,370,526	37,035,640
Other Taxes	43,240,842	41,744,977	36,508,787	34,923,687	27,888,008
Other	7,918,240	1,113,952	8,927,005	4,294,197	15,726,022
Total Revenues	<u>125,778,602</u>	<u>122,510,161</u>	<u>105,825,261</u>	<u>109,934,578</u>	<u>101,110,738</u>
<u>Expenditures</u>					
General Government and Administration	24,174,546	14,590,813	17,129,907	16,179,781	17,828,658
Development Services	5,856,843	6,333,102	6,746,206	6,438,717	8,063,283
Public Works Services	14,547,791	16,010,652	13,186,070	12,867,878	15,122,805
Public Safety	50,546,115	47,773,925	45,774,029	46,256,622	44,658,085
Culture and Recreation	15,736,022	12,850,552	10,779,452	10,833,728	11,620,981
Interest on Long Term Debt	6,015,107	5,611,708	5,689,781	2,816,111	2,786,148
Total Expenditures	<u>116,876,424</u>	<u>103,170,752</u>	<u>99,305,445</u>	<u>95,392,837</u>	<u>100,079,960</u>
Decrease in Net Position Before Transfers	8,902,178	19,339,409	6,519,816	14,541,741	1,030,778
Transfers	6,226,713	14,054,602	12,136,417	34,859,304	14,547,109
Change in Net Position After Transfers	<u>15,128,891</u>	<u>33,394,011</u>	<u>18,656,233</u>	<u>49,401,045</u>	<u>15,577,887</u>
Net Position - October 1	<u>230,520,072</u>	<u>197,126,061</u>	<u>175,861,575</u>	<u>126,460,530</u>	<u>110,882,643</u>
Net Position- Sept 30	<u>\$ 245,648,963</u>	<u>\$ 230,520,072</u>	<u>\$ 194,517,808</u>	<u>\$ 175,861,575</u>	<u>\$ 126,460,530</u>

* Net Position for FY 2022 restated.

City of Bryan, Texas

Municipal Sales Tax History

For the Year Ended September 30, 2023

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>
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
2022	29,581,453	70.89%	0.4466	316.07
2023	30,712,088	65.16%	0.4066	328.16

City of Bryan, Texas

Current Investments and Cash Deposits ⁽¹⁾

For the Year Ended September 30, 2023

Table GO-13

As of September 30, 2023 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	\$ 93,162,826	49.4%
Municipal Bonds	22,085,000	11.7%
Government Pools	31,156,875	16.5%
Demand Deposits	42,259,290	22.4%
Total Investable Funds	<u>\$ 188,663,991</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
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
2022	12,688,670	24,821,000	4,631,364,500
2023	12,940,306	24,160,000	4,723,211,600

City of Bryan, Texas

Ten Largest Water and Wastewater Customers (Based on Gallons of Water Consumed)

For the Year Ended September 30, 2023

Table RW-2

<u>Customer</u>	<u>Type of Industry</u>	<u>Water Usage</u>	<u>% of Total Water Usage</u>
Wellborn Special Utility District	Utility District	384,516,700	8.14%
St. Joseph Hospital	Health Care Facility	122,801,300	2.60%
Wickson Water Supply	Utility District	110,397,700	2.34%
BISD	Public School	93,704,300	1.98%
Brazos County	County Government	61,973,700	1.31%
Comcapp Bryan	Housing	59,031,200	1.25%
City of Bryan	Local Government	48,921,200	1.04%
Oakwood/Country Village	MHP	43,934,400	0.93%
TDCJ - Hamilton Unit	Correctional Facility	33,393,300	0.71%
Housing Authority	Housing	32,311,000	0.68%
Total		<u>990,984,800</u>	<u>20.98%</u>
Total gallons of water sold		4,723,211,600	

City of Bryan, Texas

Monthly Water Rates

For the Year Ended September 30, 2023

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	\$ 9.70	\$ 2.76	\$ 3.00	\$ 3.50
Commercial/Industrial	13.80	2.38	2.38	2.38
Bryan Public Schools	13.80	2.38	2.38	2.38
Interdepartmental	13.80	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
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
2022	7,114,466	216,398,333	2,596,780,000	14,296,820
2023	7,634,301	232,210,000	2,786,520,000	15,100,939

City of Bryan, Texas

Monthly Wastewater Rates

For the Year Ended September 30, 2023

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, 2023

Table RW-6

Fiscal Year Ended	Principal	Interest	Total	% of Principal Retired
2024	\$ 3,140,000	\$ 904,229	\$ 4,044,229	
2025	3,280,000	832,369	4,112,369	
2026	3,340,000	747,119	4,087,119	
2027	3,395,000	661,646	4,056,646	
2028	3,385,000	575,677	3,960,677	44.37%
2029	3,420,000	487,172	3,907,172	
2030	2,940,000	391,491	3,331,491	
2031	1,485,000	318,182	1,803,182	
2032	1,515,000	285,412	1,800,412	
2033	940,000	250,269	1,190,269	27.63%
2034	965,000	231,171	1,196,171	
2035	985,000	210,710	1,195,710	
2036	1,005,000	189,081	1,194,081	
2037	735,000	166,276	901,276	
2038	755,000	150,999	905,999	11.92%
2039	770,000	135,357	905,357	
2040	785,000	119,649	904,649	
2041	800,000	103,381	903,381	
2042	695,000	86,513	781,513	
2043	710,000	69,833	779,833	10.09%
2044	725,000	52,793	777,793	
2045	745,000	35,393	780,393	
2046	760,000	19,152	779,152	5.98%
	<u>\$ 37,275,000</u>	<u>\$ 7,023,874</u>	<u>\$ 44,298,874</u>	<u>100.00%</u>

*Includes private placement and 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				
	2023	2022	2021	2020	2019
Revenues					
Waterworks	\$ 17,286,917	\$ 15,924,867	\$ 13,252,956	\$ 14,449,661	\$ 13,101,114
Sewer System	15,100,939	14,296,820	13,625,996	13,387,061	13,122,328
Interest Income	1,418,995	(178,279)	47,611	332,652	674,251
Total Revenues	<u>33,806,851</u>	<u>30,043,408</u>	<u>26,926,563</u>	<u>28,169,374</u>	<u>26,897,693</u>
Expenses ⁽¹⁾ :					
Waterworks	8,149,635	7,876,405	6,790,996	6,997,289	6,474,333
Sewer System	8,645,456	8,497,318	6,884,187	6,260,646	6,243,642
Total Expenses	<u>16,795,091</u>	<u>16,373,723</u>	<u>13,675,183</u>	<u>13,257,935</u>	<u>12,717,975</u>
Net Available for Debt Service	<u>\$ 17,011,760</u>	<u>\$ 13,669,685</u>	<u>\$ 13,251,380</u>	<u>\$ 14,911,439</u>	<u>\$ 14,179,718</u>
Water Connections	26,373	25,895	25,242	24,479	23,926
Sewer Connections	27,042	26,475	25,655	24,691	23,968

⁽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, 2023

Table RW-9

Average Annual Principal and Interest Requirement, 2024-2046	\$ 1,926,038
Coverage of Average Requirements by 9-30-2023 Net Income	7.87 Times
Maximum Principal and Interest Requirements, 2024-2046	4,112,369
Coverage of Maximum Requirements by 9-30-2023 Net Income	3.68 Times
Waterworks and Sewer System Revenue Bonds (September 30, 2023)	37,275,000
Interest and Sinking Fund (September 30, 2023)	3,225,876
Reserve Fund (September 30, 2023) ⁽¹⁾	2,039,752

⁽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, Texas

Current Investments and Cash Deposits ⁽¹⁾

For the Year Ended September 30, 2023

Table RW-10

As of September 30, 2023 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	\$ 93,162,826	49.4%
Municipal Bonds	22,085,000	11.7%
Government Pools	31,156,875	16.5%
Demand Deposits	42,259,290	22.4%
Total Investable Funds	<u>\$ 188,663,991</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, 2023

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	\$ -	\$ 0.0178	\$ 0.0358
Residential Summer (May - Oct.)	11.00	-	0.0505	-	0.0178	0.0358
Small Commercial	15.50	-	0.0455	-	0.0145	0.0358
Small Commercial Demand	37.00	9.39	0.0086	4.175	-	0.0358
Small Commercial Demand Time of Use	137.00	-	0.0314 - 0.0918	-	0.1879	0.0358
General Service Commercial Time of Use	26.91	2.70 - 4.14	0.0142	4.18	-	0.0358
Large Industrial	400.00	12.50	0.0075	5.571	-	0.0358
Primary Service	400.00	12.25	0.0074	5.460	-	0.0351
Transmission Service	1,725.00	12.68	0.0010	4.800	-	0.0344
Security Lighting Service	9.78 Per Lamp	-	-	-	-	0.0358
Street Lighting Service	4.75-10.85 Per Lamp	-	-	-	-	0.0358
Rural Electric Division	200,000.00	1.43	0.0136	2.610	0.0151	0.0318

City of Bryan, Texas

Energy Sales by Types of Customers - City Electric

Last Five Years

Table REC-2

Type of Customer	2023		2022		2021		2020		2019	
	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	465,116,237	21.14%	459,514,235	20.93%	410,581,454	19.67%	408,468,397	18.79%	405,211,713	19.26%
Commercial & Industrial	631,353,653	28.69%	633,960,039	28.87%	594,017,427	28.46%	599,807,744	27.59%	626,585,459	29.78%
Rural Electric Division	550,359,238	25.01%	551,208,181	25.11%	495,300,070	23.73%	496,104,086	22.82%	501,817,775	23.85%
Other Utilities	547,027,521	24.86%	544,796,823	24.81%	581,513,699	27.86%	663,662,296	30.53%	564,676,713	26.83%
Street Lights	6,500,547	0.30%	6,127,730	0.28%	6,094,095	0.29%	6,040,661	0.28%	6,101,842	0.29%
Total	<u>2,200,357,197</u>	<u>100.00%</u>	<u>2,195,607,008</u>	<u>100.00%</u>	<u>2,087,506,745</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>

City of Bryan, Texas

Electric System Revenue Debt Service Requirements - City Electric

As of September 30, 2023

Table REC-3

Fiscal Year Ended	Principal	Interest	Total	% of Principal Retired
2024	10,515,000	10,192,232	\$ 20,707,232	
2025	11,045,000	9,666,482	20,711,482	
2026	11,595,000	9,114,232	20,709,232	
2027	12,165,000	8,534,482	20,699,482	
2028	12,775,000	7,926,232	20,701,232	24.22%
2029	13,430,000	7,287,481	20,717,481	
2030	14,100,000	6,615,981	20,715,981	
2031	14,800,000	5,910,981	20,710,981	
2032	14,755,000	5,241,281	19,996,281	
2033	13,405,000	4,659,681	18,064,681	29.39%
2034	12,180,000	4,081,331	16,261,331	
2035	10,605,000	3,540,050	14,145,050	
2036	9,090,000	3,077,950	12,167,950	
2037	9,470,000	2,694,300	12,164,300	
2038	9,850,000	2,312,850	12,162,850	21.35%
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	
2042	6,960,000	855,475	7,815,475	
2043	7,180,000	629,725	7,809,725	19.13%
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	5.90%
	<u>\$ 239,825,000</u>	<u>\$ 97,899,772</u>	<u>\$ 337,724,772</u>	<u>100%</u>

*Includes only revenue bonds

City of Bryan, Texas

Authorized but Unissued Revenue Bonds - City Electric

As of September 30, 2023

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				
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenues					
City Electric System and Other Revenue	\$ 233,681,607	\$ 237,447,855	\$ 362,660,519	\$ 185,889,665	\$ 203,296,678
Investment Income	8,604,230	(3,109,835)	363,245	3,318,858	4,907,925
Total Revenues	<u>242,285,837</u>	<u>234,338,020</u>	<u>363,023,764</u>	<u>189,208,523</u>	<u>208,204,603</u>
City Electric System Expenses ⁽¹⁾	<u>158,736,138</u>	<u>146,627,939</u>	<u>287,917,032</u>	<u>116,679,693</u>	<u>127,683,020</u>
Net Available for Debt Service	<u>\$ 83,549,699</u>	<u>\$ 87,710,081</u>	<u>\$ 75,106,732</u>	<u>\$ 72,528,830</u>	<u>\$ 80,521,583</u>
BTU - City Electric Customers	42,193	41,416	40,482	39,536	38,758

⁽¹⁾ Excludes depreciation and amortization and non-cash pension expense

City of Bryan, Texas

City Electric Coverage and Fund Balances

As of September 30, 2023

Table REC-6

Average Annual Principal and Interest Requirement, 2022-2046	\$ 16,227,739
Coverage of Average Requirements by 9-30-2023 Net available for debt service	5.04 Times
Maximum Principal and Interest Requirements, 2023-2046	23,710,298
Coverage of Maximum Requirements by 9-30-2023 Net available for debt service	3.45 Times
Electric System Revenue Bonds, 9-30-2023	266,885,000
Interest and Sinking Fund (September 30, 2023)	5,551,554
Reserve Fund (September 30, 2023)	2,824,100

City of Bryan, Texas

Current Investments and Cash Deposits - City Electric

As of September 30, 2023

Table REC-7

As of September 30, 2023 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	\$ 47,046,873	20.00%
Investment in government pool	36,010,622	15.31%
Municipal Bonds	49,783,985	21.16%
Agency securities	102,420,239	43.53%
Totals	<u>\$ 235,261,719</u>	<u>100.00%</u>

City of Bryan, Texas

Rural Electric Rates

As of September 30, 2023

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	\$ -	\$ 0.0155	\$ 0.0363
Residential Summer (May - Oct.)	12.00	-	0.0615	-	0.0155	0.0363
College Station Residential (Nov - Apr)	11.00	-	0.0418	-	0.0155	0.0363
College Station Residential (May - Oct)	11.00	-	0.0551	-	0.0155	0.0363
Small Commercial	16.00	-	0.0442	-	0.0124	0.0363
Small Commercial Demand	21.00	9.02	0.0104	2.825	-	0.0363
Secondary Service Demand Time of Use	137.00	-	0.0321 - 0.0939	-	0.4999	0.0363
General Service Commercial Time of Use	26.62	3.33 - 4.72	0.0152	2.825	-	0.0363
Large Industrial	400.00	12.81	0.0077	4.847	-	0.0363
Large Industrial - Low Load Factor	400.00	6.28 - 6.80	-	5.230	-	0.0363
Primary Service	400.00	12.56	0.0075	4.750	-	0.0353
Secondary Service Irrigation	-	-	0.0866	-	0.0441	0.0363
Security Lighting Service	9.85 Per Lamp	-	-	-	-	0.0363
Street Lighting Service	6.61 - 15.36 Per Lamp	-	-	-	-	0.0363

⁽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	2023		2022		2021		2020		2019	
	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	340,081,616	66.12%	335,480,052	66.66%	309,725,064	68.19%	303,080,224	67.52%	302,390,163	66.64%
Commercial	174,280,242	33.88%	167,776,321	33.34%	144,451,850	31.81%	145,824,660	32.48%	151,363,808	33.36%
Total	<u>514,361,858</u>	<u>100.00%</u>	<u>503,256,373</u>	<u>100.00%</u>	<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>

City of Bryan, Texas

Rural Electric System Revenue Debt Service Requirements

As of September 30, 2023

Table RER-3

Fiscal Year Ending	Principal	Interest	Total	% of Principal Retired
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	
2027	1,815,000	1,536,575	3,351,575	
2028	1,905,000	1,445,825	3,350,825	18.63%
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	
2032	2,275,000	1,074,225	3,349,225	
2033	2,370,000	976,025	3,346,025	23.47%
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	
2037	2,335,000	642,675	2,977,675	
2038	2,410,000	563,875	2,973,875	25.05%
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	
2042	2,080,000	220,375	2,300,375	
2043	2,150,000	152,400	2,302,400	25.79%
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	7.06%
	<u>\$ 46,460,000</u>	<u>\$ 19,265,400</u>	<u>\$ 65,725,400</u>	<u>100.00%</u>

*Includes only revenue bonds

City of Bryan, Texas

Condensed Statement of Rural Electric System Operations
Last Five Years

Table RER-4

	Fiscal Year Ended September 30				
	2023	2022	2021	2020	2019
Revenues					
Rural Electric System	\$ 57,824,648	\$ 57,642,815	\$ 48,006,906	\$ 45,850,000	\$ 47,539,896
Investment Income	1,715,266	(683,890)	68,686	448,538	740,837
Total Revenues	<u>59,539,914</u>	<u>56,958,925</u>	<u>48,075,592</u>	<u>46,298,538</u>	<u>48,280,733</u>
Rural Electric System Expenses ⁽¹⁾	<u>39,840,526</u>	<u>37,864,612</u>	<u>32,947,942</u>	<u>31,418,794</u>	<u>33,970,851</u>
NET AVAILABLE FOR DEBT SERVICE	<u>\$ 19,699,388</u>	<u>\$ 19,094,313</u>	<u>\$ 15,127,650</u>	<u>\$ 14,879,744</u>	<u>\$ 14,309,882</u>
Rural Electric Customers	24,854	24,230	23,520	22,911	22,048

⁽¹⁾ Excludes depreciation.

City of Bryan, Texas

Rural Electric Coverage and Fund Balances

As of September 30, 2023

Table RER-5

Average Annual Principal and Interest Requirement, 2023-2046	\$ 3,033,586
Coverage of Average Requirements by 9-30-2023 Net available for debt service	6.49 Times
Maximum Principal and Interest Requirements, 2023-2046	3,757,813
Coverage of Maximum Requirements by 9-30-2023 Net Available for debt service	5.24 Times
Rural Electric System Revenue Bonds, 9-30-2023	49,725,000
Interest and Sinking Fund (September 30, 2023)	888,289
Reserve Fund (September 30, 2023)	-

City of Bryan, Texas

Current Investments and Cash Deposits - Rural Electric

As of September 30, 2023

Table RER-6

As of September 30, 2023 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	\$ 16,040,563	53.52%
Investment pools	1,505,870	5.02%
Municipal bonds	3,255,028	10.86%
Agency securities	9,168,543	30.59%
Totals	<u>\$ 29,970,004</u>	<u>100.00%</u>