

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2024

*Rosenberg*  
TEXAS

## CITY OF ROSENBERG





**CITY OF ROSENBERG, TEXAS**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
For the year ended September 30, 2024

**Prepared by:**

**Joyce Vasut, CPA**  
**Assistant City Manager**

**Luis Garza, CGFO**  
**Director of Finance**

CITY OF ROSENBERG, TEXAS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
For the year ended September 30, 2024

CONTENTS

INTRODUCTORY SECTION

Letter Of Transmittal .....	1
Organizational Chart .....	6
Certificate of Achievement for Excellence in Financial Reporting .....	7
Principal Officials .....	8

FINANCIAL SECTION

Independent Auditors Report.....	9
Management’s Discussion and Analysis (Required Supplementary Information) .....	12

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:	
Statement of Net Position .....	21
Statement of Activities.....	22
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	23
Reconciliation of the Governmental Funds	
Balance Sheet to the Statement of Net Position .....	25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	
Statement of Net Position - Proprietary Funds .....	28
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds.....	31
Statement of Cash Flows - Proprietary Funds .....	32
Notes to the Financial Statements.....	34

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual General Fund .....	79
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual RDC Projects Fund .....	81
Schedule of Changes in Net Position Liability and Related Ratios Texas Municipal Retirement System (TMRS) .....	82
Schedule of Contributions Texas Municipal Retirement System (TMRS).....	83
Schedule of Changes in Total OPEB Liability and Related Ratios Texas Municipal Retirement System – Supplemental Death Benefits .....	84
Schedule of Changes in Total OPEB Liability and Related Ratios Retiree Health Care Benefit Plan .....	86

## COMBINING STATEMENTS AND SCHEDULES

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual Debt Service Fund .....	88
Combining Balance Sheet - Nonmajor Governmental Funds .....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds .....	94
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual Nonmajor Special Revenue Funds:	
Hotel and Motel Occupancy Tax .....	97
Municipal Court Technology .....	98
Beautification .....	99
Law Enforcement.....	100
Community Development Block Grant .....	101
Police Asset Forfeiture .....	102
Animal Control .....	103
Park Land Dedication .....	104
Juvenile Case Manager.....	105
Municipal Court Child Safety .....	106
Municipal Court Building Security.....	107
MUD Fire Services .....	108
Police Federal Forfeiture .....	109
Fire Station #3 Operating .....	110
Cable PEG Fees.....	111
CDBG Mitigation Drainage Improvement.....	112
Combining Statement of Net Position – Internal Service Funds .....	113
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds.....	114
Combining Statement of Cash Flows – Internal Service Funds.....	115

## STATISTICAL SECTION

Net Position by Component.....	116
Changes in Net Position .....	117
Tax Revenues by Source, Governmental Activities .....	119
Fund Balances, Governmental Funds .....	120
Changes in Fund Balances of Governmental Funds.....	121
Tax Revenues by Source - Governmental Funds .....	122
Taxable Sales by Category .....	123
Assessed and Estimated Actual Value of Taxable Property .....	124
Property Tax Rates – Direct and Overlapping Governments.....	125
Principal Property Taxpayers .....	127
Property Tax Levies and Collections .....	128
Ratios of Outstanding Debt by Type.....	129
Ratios of General Bonded Debt Outstanding .....	130
Direct and Overlapping Governmental Activities Debt .....	131
Legal Debt Margin Information .....	132
Debt Service Fund Projections for Fiscal Year 2025.....	133
Computation of Self-Supporting Debt.....	134
Demographic and Economic Statistics .....	135
Principal Employers .....	136
Full-Time Equivalent City Government Employees by Function .....	137
Operating Indicators by Function.....	138
Water and Sewer Rates .....	139
Top Ten Water and Sewer Customers .....	140
Capital Asset Statistics by Function .....	141



## **INTRODUCTORY SECTION**



March 11, 2025

The Honorable Mayor and Members of the City Council  
City of Rosenberg  
Rosenberg, Texas

## **EXECUTIVE SUMMARY**

The Finance Department and City Manager's Office are pleased to submit the Fiscal Year 2024 (FY2024) Annual Comprehensive Financial Report (ACFR) for the dates ranging from October 1, 2023 to September 30, 2024.

This report is published to provide the City Council, staff, citizens, bondholders, and stakeholders with detailed information concerning the financial condition and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

As required by the City Charter, the financial statements have been audited by a firm of certified public accountants. Crowe LLP has audited the City's FY2024 financial statements. The goal of an independent audit is to provide reasonable assurance that the financial statements of the City of Rosenberg for the fiscal year ended September 30, 2024, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Rosenberg's financial statements are presented in conformity with generally accepted accounting principles (GAAP).

The City's Management Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and, both should be read in conjunction.

## **CITY PROFILE**

Rosenberg is located in the Gulf Coast region of Texas, at the geographic center of Fort Bend County, and is approximately thirty miles southwest of downtown Houston along Interstate 69 (I-69). The City encompasses approximately 37 square miles, excluding extraterritorial jurisdictions, and is approximately forty-seven percent (47%) undeveloped.

The City was founded in 1883, incorporated in 1903, and currently operates under a Council-Manager form of government. The City Council is comprised of a Mayor and six Council Members. The Mayor and two Council Members are elected at-large, and the remaining four are elected from one of each of the City's four single-member districts. The Mayor and Council are responsible for enacting legislation in the form of ordinances, resolutions, and regulations governing the City. The City Manager is the chief administrative officer of the City and is responsible for implementation of laws, ordinances, and day-to-day operations of the City.

The City provides a full range of municipal services to its citizens. These services, provided under general government and enterprise functions, include public safety (police and fire), potable water, reclaimed water and wastewater utilities, solid waste and recycling services, parks and recreational activities, public improvements, repair and maintenance of infrastructure, community and economic development, planning, and general administrative services. The City has a 4B Economic Development Corporation, which partners with the City and other entities to aggressively recruit, retain, and expand business and industry within Rosenberg. The City also operates a Civic Center which provides meeting space to community and private groups. Internal services of the City, accounted for on a cost-reimbursement basis, are fleet service operations, information services, and employee health insurance coverage.

The Council appoints residents and business leaders who volunteer their expertise, experience, and time to serve on various committees and boards. These committees and boards make recommendations relative to special projects, issues, and future planning. The Planning Commission, Rosenberg Development Corporation, Parks and Recreation Board, and the Image Committee meet on a regular basis. Other committees and boards, which meet, as needed, include the Animal Control Shelter Advisory Board, Building and Standards Board, Rental Property Appeals Board, Water/Wastewater Impact Fee Advisory Task Force, and the Special Action Committees such as Avenue H/Highway 90-A Revitalization Blue Ribbon Committee, Charter Review Committee, and Hotel Occupancy Tax (HOT) Evaluation Committee.

## **LOCAL ECONOMY**

Rosenberg's economy remained steady in FY2024. Rosenberg experienced moderate job growth and an increase in sales tax growth when compared to FY2023. The moderate job growth can be attributed to several factors including residential growth and commercial development.

The City's general fund sales tax revenue experienced an increase of \$1.4 million from FY2023 to FY2024. While the City experienced a decrease in sales tax from FY2022 to FY2023 due to the cost of lumber leveling off, the FY2024 figure is comparable to FY2021 but with a modest increase. Rosenberg has several building material suppliers and an ongoing Chapter 380 Economic Development Program Agreement with BFS Texas Sales. This steady trend has remained for the first five (5) months of FY2025 when compared to previous years.

In FY2024, the local unemployment rate showed an uptick to 5.1% later in the year but declined incrementally to finish the fiscal year at 4.6%, which is slightly higher than the state rate of 4.1% and national rate of 4.1%. The average owner-occupied home value increased to \$232,363, up from \$109,562 in 2013.

The total number of permits issued for the year showed a steady trend from FY2023 to FY2024, with a total of 322 residential certificates of occupancy issued. There were 96 commercial certificates of occupancy, 87 new commercial buildings, and 58 commercial additions/remodels issued in the 2024 fiscal year, demonstrating that leasing existing buildings and constructing new facilities are still growing trends.

Brazos Town Center, located along I-69, between FM 762 and Reading Road, is a master-planned, mixed-use development, which integrates retail, residential, and professional spaces interconnected with parks, a trail system, lakes, and fountains. Brazos Town Center serves as a regional shopping and dining destination, attracting customers and sales tax revenue from outside the City.

The City of Rosenberg is home to a diverse group of industries including pharmaceutical packaging, machining, manufacturing, chemical blending, telecommunications services, distribution centers, engineering, oil and gas services, and a variety of retail operations. Sources of agricultural income include cotton, grain, and livestock. Additionally, the City is a major retail trade area for antiques, building materials, general merchandise, food stores, and automobiles.

## **LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCIAL POLICIES**

The City adopts an annual budget, which includes a five-year Capital Improvement Program (CIP). The ultimate purpose of the budget process is to assure that municipal services are provided to the citizens of Rosenberg in the most efficient and effective manner possible, and that service can be maintained at or above current year's levels.

Additionally, the budget process addresses the City's current and future infrastructure needs by identifying and prioritizing capital projects for general street and drainage, and water and wastewater. Available funding for such projects is presented and proposed projects are prioritized.

The City prepares a long-term financial plan on an annual basis for the General Fund and the Water and Wastewater Fund. This plan presents financial information and estimates over a six-year period, which includes the actual amounts for the last audited fiscal year, estimates for the current fiscal year, and estimates for four additional years. These forecasts help ensure that the City can continue to meet long-range obligations while maintaining current City services.

City management is responsible for establishing, implementing, and maintaining a framework of internal controls designed to ensure that assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting information is compiled to allow for the preparation of financial statements in conformity with GAAP. The system of internal controls is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires estimates and judgments by management.

The City Council has adopted Financial Management Policies that establish and document a framework for fiscal decision-making and that ensure financial resources are available to meet the present and future needs of the citizens. These policies include, but are not limited to, the following:

1. *General Guidelines* – The City will establish and maintain a high standard of accounting practices and ensure that the City's accounting system shall conform to GAAP, as prescribed by the Governmental Accounting Standards Board (GASB) for governmental entities. These general guidelines also address the appointment of the Finance/Audit Committee and the selection of an auditor.

2. *Operating Budget* – Objectives regarding the operating budget state that revenue estimates are based on historical trends and a conservative approach. The adopted budget will be balanced with current revenues, plus fund balances. Fund balances, or reserves from operating funds at the end of each fiscal year must be maintained at 25% or more of the fund’s operating expenditures (excluding non-recurring expenditures), or 90 days of total fund operating expenditures for the same fiscal year.
3. *Capital Improvements* – The City will develop and maintain a five-year CIP, which shall be reviewed (at least) annually by the City Council. The City Council shall adopt an annual capital budget based on the approved five-year CIP. This capital budget shall identify the sources of funding for each capital project authorized for the ensuing fiscal year.
4. *Debt Management* – Long-term debt shall not be incurred to finance current operations, and the City shall retire the debt within a period not to exceed the expected useful life of the project(s) or improvements being financed. The City’s total debt service requirements in any fiscal year should not exceed 25% of total expenditures/expenses, and total direct debt shall not exceed 10% of the assessed value of taxable property.
5. *Financial Reporting* – An annual independent financial audit shall be performed by a properly licensed independent public accounting firm on an annual basis, and the City shall strive to receive and retain the Certificate of Achievement for Excellence in Financial Reporting, awarded annually by the Government Finance Officers Association of the United States and Canada (GFOA). Timely interim financial reports will be produced for department managers for internal purposes, and financial statements shall be prepared on a monthly basis and made available to the City Council.

## **FUTURE ECONOMIC OUTLOOK**

The City’s financial outlook is stable. Standard & Poor’s rating services has assigned an ‘AA-’ long-term rating to Rosenberg. The rating agency commented on the City’s stable financial operations, good financial management policies and practices, and healthy fund balances. Residential and commercial growth and the retail component of Brazos Town Center, coupled with a Chapter 380 agreement with BFS Texas Sales, continues to impact trends for sales tax revenues.

The City’s net property tax valuations increased 11% from the previous year to an appraised value of just over \$4.5 billion in FY2025. The property tax base has expanded approximately 135% since FY2016. The tax base is diverse, with the leading taxpayers accounting for only 10% of the appraised value.

As Fort Bend County builds out, Rosenberg continues to see momentous growth in residential housing development, and the available inventory of large developable land parcels lends itself to continued interest for commercial business and industrial developers.

The Rosenberg Development Corporation (RDC) and the City work to ensure the economic vitality of the City. This partnership, coupled with a logistic geographic proximity, strong regional economy, and visionary leadership has set the stage for a continuing expansion of Rosenberg’s employment base, a sustained growth of the local economy, and a continually improving quality of life.

The RDC was established in 1995 and takes an active role in the expansion and retention of existing businesses, as well as the recruitment of new business and manufacturing facilities to the Rosenberg area.

The RDC is involved in numerous projects encouraging development and growth including:

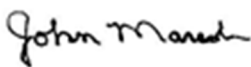
- Continuing assistance to the City with the extension of utilities along I-69 for future development along the interstate.
- Continuing a project to develop a long-term strategic plan for the revitalization of the Avenue H/Highway 90A corridor.
- Funding for certain City parks improvements, including the addition of a secondary entrance road to Seabourne Creek Regional Sports Complex from FM 2218.
- Funding contribution to assist the City with the extension of Koeblen Road as a four-lane concrete thoroughfare for future planned development.
- Funding contribution to assist the City with the extension of 4<sup>th</sup> Street from Mons Avenue to Rice Street for future development.
- Continuation of a partnership with Fort Bend Transit to maintain and grow public transportation in the City and County.
- Funding for the installation of a traffic signal at Commercial Drive and Plaza Drive as a public safety improvement project.
- Funding allocation toward a future roadway connection project to connect Brazos Town Center I and II, suitable as a project for improved and expanded business enterprise.
- Continuing to develop and implement strategies included in the ten-year economic development strategic plan to guide the RDC for future projects and organizational priorities.
- Continuing to offer reimbursement grants to established businesses making exterior improvements under the Business Improvement Grant Program.

## AWARDS AND ACKNOWLEDGEMENTS

This report has been prepared in accordance with guidelines established by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This was the 37th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

We would like to express appreciation to members of the Finance Department staff who were instrumental in compiling the information required for this report. Other departments within the City were cooperative in providing essential information in a timely and professional manner, and we extend our thanks to them. In addition, we thank the Mayor and members of the City Council for the decisions they have made in the interest of preserving the financial integrity of the City of Rosenberg.

Respectfully submitted,



John Maresh  
City Manager



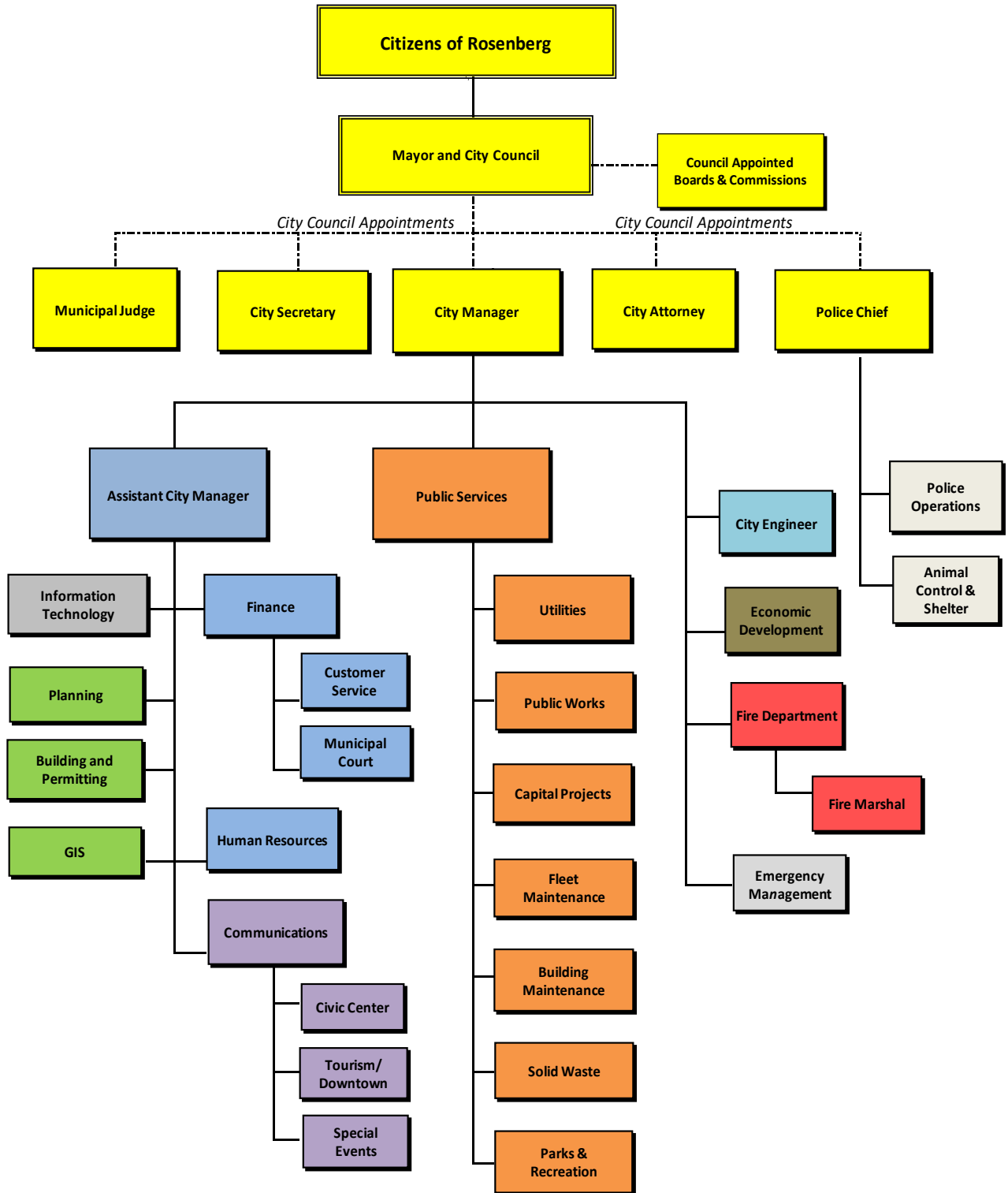
Joyce Vasut, CPA  
Assistant City Manager



Luis Garza, CGFO  
Director of Finance

CITY OF ROSENBERG, TEXAS  
 ORGANIZATIONAL CHART  
 September 30, 2024

**ORGANIZATIONAL CHART**





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Rosenberg  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2023

*Christopher P. Morill*

Executive Director/CEO

CITY OF ROSENBERG, TEXAS  
 PRINCIPAL OFFICIALS  
 For year ended September 30, 2024

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<u>Elected Officials</u>	<u>Position</u>	<u>Term Expires</u>
William Benton	Mayor	05/2026
Richard Olson	Councilor at Large, Position 1	05/2026
Jessica Jaramillo-Moreno	Councilor at Large, Position 2	05/2026
Felix Vargas Jr.	Councilor, District No. 1	05/2026
Steven DeGregorio	Councilor, District No. 2	05/2026
Hector Treviño	Councilor, District No. 3	05/2026
George Zepeda	Councilor, District No. 4	05/2026

<u>Appointed Officials</u>	<u>Position</u>
John Maresh	City Manager
Randle Law Firm	City Attorney
Danyel Swint	City Secretary
Phyllis Ross	Municipal Court Judge
Jonathan White	Police Chief

<u>City Management</u>	<u>Position</u>
Joyce Vasut	Assistant City Manager
Harold Hankins	Assistant Director of Finance
Brian Swint	Building Official
Charles Kalkomey	City Engineer
Tanya Kveton	Director of Communications & Community Engagement
Joe Esch	Director of Economic Development
Luis Garza	Director of Finance
Ashley Barnes	Director of Human Resources
Cary Lamensky	Director of Parks
Mohamed Bireima	Director of Planning
Doug Gorka	Director of Public Works
Shelton Besson	Director of Technology
Eddie De Leon	Director of Utilities
Rigo Calzoncin	Executive Director of Public Services
Daryl Maretka	Fire Chief

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**FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and  
City Council Members of the  
City of Rosenberg, 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 Rosenberg, Texas (the "City"), as of and for the year ended September 30, 2024, 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, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Client name, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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.

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(Continued)

## ***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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of changes in net position and total other postemployment benefits liability and related ratios, and schedule of contributions, identified as Required Supplementary Information on the table of contents, on pages 12 through 20, 79, 81, 82, 83, 84, and 86 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.

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(Continued)

### **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 combining statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

  
Crowe LLP

Houston, Texas  
March 11, 2025



**MANAGEMENT'S DISCUSSION AND ANALYSIS**



CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

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The Statement of Activities presents information showing how the City's net position changed during the most recent 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 – the accrual method rather than modified accrual that is used in the fund level statements.

The Statement of Net Position and the Statement of Activities divide the City's financials into two classes of activities:

1. *Governmental Activities* – Most of the City's basic services are reported here including public safety, public works, community development, and general administrative services. Interest payments on the City's debt are also reported here. Sales tax, property tax, franchise fees, municipal court fines, and permit fees finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water, wastewater, and civic center rentals.

The government-wide financial statements include not only the City itself (known as the primary government), but also 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.

The government-wide financial statements can be found after the MD&A.

## **FUND FINANCIAL STATEMENTS**

Funds may be considered as operating companies of the parent corporation, which is the City. They are usually segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance related legal reporting requirements. The two categories of City funds are governmental and proprietary.

### **Governmental Funds**

Governmental funds are used to account for essentially the same 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 spendable resources*, as well as *on balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds 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 financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 29 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, the American Rescue Plan fund, the Rosenberg Development Corporation (RDC) projects funds, and 2024 general obligation capital projects fund which are considered to be major funds for reporting purposes. Data from the remaining governmental funds are combined into a single aggregated presentation.

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(Continued)

CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

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The City adopts an annual appropriated budget for its general fund, debt service fund, and select special revenue funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

**Proprietary Funds**

The City maintains three different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer services, solid waste services, and civic center rentals.

*Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses three internal service funds to account for health insurance, fleet replacement, and information services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

**Notes to Financial Statements**

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

**Other Information**

In addition to the basic financial statements, MD&A, and accompanying notes, this report also presents certain Required Supplementary Information (RSI). The RSI includes a budgetary comparison schedule for the general fund and schedules of changes in net pension and total other postemployment benefits liabilities (OPEB) and related ratios and schedule of contributions for the Texas Municipal Retirement System and retiree health care benefit plan. RSI can be found after the notes to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. For the City, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$257,020,788 as of September 30, 2024. This compares with \$230,914,435 from the prior fiscal year. The largest portion of the City's net position, 69%, reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. 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, since the assets themselves cannot be used to liquidate these liabilities.

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(Continued)

CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

**Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>						
Current and other assets	\$ 140,373,290	\$ 87,680,382	\$ 57,006,773	\$ 48,477,327	\$ 197,380,063	\$ 136,157,709
Capital assets, net	<u>125,968,860</u>	<u>121,168,712</u>	<u>81,816,284</u>	<u>76,459,796</u>	<u>207,785,144</u>	<u>197,628,508</u>
Total assets	266,342,150	208,849,094	138,823,057	124,937,123	405,165,207	333,786,217
Deferred outflows of resources	9,269,001	8,611,572	1,022,380	882,823	10,291,381	9,494,395
<b>LIABILITIES</b>						
Long-term liabilities	127,900,063	81,470,899	4,793,321	4,377,717	132,693,384	85,848,616
Other liabilities	<u>11,582,643</u>	<u>14,188,433</u>	<u>5,255,184</u>	<u>4,070,879</u>	<u>16,837,827</u>	<u>18,259,312</u>
Total liabilities	139,482,706	95,659,332	10,048,505	8,448,596	149,531,211	104,107,928
Deferred inflows of resources	5,644,636	5,148,270	3,259,953	3,109,979	8,904,589	8,258,249
<b>Net position</b>						
Net investment in capital assets	95,281,252	83,929,892	81,715,284	76,337,796	176,996,536	160,267,688
Restricted	28,608,918	28,965,294	-	-	28,608,918	28,965,294
Unrestricted	<u>6,593,639</u>	<u>3,757,878</u>	<u>44,821,695</u>	<u>37,923,575</u>	<u>51,415,334</u>	<u>41,681,453</u>
Total net position	<u>\$ 130,483,809</u>	<u>\$ 116,653,064</u>	<u>\$ 126,536,979</u>	<u>\$ 114,261,371</u>	<u>\$ 257,020,788</u>	<u>\$ 230,914,435</u>

A portion of the primary government's net position, \$28,608,918 or 11%, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$51,415,334 or 20%, may be used to meet the City's ongoing obligation to citizens and creditors.

The City's total net position increased by \$26,106,353 as compared to the prior year. Total assets increased by \$71,378,990 mainly due to unspent bond proceeds from current year debt issuance, excess revenues over expenses, and an increase in capital assets. Total deferred outflows of resources increased by \$796,986 mainly due to changes in deferred outflows related to the other post-employment benefit plans for health insurance. Total liabilities increased by \$45,423,283 which was primarily due to an increase in long-term liabilities from the issuance of debt. Total deferred inflows of resources increased by \$646,340 primarily due to an increase in deferred inflows related to the net pension liability.

(Continued)

CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

**Statement of Activities**

The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Activities	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 8,585,564	\$ 8,419,526	\$ 28,896,554	\$ 29,875,815	\$ 37,482,118	\$ 38,295,341
Operating grants and contributions	565,793	287,587	2,053,299	-	2,619,092	287,587
Capital grants and contributions	11,140,540	8,465,332	-	-	11,140,540	8,465,332
General revenues:						
Property taxes	14,289,335	12,808,007	-	-	14,289,335	12,808,007
Sales taxes	21,283,526	19,853,684	-	-	21,283,526	19,853,684
Other local taxes	688,494	660,419	-	-	688,494	660,419
Investment earnings	5,655,801	3,551,870	2,370,139	1,656,154	8,025,940	5,208,024
Other revenues	917,599	1,413,427	-	-	917,599	1,413,427
<b>Total revenues</b>	<u>63,126,652</u>	<u>55,459,852</u>	<u>33,319,992</u>	<u>31,531,969</u>	<u>96,446,644</u>	<u>86,991,821</u>
<b>Expenses</b>						
General government	7,270,580	6,650,592	-	-	7,270,580	6,650,592
Public safety	22,476,887	21,841,266	-	-	22,476,887	21,841,266
Public works	11,557,224	10,267,010	-	-	11,557,224	10,267,010
Community development	3,686,913	3,688,036	-	-	3,686,913	3,688,036
Interest and fiscal agent fees	2,268,127	1,025,533	-	-	2,268,127	1,025,533
Water and wastewater	-	-	17,836,188	16,712,465	17,836,188	16,712,465
Solid waste	-	-	4,538,834	4,483,099	4,538,834	4,483,099
Civic center rentals	-	-	705,538	545,276	705,538	545,276
<b>Total expenses</b>	<u>47,259,731</u>	<u>43,472,437</u>	<u>23,080,560</u>	<u>21,740,840</u>	<u>70,340,291</u>	<u>65,213,277</u>
<b>Excess of revenues over expenses</b>	15,866,921	11,987,415	10,239,432	9,791,129	26,106,353	21,778,544
Transfers	<u>(2,036,176)</u>	<u>946,289</u>	<u>2,036,176</u>	<u>(946,289)</u>	-	-
<b>Change in net position</b>	13,830,745	12,933,704	12,275,608	8,844,840	26,106,353	21,778,544
Beginning net position	<u>116,653,064</u>	<u>103,719,360</u>	<u>114,261,371</u>	<u>105,416,531</u>	<u>230,914,435</u>	<u>209,135,891</u>
<b>Ending net position</b>	<u>\$ 130,483,809</u>	<u>\$ 116,653,064</u>	<u>\$ 126,536,979</u>	<u>\$ 114,261,371</u>	<u>\$ 257,020,788</u>	<u>\$ 230,914,435</u>

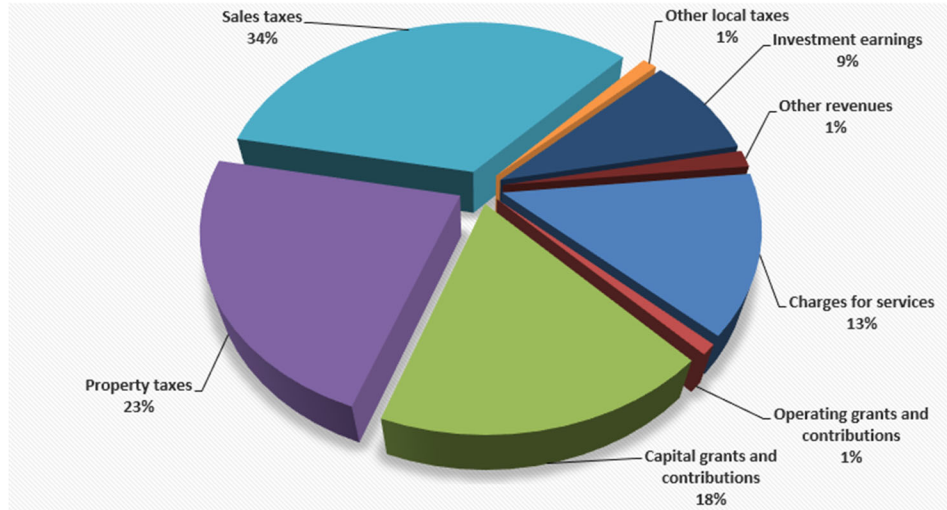
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CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

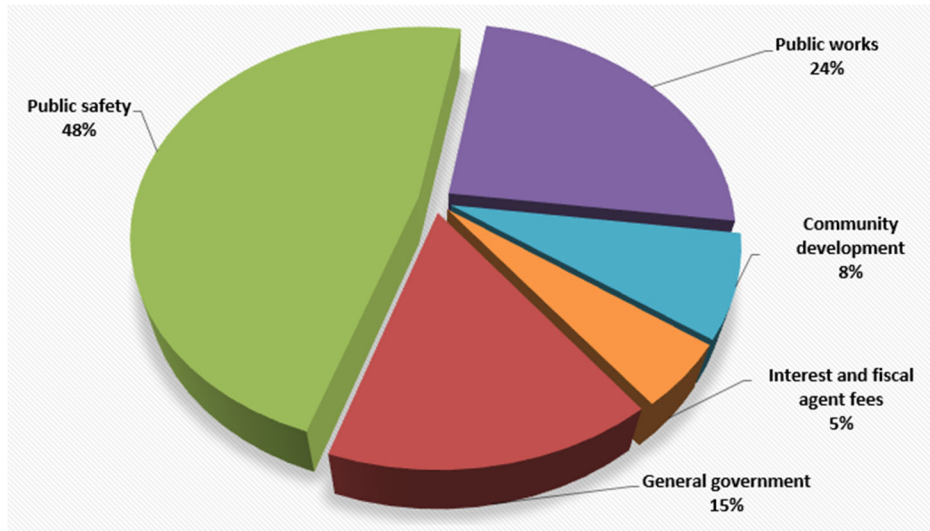
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Graphic presentations of selected data from the governmental activities summary tables follow to assist in the analysis of the City's activities.

**Governmental Revenues**



**Governmental Expenses**



For the year ended September 30, 2024, revenues from governmental activities totaled \$63,126,652, which is an increase of \$7,666,800 from the prior year, including an increase in capital grants and contributions due primarily to federal grants and an increase in total general revenues. The general revenues increased primarily due to increases in property tax revenues from an increase in property tax values, increase in sales tax revenue from an increase in economic activity, and an increase in investment earnings from increases in interest rates earned on deposits.

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(Continued)

CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

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For the year ended September 30, 2024, expenses from governmental activities totaled \$47,259,731, which is an increase of \$3,787,294 from the prior year primarily due to an increase in personnel costs for City employees within the general government, public safety, and public works functions along with an increase in interest expense from debt obligation. The increase in interest expense on debt obligations is mainly due to an increase in debt from the issuance of general obligation bonds.

Revenues for business-type activities totaled \$33,319,992 and increased by \$1,788,023 from last year which was primarily due to contributions from the state for construction contract obligations for utility infrastructure that was required for the state's ongoing road projects. Operating expenses for business-type activities totaled \$23,080,560 and increased by \$1,339,720, which was primarily due to an increase in operation costs to provide water and sewer services.

### FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, fund accounting is used to demonstrate and ensure compliance with finance-related legal requirements.

**Governmental Funds** – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances 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 the City's net resources available for spending at the end of the year.

The City's governmental funds reflect a combined fund balance of \$122,224,696. Of this, \$66,197 is nonspendable, \$83,878,598 is restricted for various purposes, \$18,644,322 is committed for City projects, and \$300,000 is assigned for contingencies. The remaining balance of \$19,635,579 is unassigned in the general fund.

There was a net increase in the combined fund balance of \$57,728,810 compared to the prior year, which included excess revenues over expenditures of \$2,663,238, a net transfer in from the enterprise funds of \$3,074,341, and an increase of \$51,991,231 from the issuance of debt and premium on the debt issuance.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$19,635,579, while total fund balance reached \$20,001,536. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 55% of total general fund expenditures, while total fund balance represents 56% of the same amount. The general fund demonstrated an overall decrease in fund balance of \$233,124. General fund revenues increased compared to the prior year primarily due to an increase in property tax revenues of \$1,562,936 from an increase in property values and an increase in sales tax revenues of \$1,429,842 from an increase in economic activity within the City. General fund expenditures increased compared to the prior year by \$3,499,923 largely due to an increase in payroll costs for public safety and public works. The amounts transferred out of the general fund in the current fiscal year decreased from the prior fiscal year by \$350,982, which was primarily due to a decrease in funds transferred to other funds for capital projects. Transfers in from other funds into the general fund increased by \$307,086, which was primarily due to an increase in transfers from the water and wastewater fund and solid waste fund for reimbursement of operational costs.

The debt service fund has a total fund balance of \$5,152,857, all of which is restricted for the payment of debt service. The fund balance for the debt service fund increased by \$149,489, which included property tax revenue, intergovernmental revenue, and investment income of \$6,600,504 along with debt service payments of \$6,451,015. The debt service revenue and expenditures for the fiscal year were consistent with the prior fiscal year with a decrease in revenues of \$149,489 and decrease in expenditures of \$109,101.

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CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

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The RDC projects fund has a fund balance of \$9,965,748. The net increase in fund balance for the year was \$2,132,943, which includes intergovernmental revenue from the discretely presented component units and investment revenue of \$4,926,497 and expenditures of \$2,793,554 which was primarily for capital outlay. There was a decrease in RDC projects fund revenue and expenditures from prior year due to less intergovernmental revenue and capital outlay.

The American Rescue Plan fund has a fund balance of \$878,558, which includes, investment income on advanced grant funds received. The City reported unearned revenue for advance grant funds of \$3,133,016 as of September 30, 2024. There was an increase in intergovernmental revenue and expenditures of \$3,833,321 due mainly to an increase in grant revenue and capital outlay.

The 2024 General Obligation fund has a fund balance of \$52,710,951 which is restricted for capital projects. The 2024 General Obligation fund was established during the fiscal year due to the issuance of debt.

**Proprietary Funds** – The City's proprietary funds financial statements provide the same type of information found in the government-wide financial statements, but in more detail.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

There had been a planned decrease in final budgeted fund balance in the amount of \$0 in the general fund. However, the net change in fund balance only had a decrease of \$233,124, resulting in a positive variance of \$-233,124 from budgeted as amended over actual. This was largely due to lower than anticipated expenditures across all functions and more than anticipated revenues.

### **CAPITAL ASSETS**

At the end of the current year, the City's business-type and governmental activities had invested \$81,816,284 and \$125,968,860, respectively, in a variety of capital assets and infrastructure (net of accumulated depreciation). The capital assets includes the right-to-use assets from leases and subscription assets, net of amortization, of \$207,403. Total net capital assets increased by \$10,156,636 for governmental activities and business-type activities, which included depreciation expense and amortization of right-to-use assets and subscription assets of \$8,258,227.

Major capital asset events during the current year include the following:

- Construction in progress for drainage and water and wastewater infrastructure of \$7,313,869
- Construction in progress for roads, park improvements, and building renovations of \$4,656,550
- The completion of construction in progress for road and waterline extension of \$840,947
- The completion of construction and capital additions for street improvement \$1,130,036
- The completion of construction in progress for park improvements of \$1,932,767
- Capital additions for public safety and public works vehicles of \$2,489,484

More detailed information about the City's capital assets is presented in note III.D of the financial statements.

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CITY OF ROSENBERG, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the year ended September 30, 2024

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**LONG-TERM DEBT**

At the end of the current year, the City's governmental activities had total general obligation bonds outstanding of \$56,955,000, certificates of obligation outstanding of \$21,970,000, leases payable of \$28,973, and liabilities from software subscription arrangements of \$187,083. Business-type activities had revenue bonds outstanding of \$101,000. The current year total combined debt is \$79,242,056 compared to \$38,139,810 in the prior year.

More detailed information about the City's long-term liabilities is presented in note III.E. of the financial statements.

Current underlying ratings on debt issues are as follows:

<u>Debt Type</u>	<u>Standard and Poor's</u>
General obligation bonds	AA-
Certificates of obligation	AA-

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

City Council approved the fiscal year 2025 budget in September 2024, with total revenues of \$110,869,166 and total expenditures of \$136,397,470. The City's adopted a tax rate for fiscal year 2025 of \$0.32 per \$100 of taxable valuation, which is \$0.022364 cents less than the fiscal year 2024 tax rate of \$0.342364 per \$100 of taxable valuation.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Luis Garza, Finance Director, P.O. Box 32, Rosenberg, Texas 77471-0032.

## **BASIC FINANCIAL STATEMENTS**

CITY OF ROSENBERG, TEXAS  
STATEMENT OF NET POSITION  
September 30, 2024

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 125,717,526	\$ 10,537,438	\$ 136,254,964	\$ 10,019,178
Investments	6,997,557	-	6,997,557	-
Receivables, net of allowances	6,776,950	3,477,304	10,254,254	1,270,758
Receivable from component unit	805,207	-	805,207	-
Prepays and other assets	54,186	422,213	476,399	-
Inventory	16,044	-	16,044	18,900
Leases receivable	5,820	2,776,968	2,782,788	-
Restricted assets:				
Temporarily restricted cash and cash equivalents	-	39,792,850	39,792,850	-
Capital assets:				
Nondepreciable capital assets	16,815,149	9,959,917	26,775,066	-
Depreciable capital assets, net	108,946,308	71,856,367	180,802,675	-
Amortizable right-to-use assets, net	29,865	-	29,865	-
Amortizable subscription assets, net	177,538	-	177,538	-
Total assets	<u>266,342,150</u>	<u>138,823,057</u>	<u>405,165,207</u>	<u>11,308,836</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>				
Deferred charge on refunding	73,192	-	73,192	-
Deferred outflows - pensions	5,801,741	645,031	6,446,772	-
Deferred outflows - OPEB - SDBF	155,640	17,304	172,944	-
Deferred outflows - OPEB - retiree health	3,238,428	360,045	3,598,473	-
Total deferred outflows of resources	<u>9,269,001</u>	<u>1,022,380</u>	<u>10,291,381</u>	<u>-</u>
<b>LIABILITIES</b>				
Accounts payable and accrued liabilities	7,008,495	5,255,184	12,263,679	1,425,539
Due to other governments	1,688	-	1,688	-
Unearned revenue	3,258,016	-	3,258,016	-
Accrued bond interest	1,314,444	-	1,314,444	-
Noncurrent liabilities:				
Portion due within one year	6,127,609	223,620	6,351,229	172,785
Portion due in more than one year	121,772,454	4,569,701	126,342,155	632,422
Total liabilities	<u>139,482,706</u>	<u>10,048,505</u>	<u>149,531,211</u>	<u>2,230,746</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows - leases	5,581	2,633,009	2,638,590	-
Deferred inflows - pensions	495,790	55,121	550,911	-
Deferred inflows - OPEB - SDBF	265,461	29,514	294,975	-
Deferred inflows - OPEB - retiree health	4,877,804	542,309	5,420,113	-
Total deferred inflows of resources	<u>5,644,636</u>	<u>3,259,953</u>	<u>8,904,589</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	95,281,252	81,715,284	176,996,536	-
Restricted for:				
Debt service	4,824,512	-	4,824,512	-
Public safety	2,262,343	-	2,262,343	-
Parks	2,227,483	-	2,227,483	-
Tourism	572,736	-	572,736	-
Governmental programming	1,240,704	-	1,240,704	-
Capital projects	7,515,392	-	7,515,392	-
Community development	9,965,748	-	9,965,748	-
Unrestricted	<u>6,593,639</u>	<u>44,821,695</u>	<u>51,415,334</u>	<u>9,078,090</u>
Total net position	<u>\$ 130,483,809</u>	<u>\$ 126,536,979</u>	<u>\$ 257,020,788</u>	<u>\$ 9,078,090</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
STATEMENT OF ACTIVITIES  
For the year ended September 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total	Discretely Presented Component Unit
Primary government								
Governmental activities:								
General government	\$ 7,270,580	\$ 4,428,458	\$ 415,793	\$ -	\$ (2,426,329)	\$ -	\$ (2,426,329)	\$ -
Public safety	22,476,887	1,595,237	150,000	451,538	(20,280,112)	-	(20,280,112)	-
Public works	11,557,224	2,476,597	-	10,689,002	1,608,375	-	1,608,375	-
Community development	3,686,913	85,272	-	-	(3,601,641)	-	(3,601,641)	-
Interest and fiscal agent fees	2,268,127	-	-	-	(2,268,127)	-	(2,268,127)	-
Total governmental activities	<u>47,259,731</u>	<u>8,585,564</u>	<u>565,793</u>	<u>11,140,540</u>	<u>(26,967,834)</u>	<u>-</u>	<u>(26,967,834)</u>	<u>-</u>
Business-type activities:								
Water and wastewater	17,836,188	23,179,107	2,053,299	-	-	7,396,218	7,396,218	-
Solid Waste	4,538,834	5,484,470	-	-	-	945,636	945,636	-
Civic center rentals	705,538	232,977	-	-	-	(472,561)	(472,561)	-
Total business-type activities	<u>23,080,560</u>	<u>28,896,554</u>	<u>2,053,299</u>	<u>-</u>	<u>-</u>	<u>7,869,293</u>	<u>7,869,293</u>	<u>-</u>
Total primary government	<u>\$ 70,340,291</u>	<u>\$ 37,482,118</u>	<u>\$ 2,619,092</u>	<u>\$ 11,140,540</u>	<u>(26,967,834)</u>	<u>7,869,293</u>	<u>(19,098,541)</u>	<u>-</u>
Discretely Presented Component Unit								
Rosenberg Development Corporation	5,475,806	-	-	-	-	-	-	(5,475,806)
Total component unit	<u>\$ 5,475,806</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,475,806)</u>
General revenues and transfers								
Property taxes					14,289,335	-	14,289,335	-
Sales taxes					21,283,526	-	21,283,526	6,678,670
Hotel occupancy tax					688,494	-	688,494	-
Investment revenue					5,655,801	2,370,139	8,025,940	454,700
Other revenues					917,599	-	917,599	-
Transfers					(2,036,176)	2,036,176	-	-
Total general revenues and transfers					<u>40,798,579</u>	<u>4,406,315</u>	<u>45,204,894</u>	<u>7,133,370</u>
Change in net position					13,830,745	12,275,608	26,106,353	1,657,564
Beginning net position					<u>116,653,064</u>	<u>114,261,371</u>	<u>230,914,435</u>	<u>7,420,526</u>
Ending net position					<u>\$ 130,483,809</u>	<u>\$ 126,536,979</u>	<u>\$ 257,020,788</u>	<u>\$ 9,078,090</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>RDC Projects</u>	<u>American Rescue Plan</u>	<u>2024 General Obligation</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>							
Cash and cash equivalents	\$ 12,124,426	\$ 5,138,011	\$ 10,043,928	\$ 5,504,749	\$ 52,870,360	\$ 33,503,404	\$ 119,184,878
Investments	6,997,557	-	-	-	-	-	6,997,557
Receivables, net	5,588,477	195,738	-	-	-	992,735	6,776,950
Due from component unit	-	805,207	-	-	-	-	805,207
Prepaid items	49,913	-	-	-	-	240	50,153
Inventory	16,044	-	-	-	-	-	16,044
Leases receivable	5,820	-	-	-	-	-	5,820
Total assets	<u>\$ 24,782,237</u>	<u>\$ 6,138,956</u>	<u>\$ 10,043,928</u>	<u>\$ 5,504,749</u>	<u>\$ 52,870,360</u>	<u>\$ 34,496,379</u>	<u>\$ 133,836,609</u>
<b>LIABILITIES</b>							
Accounts payable and accrued liabilities	4,330,504	-	78,180	1,493,175	159,409	822,010	6,883,278
Due to other governments	1,688	-	-	-	-	-	1,688
Unearned revenue	125,000	-	-	3,133,016	-	-	3,258,016
Total liabilities	<u>4,457,192</u>	<u>-</u>	<u>78,180</u>	<u>4,626,191</u>	<u>159,409</u>	<u>822,010</u>	<u>10,142,982</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	236,686	180,892	-	-	-	-	417,578
Unavailable revenue - grants	-	-	-	-	-	159,323	159,323
Unavailable revenue - court fines	81,242	-	-	-	-	-	81,242
Deferred inflows - leases	5,581	-	-	-	-	-	5,581
Receivable from component unit	-	805,207	-	-	-	-	805,207
Total deferred inflows of resources	<u>323,509</u>	<u>986,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,323</u>	<u>1,468,931</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
September 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>RDC Projects</u>	<u>American Rescue Plan</u>	<u>2024 General Obligation</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Inventories	\$ 16,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,044
Prepays	49,913	-	-	-	-	240	50,153
Restricted for:							
Debt service	-	5,152,857	-	-	-	-	5,152,857
Public safety	-	-	-	-	-	2,262,343	2,262,343
Parks	-	-	-	-	-	2,227,483	2,227,483
Tourism	-	-	-	-	-	572,736	572,736
Governmental programming	-	-	-	878,558	-	362,146	1,240,704
Capital projects	-	-	-	-	52,710,951	9,445,776	62,156,727
Community development	-	-	9,965,748	-	-	-	9,965,748
Committed for:							
Governmental programming	-	-	-	-	-	4,579,025	4,579,025
Capital projects	-	-	-	-	-	14,065,297	14,065,297
Assigned	300,000	-	-	-	-	-	300,000
Unassigned	19,635,579	-	-	-	-	-	19,635,579
Total fund balances	<u>20,001,536</u>	<u>5,152,857</u>	<u>9,965,748</u>	<u>878,558</u>	<u>52,710,951</u>	<u>33,515,046</u>	<u>122,224,696</u>
Total liabilities, deferred inflows of resources, and fund balances							
	<u>\$ 24,782,237</u>	<u>\$ 6,138,956</u>	<u>\$ 10,043,928</u>	<u>\$ 5,504,749</u>	<u>\$ 52,870,360</u>	<u>\$ 34,496,379</u>	<u>\$ 133,836,609</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO  
THE STATEMENT OF NET POSITION  
September 30, 2024

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Total fund balances - governmental funds \$ 122,224,696

Amounts reported for governmental activities in the Statement of  
Net Position are different because:

Capital assets used in governmental activities are not current financial resources  
and, therefore, are not reported in the governmental funds 'excludes internal  
service funds'.

Capital assets, nondepreciable	16,815,149
Capital assets, depreciable/amortizable	181,952,380
Accumulated depreciation/amortizable	(78,156,475)

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

Unavailable revenue - property taxes	417,578
Unavailable revenue - grants	159,323
Unavailable revenue - court fines	81,242
Receivable from component unit	805,207

Internal service funds are used by management to charge the costs of certain  
capital assets and maintenance to individual funds. The assets and liabilities  
of the internal service funds are included in the governmental activities in the  
Statement of Net Position.

11,553,214

Some liabilities and assets, including debt payable, the net pension and total other  
postemployment benefit (OPEB) liability, accrued interest, and compensated  
absences, along with the deferred outflows and deferred inflows that are associated  
with these liabilities and assets are not reported in the governmental funds 'excludes  
internal service funds'.

Accrued interest payable	(1,314,444)
Deferred charge on refunding	73,192
Deferred outflows - pensions	5,801,741
Deferred inflows - pensions	(495,790)
Deferred outflows - OPEB - SDBF	155,640
Deferred inflows - OPEB - SDBF	(265,461)
Deferred outflows - OPEB - retiree health	3,238,428
Deferred inflows - OPEB - retiree health	(4,877,804)
Noncurrent liabilities due in one year	(6,040,994)
Noncurrent liabilities due in more than one year	<u>(121,643,013)</u>

Net position of governmental activities	<u>\$ 130,483,809</u>
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See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the year ended September 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>RDC Projects</u>	<u>American Rescue Plan</u>	2024 <u>General Obligation</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>							
Property taxes	\$ 8,069,794	\$ 6,118,041	\$ -	\$ -	\$ -	\$ -	\$ 14,187,835
Sales taxes	21,283,526	-	-	-	-	-	21,283,526
Franchise fees	2,062,359	-	-	-	-	38,796	2,101,155
Hotel occupancy tax	-	-	-	-	-	688,494	688,494
Licenses and permits	1,255,263	-	-	-	-	-	1,255,263
Fines and forfeitures	1,063,130	-	-	-	-	132,698	1,195,828
Charges for services	1,992,296	-	-	-	-	-	1,992,296
Intergovernmental	175,667	192,227	4,440,000	4,963,595	-	3,390,544	13,162,033
Investment revenue	1,099,941	290,236	486,497	409,370	1,501,787	1,541,546	5,329,377
Lease revenue	16,793	-	-	-	-	-	16,793
Other revenue	875,117	-	-	-	-	451,688	1,326,805
Total revenues	<u>37,893,886</u>	<u>6,600,504</u>	<u>4,926,497</u>	<u>5,372,965</u>	<u>1,501,787</u>	<u>6,243,766</u>	<u>62,539,405</u>
<b>Expenditures</b>							
<b>Current:</b>							
General administration	6,550,932	-	-	-	-	562,927	7,113,859
Public safety	20,356,140	-	-	-	-	2,126,956	22,483,096
Public works	6,976,540	-	-	-	-	-	6,976,540
Community development	1,751,984	-	13,723	-	-	570,124	2,335,831
Capital outlay	-	-	2,779,831	4,963,595	290,836	5,990,333	14,024,595
<b>Debt service:</b>							
Principal	-	5,405,000	-	-	-	-	5,405,000
Interest and fiscal agent fees	-	1,046,015	-	-	-	-	1,046,015
Debt issuance costs	-	-	-	-	491,231	-	491,231
Total expenditures	<u>35,635,596</u>	<u>6,451,015</u>	<u>2,793,554</u>	<u>4,963,595</u>	<u>782,067</u>	<u>9,250,340</u>	<u>59,876,167</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the year ended September 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>RDC Projects</u>	<u>American Rescue Plan</u>	2024 <u>General Obligation</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 2,258,290	\$ 149,489	\$ 2,132,943	\$ 409,370	\$ 719,720	\$ (3,006,574)	\$ 2,663,238
Other financing sources (uses)							
Debt issuance	-	-	-	-	46,640,000	-	46,640,000
Premium on debt issuance	-	-	-	-	5,351,231	-	5,351,231
Transfers in	3,451,526	-	-	-	-	7,718,519	11,170,045
Transfers out	<u>(5,942,940)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,152,764)</u>	<u>(8,095,704)</u>
Total other financing sources (uses)	<u>(2,491,414)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,991,231</u>	<u>5,565,755</u>	<u>55,065,572</u>
Net change in fund balances	(233,124)	149,489	2,132,943	409,370	52,710,951	2,559,181	57,728,810
Beginning fund balances	<u>20,234,660</u>	<u>5,003,368</u>	<u>7,832,805</u>	<u>469,188</u>	<u>-</u>	<u>30,955,865</u>	<u>64,495,886</u>
Ending fund balances	<u>\$ 20,001,536</u>	<u>\$ 5,152,857</u>	<u>\$ 9,965,748</u>	<u>\$ 878,558</u>	<u>\$ 52,710,951</u>	<u>\$ 33,515,046</u>	<u>\$ 122,224,696</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
For the year ended September 30, 2024

Net changes in fund balances - total governmental funds	\$ 57,728,810
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital additions	12,483,632
Depreciation/amortization expense	(4,703,092)
Capital contribution	(5,110,517)
The issuance of long-term debt (e.g., bonds, certificates of obligation) 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, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the Statement of Net Activities.	
Debt issuance	(46,640,000)
Premium on debt issuance	(5,351,231)
Scheduled principal payments	3,670,000
Principal payments from defeasance	1,735,000
Amortization of premium	427,257
Reduction of premium from defeasance	84,000
Amortization of deferred charges	(12,199)
Change in accrued interest on long-term debt	(1,221,685)
Revenue in the Statement of Activities that does not provide current financial resources is not reported as revenue in the funds.	96,618
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Change in compensated absences	(235,780)
Change in net pension liability	3,283,577
Change in total OPEB liability - SDBF	(54,139)
Change in total OPEB liability - retiree health	(3,459,602)
Change in deferred outflows - pensions	(2,551,965)
Change in deferred inflows - pensions	(391,662)
Change in deferred outflows - OPEB - SDBF	(16,835)
Change in deferred inflows - OPEB - SDBF	75,933
Change in deferred outflows - OPEB - retiree health	3,238,428
Change in deferred inflows - OPEB - retiree health	(197,380)
Internal service funds are used by management to charge the costs of certain capital assets and maintenance to individual funds. The net revenue (expense) is reported with governmental activities.	953,577
Change in net position of governmental activities	\$ 13,830,745

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2024

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water and Wastewater	Solid Waste	Civic Center Rentals	Total	Internal Service
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 10,027,577	\$ -	\$ 509,861	\$ 10,537,438	\$ 6,532,648
Accounts receivables, net of allowance for uncollectibles)	3,184,519	292,785	-	3,477,304	-
Restricted cash and cash equivalents	38,834,863	950,064	7,923	39,792,850	-
Prepaid items	422,213	-	-	422,213	4,033
Leases receivable owed within one year	172,047	-	-	172,047	-
Total current assets	<u>52,641,219</u>	<u>1,242,849</u>	<u>517,784</u>	<u>54,401,852</u>	<u>6,536,681</u>
<b>Noncurrent assets</b>					
Leases receivable in more than one year	2,604,921	-	-	2,604,921	-
<b>Capital assets:</b>					
Land	363,209	-	-	363,209	-
Construction in process	9,596,708	-	-	9,596,708	-
Water and sewer system:					
Buildings	2,447,823	-	-	2,447,823	-
Infrastructure	118,100,740	-	-	118,100,740	-
Vehicles, machinery, and equipment	4,540,813	-	34,984	4,575,797	9,191,353
Less accumulated depreciation	(53,267,993)	-	-	(53,267,993)	(4,040,950)
Right-to-use assets, net of amortization	-	-	-	-	29,865
Subscription assets, net of amortization	-	-	-	-	177,538
Total capital assets (net)	<u>81,781,300</u>	<u>-</u>	<u>34,984</u>	<u>81,816,284</u>	<u>5,357,806</u>
Total noncurrent assets	<u>84,386,221</u>	<u>-</u>	<u>34,984</u>	<u>84,421,205</u>	<u>5,357,806</u>
Total assets	<u>137,027,440</u>	<u>1,242,849</u>	<u>552,768</u>	<u>138,823,057</u>	<u>11,894,487</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows - pensions	583,990	-	61,041	645,031	-
Deferred outflows - OPEB - SDBF	15,666	-	1,638	17,304	-
Deferred outflows - OPEB - retiree health	325,973	-	34,072	360,045	-
Total deferred outflows of resources	<u>925,629</u>	<u>-</u>	<u>96,751</u>	<u>1,022,380</u>	<u>-</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
September 30, 2024

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Water and Wastewater	Solid Waste	Civic Center Rentals	Total	
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	\$ 1,724,587	\$ 1,140,630	\$ 62,837	\$ 2,928,054	\$ 125,217
Customer deposits	2,319,207	-	7,923	2,327,130	-
Bonds payable - current	21,000	-	-	21,000	-
Leases payable - current	-	-	-	-	28,973
Subscription liability - current	-	-	-	-	57,642
Total OPEB liability - SDBF - current	1,475	-	154	1,629	-
Total OPEB liability-retiree health-current	62,225	-	6,504	68,729	-
Compensated absences	123,185	-	9,077	132,262	-
Total current liabilities	<u>4,251,679</u>	<u>1,140,630</u>	<u>86,495</u>	<u>5,478,804</u>	<u>211,832</u>
<b>Noncurrent liabilities</b>					
Bonds payable - noncurrent	80,000	-	-	80,000	-
Subscription liability - noncurrent	-	-	-	-	129,441
Net pension liability - TMRS	1,631,374	-	170,519	1,801,893	-
Total OPEB liability - SDBF	67,703	-	7,077	74,780	-
Total OPEB liability - retiree health	2,352,444	-	245,888	2,598,332	-
Compensated absences	13,687	-	1,009	14,696	-
Total noncurrent liabilities	<u>4,145,208</u>	<u>-</u>	<u>424,493</u>	<u>4,569,701</u>	<u>129,441</u>
Total liabilities	<u>8,396,887</u>	<u>1,140,630</u>	<u>510,988</u>	<u>10,048,505</u>	<u>341,273</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows - leases	2,633,009	-	-	2,633,009	-
Deferred inflows - pensions	49,905	-	5,216	55,121	-
Deferred inflows - OPEB - SBDF	26,721	-	2,793	29,514	-
Deferred inflows - OPEB - retiree health	490,989	-	51,320	542,309	-
Total deferred inflows of resources	<u>3,200,624</u>	<u>-</u>	<u>59,329</u>	<u>3,259,953</u>	<u>-</u>
<b>NET POSITION</b>					
Net investment in capital assets	81,680,300	-	34,984	81,715,284	5,141,750
Unrestricted net position	<u>44,675,258</u>	<u>102,219</u>	<u>44,218</u>	<u>44,821,695</u>	<u>6,411,464</u>
Total net position	<u>\$ 126,355,558</u>	<u>\$ 102,219</u>	<u>\$ 79,202</u>	<u>\$ 126,536,979</u>	<u>\$ 11,553,214</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
For the year ended September 30, 2024

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Water and Wastewater	Solid Waste	Civic Center Rentals	Total	
Operating revenues					
Water Service	\$ 16,276,406	\$ -	\$ -	\$ 16,276,406	\$ -
Sewer service	6,639,891	-	-	6,639,891	-
Charges for services	37,972	5,484,470	232,977	5,755,419	-
Lease revenue	224,838	-	-	224,838	-
Other revenue	-	-	-	-	6,444,106
Total operating revenues	<u>23,179,107</u>	<u>5,484,470</u>	<u>232,977</u>	<u>28,896,554</u>	<u>6,444,106</u>
Operating expenses					
Personnel services	3,324,484	-	439,317	3,763,801	-
Supplies and materials	900,277	-	9,960	910,237	-
Contractual services	7,637,051	4,538,834	1,180	12,177,065	-
Repairs and maintenance	3,086,696	-	255,081	3,341,777	5,141,244
Depreciation/amortization	2,887,680	-	-	2,887,680	667,455
Total operating expenditures	<u>17,836,188</u>	<u>4,538,834</u>	<u>705,538</u>	<u>23,080,560</u>	<u>5,808,699</u>
Operating income (loss)	5,342,919	945,636	(472,561)	5,815,994	635,407
Nonoperating revenues (expenses)					
Intergovernmental revenue	2,053,299	-	-	2,053,299	-
Investment revenue	2,323,072	23,654	23,413	2,370,139	326,424
Interest expense and fiscal charges	-	-	-	-	(8,254)
Total nonoperating revenues	<u>4,376,371</u>	<u>23,654</u>	<u>23,413</u>	<u>4,423,438</u>	<u>318,170</u>
Income (loss) before transfers and contributions	9,719,290	969,290	(449,148)	10,239,432	953,577
Transfers and contributions					
Capital contribution - capital assets	5,110,517	-	-	5,110,517	-
Transfers in	-	-	385,000	385,000	-
Transfers out	(2,584,341)	(875,000)	-	(3,459,341)	-
Total transfers and contributions	<u>2,526,176</u>	<u>(875,000)</u>	<u>385,000</u>	<u>2,036,176</u>	<u>-</u>
Change in net position	12,245,466	94,290	(64,148)	12,275,608	953,577
Beginning net position	<u>114,110,092</u>	<u>7,929</u>	<u>143,350</u>	<u>114,261,371</u>	<u>10,599,637</u>
Ending net position	<u>\$ 126,355,558</u>	<u>\$ 102,219</u>	<u>\$ 79,202</u>	<u>\$ 126,536,979</u>	<u>\$ 11,553,214</u>

See notes to financial statements.

CITY OF ROSENBERG, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the year ended September 30, 2024

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Water and Wastewater	Solid Waste	Civic Center Rentals	Total	
<b>Cash flows from operating activities</b>					
Receipts from customers and users	\$ 23,407,452	\$ 5,298,114	\$ 233,705	\$ 28,939,271	\$ 6,444,106
Payments to suppliers	(11,399,068)	(3,776,272)	(257,380)	(15,432,720)	(5,158,231)
Payments to employees	(2,782,879)	-	(323,176)	(3,106,055)	-
Net cash provided (used) by operating activities	<u>9,225,505</u>	<u>1,521,842</u>	<u>(346,851)</u>	<u>10,400,496</u>	<u>1,285,875</u>
<b>Cash flows from noncapital financing activities</b>					
State contract receipts	2,053,299	-	-	2,053,299	-
Transfers from other funds	-	-	385,000	385,000	-
Transfers (to) other funds	(2,584,341)	(875,000)	-	(3,459,341)	-
Net cash provided (used) by noncapital financing activities	<u>(531,042)</u>	<u>(875,000)</u>	<u>385,000</u>	<u>(1,021,042)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities</b>					
Acquisition and construction of capital assets	(3,133,651)	-	-	(3,133,651)	(2,797,580)
Interest and fiscal charges	-	-	-	-	(8,254)
Principal paid on capital debt	(21,000)	-	-	(21,000)	(111,754)
Net cash (used) by capital and related financing activities	<u>(3,154,651)</u>	<u>-</u>	<u>-</u>	<u>(3,154,651)</u>	<u>(2,917,588)</u>
<b>Cash flows from investing activities</b>					
Interest on investments	2,323,072	23,654	23,413	2,370,139	326,424
Net cash provided by investing activities	<u>2,323,072</u>	<u>23,654</u>	<u>23,413</u>	<u>2,370,139</u>	<u>326,424</u>
<b>Net increase in cash and cash equivalents</b>	7,862,884	670,496	61,562	8,594,942	(1,305,289)
Cash and cash equivalents, beginning of year	<u>40,999,556</u>	<u>279,568</u>	<u>456,222</u>	<u>41,735,346</u>	<u>7,837,937</u>
<b>Cash and cash equivalents, ending of year</b>	<u>\$ 48,862,440</u>	<u>\$ 950,064</u>	<u>\$ 517,784</u>	<u>\$ 50,330,288</u>	<u>\$ 6,532,648</u>
<b>Ending cash and cash equivalents:</b>					
Unrestricted cash and cash equivalents	\$ 10,027,577	\$ -	\$ 509,861	\$ 10,537,438	\$ 6,532,648
Restricted cash and cash equivalents	<u>38,834,863</u>	<u>950,064</u>	<u>7,923</u>	<u>39,792,850</u>	<u>-</u>
<b>Total ending cash and cash equivalents</b>	<u>\$ 48,862,440</u>	<u>\$ 950,064</u>	<u>\$ 517,784</u>	<u>\$ 50,330,288</u>	<u>\$ 6,532,648</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the year ended September 30, 2024

	Business-Type Activities				Governmental Activities
	Enterprise Funds				
	Water and Wastewater	Solid Waste	Civic Center Rentals	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 5,342,919	\$ 945,636	\$ (472,561)	\$ 5,815,994	\$ 635,407
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation/amortization	2,887,680	-	-	2,887,680	667,455
Changes in Operating Assets and Liabilities:					
(Increase) decrease in assets:					
Accounts receivable	111,429	(186,356)	-	(74,927)	-
Prepays	(24,268)	-	-	(24,268)	(1,303)
Change in lease receivable	164,691	-	-	164,691	-
Deferred outflows - pensions	226,856	-	(5,212)	221,644	-
Deferred outflows - OPEB - SDBF	(982)	-	(174)	(1,156)	-
Deferred outflows - OPEB - retiree health	(325,973)	-	(34,072)	(360,045)	-
Increase (decrease) in liabilities:					
Accounts payable and accrued liabilities	249,224	762,562	8,841	1,020,627	(15,684)
Compensated absences	32,938	-	(1,497)	31,441	-
Customer deposits	162,950	-	728	163,678	-
Deferred inflows - leases	(210,725)	-	-	(210,725)	-
Net pension liability	(260,478)	-	40,260	(220,218)	-
Total OPEB liability - SDBF	23,181	-	2,159	25,340	-
Total OPEB liability - retiree health	524,658	-	75,383	600,041	-
Deferred inflows - pensions	39,798	-	4,520	44,318	-
Deferred inflows - OPEB - SDBF	(6,218)	-	379	(5,839)	-
Deferred inflows - OPEB - retiree health	287,825	-	34,395	322,220	-
Net cash provided (used) by operating activities	<u>\$ 9,225,505</u>	<u>\$ 1,521,842</u>	<u>\$ (346,851)</u>	<u>\$ 10,400,496</u>	<u>\$ 1,285,875</u>
Noncash investing, capital, and financing activities:					
Contributions of capital assets	<u>\$ 5,110,517</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,110,517</u>	<u>\$ -</u>

See notes to financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Reporting Entity: The City of Rosenberg, Texas (the “City”), was incorporated in 1902 and adopted a Home-Rule Charter on November 20, 1956. The Charter was amended April 6, 1985 to provide for a “Council-Manager” form of government.

The Council is comprised of a Mayor and six Council members, including two at-large Council members and four Council members elected by districts, who serve two-year terms. The Mayor is the presiding officer of the City Council and is recognized as the head of City government for all ceremonial purposes but has no regular administrative duties. The Mayor is entitled to vote on all matters under consideration by the City Council but does not have the power of veto.

The City provides a full range of municipal services to its citizens. These services which are provided under general government and enterprise functions include public safety (police and fire protection), water and wastewater utilities, solid waste and recycling services, parks and recreational activities, public improvements, repair and maintenance of infrastructure, community and economic development, planning, and general administrative services. The City also offers a Civic Center. Internal services of the City, accounted for on a cost reimbursement basis, are fleet service operations, information services, and employee health insurance coverage.

The City is an independent political subdivision of the State of Texas (the “State”) governed by an elected Council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these financial statements have been prepared based on considerations regarding the potential for inclusion of component units, which are other entities or organizations that are financially accountable to the City. Discretely presented component units are reported in a separate column in the government-wide statements to emphasize that they are legally separate from the primary government. Based on these considerations, the City’s financial statements include an economic development corporation. No other entities have been included in the City’s reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the City’s financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the City is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the City’s financial reporting entity status is that of a primary government are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. The component unit discussed below is included in the City’s reporting entity because of the significance of its operational or financial relationship with the City.

*Discretely Presented Component Unit* - The Rosenberg Development Corporation (RDC) has been included in the reporting entity as a discretely presented component unit. In September 1995, the RDC was created by the City under the Texas Development Corporation Act of 1979 for the purpose of promoting, assisting, and enhancing economic and development activities on behalf of the City. The RDC administers the \$0.005 sales tax levied by the City for economic development. The Board of Directors is appointed by and serves at the discretion of the City Council and consists of three City Council members and four residents of the City. City Council approval is required for annual budgets and bonded debt issuance. In the event of dissolution, net position of the RDC shall be conveyed to the City. The operations of the RDC are presented as a governmental fund type. Complete financial statements for the RDC can be obtained at the RDC’s office located at 3829 Highway 36 S, Rosenberg, Texas 77471.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Related Organization* - The Rosenberg Public Housing Authority (the “Authority”) is a legally separate organization formed to administer housing programs funded by the U.S. Department of Housing and Urban Development, which has a scope of public service within the geographic boundaries of the City. The City appoints a majority of the Authority’s Board members, however, the City’s accountability does not extend beyond making the appointments, as the administration of the Authority is vested solely with its Board, and there is no financial relationship between the Authority and the primary government.

Government-Wide Financial Statements: The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all activities of the primary government and its component unit. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Basis of Presentation – Government-Wide Financial Statements: While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the City’s enterprise funds. Separate financial statements are provided for governmental and proprietary funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City’s water and wastewater functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Basis of Presentation – Fund Financial Statements: The fund financial statements provide information about the City’s funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The City reports the following governmental funds:

The *general fund* is used to account for and report all financial resources not accounted for and reported in other funds. The principal sources of revenues include local property taxes, sales taxes, franchise fees, licenses and permits, fines and forfeitures, and charges for services. Expenditures include general government, public safety, community development, and public works. The general fund is always considered a major fund for reporting purposes.

The *debt service fund* is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on all long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The *special revenue funds* are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The capital projects funds are used to account for and report revenues sources that restricted for various capital improvements. The special revenue funds and capital projects are considered nonmajor funds for reporting purposes, with the exception of the RDC Projects fund, the American Rescue Plan fund, and the 2024 General Obligation fund that are considered major funds for reporting purposes.

The *RDC projects fund* is used to account for the various projects that have been funded by transfers of restricted sales tax revenue from the RDC. It is under the direction of the Economic Development Director who serves as the Executive Director of the RDC with oversight by the City Manager and the Finance Department. The RDC projects fund is considered a major fund for reporting purposes.

The *American Rescue Plan fund* is used to account for coronavirus grant funding.

The City reports the following proprietary fund types:

The *enterprise funds* are used to account for the operations that provide (i) water and wastewater collection and the construction of related facilities, (ii) solid waste collection, and (iii) the rental activities of the Civic Center. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges. The acquisition, maintenance, and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), and other City funds.

The *internal service funds* account for health insurance, fleet replacement, and information services provided to other departments on a cost reimbursement basis.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Measurement Focus and Basis of Accounting: The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are 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 revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the City.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance:

Cash and Cash Equivalents: The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the statement of cash flows, the proprietary fund types consider temporary investments with maturity of three months or less when purchased to be cash equivalents.

The City maintains pooled cash and investment accounts. Each fund whose monies are deposited in the pooled cash and investment accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the previous month end. Amounts on deposit in interest bearing accounts and other investments are displayed on the combined balance sheet as "cash and cash equivalents."

Investments: Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest-earning contracts, such as certificates of deposit, are reported at cost.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Government Code. In summary, the City is authorized to invest in the following:

- Direct obligations of the U.S. Government or U.S. Government agencies, fully collateralized certificates of deposit, money market mutual funds that meet certain criteria, bankers' acceptances and statewide investment pools.

Inventories and Prepaid Items: The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased (i.e., the consumption method).

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets: Certain proceeds of bonds, as well as other resources set aside for specific purposes, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements.

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Infrastructure is not held to the \$5,000 limit; all infrastructure is capitalized regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred in connection with construction of enterprise fund capital assets are capitalized when the effects of capitalization materially impact the financial statements.

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

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful years:

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	20 to 40 years
Vehicles	3 to 7 years
Machinery and equipment	3 to 10 years
Water and sewer system	3 to 40 years
Infrastructure	30 years

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the City's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred inflows related to leases are amortized over the terms of the leases.

At the fund level, the City has four types of items, which arise only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the items, *unavailable revenue*, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and court fines. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available. Other type of deferred inflows are for the long-term receivable from the RDC for its portion of debt and deferred inflows that are related to leases receivable.

Compensated Employee Absences: The City's employees earn vacation and compensatory time along with sick leave which may either be taken or accumulated, up to certain amounts, until paid upon termination or retirement. Vacation pay and compensatory time are accrued when incurred in the government-wide and proprietary fund financial statements. Employees shall also receive reimbursement for 15% (or up to a max depending on years of service) of unused, accrued sick leave at the time of separation or retirement if employee has worked 12 months prior to separation and employee has not been terminated or resigned in lieu of termination. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations: In government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, if material. Bonds payable are reported net of the applicable bond premium or discount.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the property tax along with the interest earned in the debt service fund.

Assets acquired under the terms of a lease are recorded as liabilities and capitalized in the government-wide financial statements at the present value of net minimum lease payments at inception of the lease. The City has leases payable and right-to-use assets recorded in the internal service funds which are proprietary funds that are reported with governmental activities on the Statement of Net Position. Lease payments represent both principal and interest with the principal reducing the lease payable on the Statement of Net Position and the interest being recorded as an expense on the Statement of Revenues, Expenses, and Changes in Fund Net Position for the proprietary funds.

Leases:

*Lessee* - The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible, right-to-use lease asset (the "lease asset") in the government-wide financial statements. The City recognizes a lease liability and lease asset with an initial, individual value of at least \$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 term of the lease.

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 noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Lessor* - The City is a lessor for noncancellable leases. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide 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 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 noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

Subscription-Based Information Technology Arrangements: The City has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The City recognizes a liability (the “subscription liability”) and an intangible, right-to-use subscription asset (the “subscription asset”) in the government-wide financial statements.

At the commencement of the SBITAs, the City initially measures the subscription liability at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using either the implicit rate or the City’s incremental borrowing rate if the interest rate is not readily determinable. The subscription liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, plus payments made before the commencement of the subscription term and capitalizable implementation costs. The subscription asset is reduced for any vendor incentives received. The subscription asset is amortized on a straight-line basis over the subscription term.

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

- The City uses the interest rate charged on the SBITAs as the discount rate. When the interest rate charged on the SBITAs is not provided, the City uses its estimated incremental borrowing rate as the discount rate.
- The term includes the noncancellable period of the SBITAs plus options periods, in which one party may exercise, that the City is reasonably certain will be exercised.
- The subscription payments included in the measurement of the subscription liability are composed of fixed or fixed in substance payments and other payments associated with the SBITA that the City is reasonably certain to make based on an assessment of all relevant factors.

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(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City monitors changes in circumstances that would require a remeasurement of its subscription arrangements and will remeasure the subscription liability and asset if certain changes occur that are expected to significantly affect the amount of the subscription liability. The subscription liabilities are reported with long-term debt and the subscription assets are reported with other capital assets on the Statement of Net Position.

Net Position Flow Assumption: Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions: Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies: Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. The City Council has, by resolution, authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

Other Postemployment Benefits: The City participates in a defined benefit group-term life insurance plan administered by TMRS known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. Benefit payments are treated as being equal to the employer's yearly contributions for retirees. Benefit payments and refunds are due and payable in accordance with the benefit terms. Information about the City's total OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by TMRS from reports prepared by their consulting actuary.

The City also provides medical benefits to eligible retirees through a single-employer defined benefit plan (the "Plan"). This Plan is an unfunded, pay-as-you-go plan. Information about the City's OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense is provided by the City's consulting actuary.

Revenues and Expenditures/Expenses:

Program Revenues: Amounts reported as *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 or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes: Property taxes are levied during October of each year and are due upon receipt of the City's tax bill. Taxes become delinquent, with an enforceable lien on property, on February 1 of the following year.

Proprietary Funds Operating and Nonoperating Revenues and Expenses: Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* 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. The principal operating revenues of the enterprise funds are charges to customers for sales, services, and leases. The enterprise funds also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise 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 nonoperating revenues and expenses.

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**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for the capital projects funds, which adopt project length budgets. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2024. The RDC projects fund, hotel/motel occupancy tax fund, municipal court technology fund, beautification fund, law enforcement fund, Community Development Block Grant fund, police asset forfeiture fund, animal control fund, park land dedication fund, juvenile case manager fund, municipal court child safety fund, municipal court building security fund, municipal utility district fire fund, police federal forfeiture fund, fire station No. 3 fund, cable public- educational-governmental (PEG) fees fund, and CDBG Mitigation Drainage Improvement Fund are all special revenue funds that have adopted budgets.

**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

Deposits and Investments: As of September 30, 2024, the carrying amount of the City's and the component units deposits in a checking account was \$5,243,332 and \$390,779. The total bank balance for the checking account was \$5,647,505. The cash deposits held in a checking account as of September 30, 2024, and during the year ended September 30, 2024, were initially covered by FDIC insurance or by pledged collateral held by the City's agent bank in the City's and component unit's name.

The City is required by Government Code Chapter 2256, the Public Funds Investment Act (the "Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the City adhered to the requirements of the Act. Additionally, investment practices of the City were in accordance with local policies.

The Act determines the types of investments which are allowable for the City. These include, with certain restrictions: 1) obligations of the U.S. Treasury, U.S. agencies, and the State; 2) certificates of deposit; 3) certain municipal securities; 4) securities lending program; 5) repurchase agreements; 6) bankers' acceptances; 7) mutual funds; 8) investment pools; 9) guaranteed investment contracts; and 10) commercial paper.

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

As of September 30, 2024, the City had the following cash equivalents and investments:

<u>Cash Equivalents/Investment Type</u>	<u>Value</u>	<u>Weighted Average Maturity (Years)</u>	<u>Fair Value Measurement</u>
Primary government			
LOGIC	\$ 83,881,776	0.13	N/A
TexPool	60,971,180	0.26	N/A
Lone Star	8,482,700	0.29	N/A
CLASS	17,468,826	0.28	N/A
Federal Home Loan Banks	<u>6,997,557</u>	1.03	Level 2
Total cash equivalents/investments	<u>\$ 177,802,039</u>		
Portfolio weighted average maturity		0.24	
Component unit			
TexPool	<u>\$ 9,628,399</u>	0.26	N/A
Total cash equivalents	<u>\$ 9,628,399</u>		
Portfolio weighted average maturity		0.26	

**Fair Value Measurement:** The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value establishing a three-level fair value hierarchy that describes the inputs 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 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.

Fair value is measured in a manner consistent with one of the three approaches: market approach, cost approach, and the income approach. The valuation methodology used is based upon whichever technique is the most appropriate and provides the best representation of fair value for that particular asset or liability. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or groups of assets and liabilities. The cost approach reflects the amount that would be required to replace the present service capacity of an asset. The income approach converts future amounts, such as cash flows, to a single current (discounted) amount.

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

*Interest rate risk.* In accordance with its investment policy, the City manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

*Credit risk.* The City's investment policy limits investments in public fund investment pools rated as to investment quality not less than "AAA" or "AAAm," or an equivalent rating by at least one nationally recognized rating service. Investments in SEC-registered and regulated money market mutual funds must have an investment quality not less than "AAA-" or an equivalent rating by at least one nationally recognized rating service. As of September 30, 2024, the City's investments in investment pools were rated "AAA" or "AAAm" by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States government or the issuing U.S. agency.

*Custodial credit risk – deposits.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2024, fair market values of pledged securities and FDIC coverage exceeded bank balances.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that it will seek to safekeeping securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, are executed by delivery versus payment to ensure that securities are deposited in the City's safekeeping account prior to the release of funds.

**TexPool** - TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool ('AAAm'). As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

**LOGIC** - The Local Government Investment Cooperative (LOGIC) was created in 1994 by Texas local government officials who understand the specific needs and challenges of investing public funds. LOGIC is administered by Hilltop Securities and JPMorgan Chase. Together, these organizations bring to the LOGIC program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management and extensive industry resources. LOGIC was rated "AAA" by Standard & Poor's.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Lone Star** - In 1991, First Public launched the Lone Star Investment Pool with a simple goal: to make the job of managing public funds safer and easier. Since then, Lone Star has focused on providing innovative services. Lone Star was among the first investment pools of its kind to offer clients the convenience of online transactions and to tailor fund options to meet a range of investment goals. It limits investments only to those allowed by the Public Funds Investment Act (the "Act"). Certain funds within the Lone Star feature other investment restrictions to further help protect principal. Lone Star spreads investments among individual issues of securities that mature at different times, reducing risks even more. To ensure up-to-date investment valuations, each fund is marked-to-market daily. Each Lone Star fund has earned Standard & Poor's highest rating (AAA), which meets the standards set by the Act.

**Texas CLASS** - The Texas Cooperative Liquid Assets Securities System Trust (CLASS) is a public funds investment pool under Section 2256.016 of the Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the "Agreement"), among certain Texas governmental entities investing in CLASS (the "Participants"), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the "Board"), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS' website at [www.texasclass.com](http://www.texasclass.com).

**Receivables:** Amounts are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Below is the detail of receivables for the general fund, the debt service fund, the nonmajor governmental funds in the aggregate, the proprietary fund, and the component unit, including the applicable allowances for uncollectible accounts.

	Governmental Funds			Proprietary Funds		Component Unit
	General	Debt Service	Nonmajor	Water and Wastewater	Solid Waste	
Property taxes	\$ 266,769	\$ 212,491	\$ -	\$ -	\$ -	\$ -
Sales taxes	3,835,718	-	-	-	-	1,270,758
Hotel taxes	-	-	147,551	-	-	-
Franchise fees	114,570	-	8,762	-	-	-
Intergovernmental	647,297	-	836,422	-	-	-
Accounts receivable	611,065	-	-	3,198,205	292,785	-
Other receivables	1,396,751	-	-	17,916	-	-
Less allowance	(1,283,693)	(16,753)	-	(31,602)	-	-
	<u>\$ 5,588,477</u>	<u>\$ 195,738</u>	<u>\$ 992,735</u>	<u>\$ 3,184,519</u>	<u>\$ 292,785</u>	<u>\$ 1,270,758</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Leases Receivable: The City has lease agreements (the “Agreements”) as a lessor for the use of the City’s infrastructure located throughout the City with the lessee using the City’s infrastructure to install signal equipment and transmission wiring for communication. The lease receipts for the Agreements are based on an annual basis, and the Agreements’ activity is part of the City’s general fund and water and wastewater fund. The remaining terms of the Agreements, including the option for the lessee to extend the term in which it is reasonably certain that the lessee will exercise, range from 2 to 18 years. Annual receipts for the Agreements vary each year. The leases receivable and deferred inflows from leases were measured using an incremental borrowing rate, which is also considered the interest rate on the leases receivable, of 0.475%. As of September 30, 2024, the City’s total lease revenue from the Agreements was \$241,631, which includes the amortization of the deferred inflows from leases and interest portion of the lease receipts. The remaining principal and interest payments along with the amortization of the deferred inflows of resources from the Agreements for the general fund and water and wastewater fund are as follows:

Fiscal Year Ending September 30	General Fund			Amortization of Deferred Inflows
	Lease Receipts			
	Principal	Interest	Total	
2025	\$ 5,820	\$ 4	\$ 5,824	\$ 5,581
Total	\$ 5,820	\$ 4	\$ 5,824	\$ 5,581
Fiscal Year Ending September 30	Waste and Wastewater Fund			Amortization of Deferred Inflows
	Lease Receipts			
	Principal	Interest	Total	
2025	\$ 172,047	\$ 13,286	\$ 185,333	\$ 210,726
2026	147,117	12,422	159,539	190,041
2027	121,019	11,675	132,694	167,778
2028	126,221	11,100	137,321	156,799
2029	131,612	10,500	142,112	156,799
2030- 2034	746,048	42,577	788,625	783,995
2035- 2039	913,488	23,326	936,814	783,995
2040- 2042	419,416	3,006	422,422	182,876
Total	\$ 2,776,968	\$ 127,892	\$ 2,904,860	\$ 2,633,009

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Capital Assets: A summary of changes in capital assets for governmental activities for the year end is as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	(Decreases)/ Reclassifications*	
<u>Governmental Activities</u>				
Capital assets not being depreciated/amortized:				
Land	\$ 6,126,946	\$ 286,202	\$ -	\$ 6,413,148
Construction in progress	<u>7,260,625</u>	<u>11,740,414</u>	<u>(8,599,038)</u>	<u>10,402,001</u>
Total capital assets not being depreciated/amortized	13,387,571	12,026,616	(8,599,038)	16,815,149
Other capital assets:				
Infrastructure	150,764,235	3,202,319	-	153,966,554
Budlings and improvements	14,625,065	-	-	14,625,065
Vehicles, machinery, and equipment**	19,499,679	3,540,798	(468,364)	22,572,113
Right-to-use leased equipment	201,428	-	-	201,428
Subscription assets for equipment	<u>288,152</u>	<u>-</u>	<u>-</u>	<u>288,152</u>
Total other capital assets	185,378,559	6,743,117	(468,364)	191,653,312
Less accumulated depreciation/ amortization for:				
Infrastructure	(54,980,202)	(3,726,878)	-	(58,707,080)
Budlings and improvements	(8,652,016)	(350,750)	-	(9,002,766)
Vehicles, machinery, and equipment**	(13,797,841)	(1,178,101)	468,364	(14,507,578)
Right-to-use leased equipment	(114,375)	(57,188)	-	(171,563)
Subscription assets for equipment	<u>(52,984)</u>	<u>(57,630)</u>	<u>-</u>	<u>(110,614)</u>
Total accumulated depreciation/ amortization	<u>(77,597,418)</u>	<u>(5,370,547)</u>	<u>468,364</u>	<u>(82,499,601)</u>
Other capital assets, net	<u>107,781,141</u>	<u>1,372,570</u>	<u>-</u>	<u>109,153,711</u>
Governmental activities capital assets, net	<u>\$ 121,168,712</u>	<u>\$ 13,399,186</u>	<u>\$ (8,599,038)</u>	<u>125,968,860</u>
			Plus deferred loss on refunding	73,192
			Plus unspent bond proceeds	54,869,641
			Less construction payable	(228,306)
			Less associated debt	<u>(85,402,135)</u>
			Net investment in capital assets	<u>\$ 95,281,252</u>

\* Contribution of capital assets to business-type activities of \$5,110,517 is included with the decrease in construction in progress.

\*\* Additions and decreases to governmental activities vehicles, machinery, and equipment includes additions of other capital assets of \$2,797,580 and decreases of other capital assets and accumulated depreciation of \$367,788 that is reported within the internal service fund.

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The depreciation and amortization expense on the capital assets was charged to governmental functions as follows:

General government	\$ 299,540
Public safety	890,396
Public works	3,809,874
Community development	<u>370,737</u>
 Total governmental activities depreciation and amortization expense*	 <u>\$ 5,370,547</u>

\*Includes depreciation and amortization expense reported within the internal service fund of \$667,455 that is allocated between the governmental functions.

A summary of changes in capital assets for business-type activities for the year end is as follows:

	Primary Government			
	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
<u>Business-Type Activities</u>				
Capital assets not being depreciated:				
Land	\$ 363,209	\$ -	\$ -	\$ 363,209
Construction in progress	<u>2,289,799</u>	<u>8,147,856</u>	<u>(840,947)</u>	<u>9,596,708</u>
Total capital assets not being depreciated	2,653,008	8,147,856	(840,947)	9,959,917
Other capital assets:				
Water and sewer system	119,707,616	840,947	-	120,548,563
Vehicles, machinery, and equipment	<u>4,573,011</u>	<u>96,312</u>	<u>(93,526)</u>	<u>4,575,797</u>
Total other capital assets	124,280,627	937,259	(93,526)	125,124,360
Less accumulated depreciation for:				
Water and sewer system	(47,642,966)	(2,690,376)	-	(50,333,342)
Vehicles, machinery, and equipment	<u>(2,830,873)</u>	<u>(197,304)</u>	<u>93,526</u>	<u>(2,934,651)</u>
Total accumulated depreciation	<u>(50,473,839)</u>	<u>(2,887,680)</u>	<u>93,526</u>	<u>(53,267,993)</u>
Other capital assets, net	<u>73,806,788</u>	<u>(1,950,421)</u>	<u>-</u>	<u>71,856,367</u>
Business-type activities capital assets, net	<u>\$ 76,459,796</u>	<u>\$ 6,197,435</u>	<u>\$ (840,947)</u>	<u>81,816,284</u>
			Less associated debt	<u>(101,000)</u>
			Net investment in capital assets	<u>\$ 81,715,284</u>

Depreciation was charged to business-type functions as follows:

Water and wastewater	<u>\$ 2,887,680</u>
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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Construction in progress and other significant commitments under related construction contracts that were in progress or that were partially completed at year end are as follows:

<u>Project Description</u>	<u>Total Project Cost*</u>	<u>Remaining Commitment</u>
Governmental activities:		
American Rescue Plan Act (ARPA) Infrastructure	\$ 6,377,680	\$ 3,783,140
Benton Rd County Mobility	743,656	5,401,344
CDBG-MIT Drainage Infrastructure Improvements	4,543,498	46,467,002
Cummings/Baker Road Extension	100,993	1,149,007
Fairground Rd Expansion & Utility Replacement	58,444	241,556
Emergency Services Complex	173,456	18,326,544
Public Services Complex	117,380	32,882,620
Fire Station No. 1 Renovations	659,213	6,368,040
Koeblen Road Project (SH36 at Band to FM2218)	205,359	8,668,581
Koeblen Road Project (FM2218 to City Limits)	2,050,000	3,492,795
Railroad Quiet Zones	1,421,832	24,782
Road Improvements - Street Overlay Program	1,153,879	1,996,122
Seabourne Creek Nature Center	328,806	56,194
Sidewalk Improvements	<u>395,187</u>	<u>562,438</u>
 Total governmental activities	 <u>\$ 18,329,383</u>	 <u>\$ 129,420,165</u>
Business-type activities:		
CDBG North Side Water Imp-Phase VIII	\$ 58,300	\$ 1,219,175
CDBG Blume Road Sanitary Sewer - Phase I	-	660,771
CDBG Blume Road Sanitary Sewer - Phase II	-	816,383
Interstate 69 Waterline Extension	384,337	2,809,099
CDBG Blume Road Water Rehab Phase I	-	748,432
Waterline Koeblen Road Interconnect	-	376,000
SCADA Project	-	101,347
Water Well No. 11 # Water Plant 8	1,816,029	5,883,970
Water Well No. 12 # Water Plant 9	<u>600,940</u>	<u>4,499,060</u>
 Total business-type activities	 <u>\$ 2,859,606</u>	 <u>\$ 17,114,237</u>

\*Governmental activities project cost includes costs that were reclassified from governmental activities construction in progress to depreciable capital assets and to business-type activities construction in progress.

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

**Long-Term Debt:** The following is a summary of changes in the City's total long-term liabilities for the year end. In general, the City uses the general and debt service funds to liquidate governmental long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental Activities</u></b>					
Direct borrowings/placements:					
General obligation bonds	\$ 12,265,000	\$ 46,640,000	\$ (1,950,000)	\$ 56,955,000	\$ 2,340,000
Certificates of obligation	25,425,000	-	(3,455,000)	21,970,000	1,615,000
Deferred amounts:					
Bond issuance premiums	<u>1,421,105</u>	<u>5,351,231</u>	<u>(511,257)</u>	<u>6,261,079</u>	<u>-</u>
	39,111,105	51,991,231	(5,916,257)	85,186,079	* 3,955,000
Other liabilities:					
Leases payable	86,712	-	(57,739)	28,973	* 28,973
Subscription liability	241,098	-	(54,015)	187,083	* 57,642
Net pension liability	19,490,722	-	(3,283,577)	16,207,145	-
Total OPEB liability - SDBF	633,122	54,139	-	687,261	14,656
Total OPEB liability - retiree health	20,529,309	3,459,602	-	23,988,911	618,188
Compensated absences	<u>1,378,831</u>	<u>1,731,809</u>	<u>(1,496,029)</u>	<u>1,614,611</u>	<u>1,453,150</u>
<b>Total governmental activities</b>	<b><u>\$ 81,470,899</u></b>	<b><u>\$ 57,236,781</u></b>	<b><u>\$ (10,807,617)</u></b>	<b><u>\$ 127,900,063</u></b>	<b><u>\$ 6,127,609</u></b>
				<u>\$ 121,772,454</u>	
				<u>\$ 85,402,135</u>	
					<u>Amounts Due Within One Year</u>
<b><u>Business-Type Activities</u></b>					
Direct borrowings/placements:					
Revenue bonds	\$ 122,000	\$ -	\$ (21,000)	\$ 101,000	\$ 21,000
	122,000	-	(21,000)	101,000	* 21,000
Other liabilities:					
Net pension liability	2,022,111	-	(220,218)	1,801,893	-
Total OPEB liability - SDBF	51,069	25,340	-	76,409	1,629
Total OPEB liability - retiree health	2,067,020	600,041	-	2,667,061	68,729
Compensated absences	<u>115,517</u>	<u>167,606</u>	<u>(136,165)</u>	<u>146,958</u>	<u>132,262</u>
<b>Total business-type activities</b>	<b><u>\$ 4,377,717</u></b>	<b><u>\$ 792,987</u></b>	<b><u>\$ (377,383)</u></b>	<b><u>\$ 4,793,321</u></b>	<b><u>\$ 223,620</u></b>
				<u>\$ 4,569,701</u>	
				<u>\$ 101,000</u>	

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<u>Discretely Presented Component Unit</u>					
Component unit:					
Notes payable	\$ 969,412	\$ -	\$ (164,205)	\$ 805,207	\$ 172,785
 Total discretely presented component unit	 <u>\$ 969,412</u>	 <u>\$ -</u>	 <u>\$ (164,205)</u>	 <u>\$ 805,207</u>	 <u>\$ 172,785</u>
Long-term debt due in more than one year				<u>\$ 632,422</u>	

The City's long-term debt includes all outstanding bonded debt secured by the full faith and credit of the City. The bonds are certificates of obligation and general obligation bonds that are secured by the full faith and credit of the City and are paid from taxes levied on all taxable property located within the City and revenue generated from operations. For governmental activities, compensated absences, the net pension liability, and total OPEB liabilities are fully liquidated by the general fund.

In March 2024, the City issued General Obligation Bonds, Series 2024, in the amount of \$46,640,000. The bonds were issued at an interest rate of 5.00% and will be used to finance capital improvement projects throughout the City. The bonds mature in fiscal year 2045 and are payable from ad valorem taxes levied by the City.

In March 2024, the City executed an in-substance early defeasance of a portion of its Certificate of Obligation Bonds, Series 2014A. The City defeased \$1,735,000 in principal by placing funds in an irrevocable trust with an escrow agent to satisfy all future debt service payments related to the defeased obligations. As a result, the bonds are considered extinguished, and the City has removed the liability from its financial statements. As of September 30, 2024, there was no remaining outstanding debt associated with the defeased bonds in escrow. The early defeasance was executed to reduce the City's future debt obligations and interest costs, enhancing its overall financial position.

The revenue bonds that remained outstanding at year end constitute special obligations of the City solely secured by a lien on, and pledge of, the net revenues of the water and sewer system. The capital finance agreement that was paid in full at year end was also solely secured by the net revenues of the water and sewer system.

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

The following is a summary of the terms of general obligation bonds, certificates of obligation, revenue bonds, and lease and subscription liabilities outstanding as of September 30, 2024:

<u>Description</u>	<u>Original Issue</u>	<u>Matures</u>	<u>Interest Rates</u>	<u>Balance</u>
<u>Governmental Activities</u>				
General obligation bonds:				
General Obligation, Series 2014	\$ 1,565,000	2034	3.00-4.00%	\$ 765,000
Refunding Bonds, Series 2017	7,390,000	2028	2.00-4.00%	2,695,000
Refunding Bonds, Series 2017A	4,945,000	2029	3.00%	2,245,000
Refunding Bonds, Series 2020	7,785,000	2030	3.00%	4,610,000
General Obligation, Series 2024	46,640,000	2045	5.00%	<u>46,640,000</u>
Total general obligation bonds				56,955,000
Certificates of obligation:				
Certificates of Obligation, Series 2014	5,000,000	2034	2.00-3.50%	2,945,000
Combined Tax and Revenue , Series 2015	9,760,000	2035	2.30-3.00%	5,975,000
Combined Tax and Revenue , Series 2016	9,825,000	2036	2.00-2.05%	6,350,000
Certificates of Obligation, Series 2017	9,320,000	2037	3.00%	<u>6,700,000</u>
Total certificates of obligation				21,970,000
Leases payable:				
Right-to-use assets - equipment	201,428	2025	0.48%	<u>28,973</u>
Subscription liabilities:				
Subscription assets - dispatch software	288,152	2027	3.31%	<u>187,083</u>
Total governmental activities long-term debt				<u>\$ 79,141,056</u>
<u>Business-Type Activities</u>				
Revenue bonds:				
Combined Tax and Revenue, Series 2010	\$ 394,000	2029	N/A	<u>\$ 101,000</u>
Total business-type activities long-term debt				<u>\$ 101,000</u>

The annual debt service requirements at year end are as follows:

Fiscal Year Ending September 30	Governmental Activities			
	General Obligation Bonds		Certificates of Obligation	
	Principal	Interest	Principal	Interest
2025	\$ 2,340,000	\$ 3,680,697	\$ 1,615,000	\$ 576,101
2026	3,515,000	2,518,200	1,655,000	534,514
2027	3,680,000	2,370,275	1,705,000	491,414
2028	3,235,000	2,228,588	1,755,000	446,214
2029	2,600,000	2,105,388	1,800,000	398,625
2030 - 2034	10,575,000	9,014,575	9,860,000	1,193,737
2035 - 2039	12,015,000	6,310,625	3,580,000	114,989
2040 - 2044	15,420,000	2,898,250	-	-
2045	<u>3,575,000</u>	<u>89,375</u>	-	-
Total	<u>\$ 56,955,000</u>	<u>\$ 31,215,973</u>	<u>\$ 21,970,000</u>	<u>\$ 3,755,594</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Fiscal Year Ending <u>September 30</u>	<u>Business-Type Activities</u>	
	<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 21,000	\$ -
2026	21,000	-
2027	21,000	-
2028	21,000	-
2029	<u>17,000</u>	<u>-</u>
Total	<u>\$ 101,000</u>	<u>\$ -</u>

Notes Payable: Portions of the 2017A and 2020 general obligation refunding bonds are being paid from the RDC in the amounts of \$695,950, and \$109,257, respectively. These amounts are being shown as liabilities in the RDC as these amounts have been guaranteed by the RDC. The amounts are also shown as liabilities in the governmental activities of the City as the actual debt is in the name of the City, and the City is ultimately responsible for the repayment of the debt. The debt in the governmental activities is being offset by a note receivable from the RDC.

The annual debt service requirements at year end are as follows:

Fiscal Year Ending <u>September 30</u>	<u>Component Unit</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 172,785	\$ 23,141
2026	179,814	18,136
2027	186,843	12,748
2028	193,873	7,259
2029	51,865	3,805
2030	<u>20,027</u>	<u>2,758</u>
Total	<u>\$ 805,207</u>	<u>\$ 67,847</u>

The City is not obligated in any manner for special assessment debt.

Legal Debt Margin: The City is authorized to issue debt up to 10% of the average full valuation of taxable real property, which is currently \$410,034,406. The net indebtedness subject to the debt limit is \$73,873,143 resulting in a legal debt margin of \$336,161,263.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Leases Payable: The City has lease agreements as lessee for the use of copiers which is paid by the City's governmental activities within the City's internal service fund. As of September 30, 2024, the value of the lease liability was \$28,973. The City is required to make monthly principal and interest payments of \$4,835 for the remaining term of the lease for six months as of September 30, 2024. The lease interest rate is based on an incremental borrowing rate of 0.475%. In addition, the City's right-to-use lease assets will be amortized using a straight-line basis over the remaining term of the leases. The value of the right-to-use lease assets as of the end of the current fiscal year was \$201,428 and had accumulated amortization of \$171,563. The future principal and interest lease payments as of September 30, 2024 were as follows:

Fiscal Year Ending <u>September 30</u>	Internal Service Fund Equipment		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 28,973	\$ 40	\$ 29,013
Total	\$ 28,973	\$ 40	\$ 29,013

Subscription Liability: The City has multiple subscription-based information technology arrangements (SBITAs) to control the right to use dispatch software for equipment that is recorded within the City's internal service fund. The principal and interest payments are due annually and the estimated incremental borrowing rate for the SBITAS is 3.31%. The initial liability and subscription assets at commencement of the arrangement was \$288,152. The value of the subscription liability as of September 30, 2024 was \$187,083. The amortization of the subscription assets at September 30, 2024 was \$110,614. The remaining annual requirements to amortize the subscription liability from the SBITAs at year end were as follows:

Fiscal Year Ending <u>September 30</u>	Internal Service Fund Subscription		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 57,642	\$ 6,183	\$ 63,825
2026	61,801	4,278	66,079
2027	67,640	2,236	69,876
Total	\$ 187,083	\$ 12,697	\$ 199,780

Federal Arbitrage: The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or are not performed correctly, a substantial liability to the City could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the rules and regulations of the IRS.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)**

Interfund Transactions: Transfers between the primary government funds during the year were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amounts</u>
General	Nonmajor governmental	\$ 132,111
General	Water and wastewater	2,444,415
General	Solid waste	875,000
Civic center	General	73,279
Civic center	Nonmajor governmental	311,721
Nonmajor governmental	General	5,869,661
Nonmajor governmental	Water and wastewater	139,926
Nonmajor governmental	Nonmajor governmental	<u>1,708,932</u>
 Total		 <u>\$ 11,555,045</u>

Transfers to the general fund from the water and wastewater fund were subsidies for administrative expenditures. There are also transfers out of the nonmajor governmental funds to reimburse funds for expenditures that benefit the nonmajor governmental fund activity. Other transfers between funds are utilized to move unrestricted fund revenues to finance various programs that must be accounted for in other funds in accordance with budgetary authorizations, including amounts provided as matching funds for grant programs and governmental expenditures.

Fund Balance: As of September 30, 2024, \$1,299,453 of the City's total fund balance is restricted by enabling legislation.

Hotel/Motel	\$ 572,976
Municipal Court Building Security	67,653
Municipal Court Child Safety	181,787
Juvenile Case Manager	123,270
PEG fees	337,321
Municipal Court Technology	<u>16,446</u>
 Total restricted by enabling legislation	 <u>\$ 1,299,453</u>

Restricted Assets: The water and wastewater enterprise fund has restricted certain cash and investments for capital projects, customer deposits, subsidence and impact fees, and intergovernmental agreements. The civic center rental fund has restricted certain cash and investments for customer deposits.

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(Continued)

#### **NOTE 4 - OTHER INFORMATION**

**Risk Management:** The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates along with more than 2,800 other entities in the Texas Municipal League's (TML) Intergovernmental Risk Pools (the "Pool"). The Pool purchases commercial insurance at group rates for participants in the Pool. The City has no additional risk or responsibility to the Pool, outside of the payment of insurance premiums. The City has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

The City also provides workers' compensation insurance through the TML Workers' Compensation Fund (the "Fund"). Workers' compensation premiums are subject to change when audited by the Fund. At September 30, 2024, the City expects the amounts paid on workers' compensation will not change significantly from the amounts recorded.

**Contingent Liabilities:** Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends, including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

#### **Pension Plans:**

##### **Texas Municipal Retirement System**

**Plan Description:** The City participates as one of 919 plans in the defined benefit cash-balance plan administered by TMRS. TMRS is a statewide public retirement plan created by the State and administered in accordance with the Texas Government Code, Title 8, Subtitle G (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 (the "Board"); however, TMRS is not fiscally dependent on the State. TMRS issues a publicly available annual comprehensive financial report that can be obtained at [www.tmr.com](http://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 member's benefit is calculated based on the sum of the member'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 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.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	<u>2024</u>	<u>2023</u>
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms: At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	209
Inactive employees entitled to, but not yet receiving, benefits	227
Active employees	280
Total	716

Contributions: Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the City-matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal 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 were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 16.73% and 16.05% in calendar years 2024 and 2023, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2024 were \$3,760,271, which were equal to the required contributions.

Net Pension Liability: The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The TPL in the December 31, 2023 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	

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of 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. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year setforward 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 the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)*</u>
Global public equities	35%	6.7%
Core fixed income	6%	4.7%
Non-core fixed income	20%	8.0%
Other public and private markets	12%	8.0%
Real estate	12%	7.6%
Hedge funds	5%	6.4%
Private equity	<u>10%</u>	11.6%
 Total	 <u>100%</u>	

\*Net of inflation assumption.

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(Continued)

CITY OF ROSENBERG, TEXAS  
 NOTES TO FINANCIAL STATEMENTS  
 For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Discount Rate: The discount rate used to measure the TPL was 6.75%. The projection of cash flows used to determine the discount rate assumed that member and employer contributions will be made at the rates specified in statute, and was projected over a period of 100 years. Based on that assumption, TMRS's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL.

Sensitivity of the NPL to Changes in the Discount Rate: The following presents the NPL of the City, calculated using the discount rate of 6.75%, as well as what the City's NPL would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one 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	<u>\$ 35,658,474</u>	<u>\$ 18,009,038</u>	<u>\$ 3,845,135</u>

Pension Plan Fiduciary Net Position: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of TMRS (including additions to/deductions from the 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. The Pension Plan Trust Fund is maintained on the accrual basis of accounting. Benefit payments (including refunds of employee contributions) 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 at [www.tmrs.com](http://www.tmrs.com).

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

**NOTE 4 - OTHER INFORMATION** (Continued)

Changes in the NPL:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	<u>(A)</u>	<u>(B)</u>	<u>(A) - (B)</u>
<u>Changes for the year</u>			
Service cost	\$ 3,438,253	\$ -	\$ 3,438,253
Interest	6,863,774	-	6,863,774
Difference between expected and actual experience	836,545		836,545
Changes of assumptions	(682,597)		(682,597)
Contributions - employer	-	3,268,300	(3,268,300)
Contributions - employee	-	1,425,428	(1,425,428)
Net investment income	-	9,325,718	(9,325,718)
Benefit payments, including refunds of employee contributions	(4,060,801)	(4,060,801)	-
Administrative expense	-	(59,261)	59,261
Other changes	-	(415)	415
Net changes	6,395,174	9,898,969	(3,503,795)
Balance at December 31, 2022	101,996,821	80,483,988	21,512,833
Balance at December 31, 2023	\$ 108,391,995	\$ 90,382,957	\$ 18,009,038

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions: For the fiscal year ended September 30, 2024, the City recognized pension expense of \$3,470,062.

At September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ 1,363,367	\$ 37,274
Changes in actuarial assumptions	-	513,637
Difference between projected and actual investment earnings	2,138,694	-
Contributions subsequent to measurement date	2,944,711	-
	\$ 6,446,772	\$ 550,911

(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

\$2,944,711 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending <u>September 30</u>	Pension <u>Expense</u>
2025	\$ 927,230
2026	1,049,849
2027	1,751,156
2028	<u>(777,085)</u>
	<u>\$ 2,951,150</u>

Other Post-Employment Benefit Plans:

Postemployment Benefits: The City provides for two other postemployment benefits (OPEB) plans; one provides for postemployment healthcare insurance benefits through a single employer defined benefit medical plan (Retiree Healthcare Plan), and the other is the Texas Municipal Retirement System (TMRS) Supplemental Death Benefits Fund (SDBF), a single employer defined benefit OPEB plan. Both plans are described in detail below. Aggregate amounts for the two OPEB plans are as follows:

	Retiree Healthcare <u>Plan</u>	TMRS <u>SDBF</u>	<u>Totals</u>
OPEB liability	\$ 26,655,972	\$ 763,670	\$ 27,419,642
Deferred outflows of resources	3,598,473	172,944	3,771,417
Deferred inflows of resources	5,420,113	294,975	5,715,088
OPEB expense	1,667,687	31,546	1,699,233

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(Continued)

**NOTE 4 - OTHER INFORMATION** (Continued)

**TMRS - Supplemental Death Benefits**

Plan Description: The City participates in an OPEB plan administered by TMRS. TMRS administers the defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. Employers may terminate coverage under, and discontinue participation in, the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The member city contributes to the SDBF at a contractually required rate (based on the covered payroll of employee members) as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASB 75). As such, the SDBF is considered to be a single-employer unfunded OPEB defined benefit plan with benefit payments treated as being equal to the employer's yearly contributions for retirees.

The contributions to the SDBF are pooled for investment purposes with those of the Pension Trust Fund (PTF). The SDBF's funding policy assures that adequate resources are available to meet all death benefit payments for the upcoming year. The SDBF is a pay-as-you-go fund, and any excess contributions are available for future SDBF benefits.

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

Participation in the SDBF as of December 31, 2023 is summarized below:

Inactive employees or beneficiaries currently receiving benefits	132
Inactive employees entitled to, but not yet receiving, benefits	68
Active employees	<u>280</u>
 Total	 <u><u>480</u></u>

Total OPEB Liability: The City's total OPEB liability of \$763,670 was measured as of December 31, 2023 and was determined by an actuarial valuation as of that date.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Actuarial Assumptions and Other Inputs: The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.50% to 11.88% including inflation
Discount rate*	3.77%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent scale MP-2021 (with intermediate convergence).
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with intermediate convergence) to account for future mortality improvements subject to the floor.

\* The discount rate is based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the period December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023 actuarial valuation.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 20,357
Interest	27,792
Differences between expected and actual experience	6,608
Changes of assumptions	41,007
Benefit payments*	<u>(16,285)</u>
Net changes	79,479
Beginning balance	<u>684,191</u>
Ending balance	<u>\$ 763,670</u>

\* Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the City's yearly contributions for retirees.

The discount rate increased from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023. There were no other changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

There were no changes of benefit terms that affected measurement of the total OPEB liability during the measurement period.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease in Discount Rate <u>(2.77%)</u>	Discount Rate <u>(3.77%)</u>	1% Increase in Discount Rate <u>(4.77%)</u>
City's total OPEB liability	<u>\$ 931,601</u>	<u>\$ 763,670</u>	<u>\$ 635,367</u>

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: At September 30, 2024, the City recognized OPEB expense of \$31,546. The City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 19,202	\$ 18,417
Changes in actuarial assumptions	139,661	276,558
Contributions subsequent to the measurement date	<u>14,081</u>	<u>-</u>
 Total	 <u>\$ 172,944</u>	 <u>\$ 294,975</u>

\$14,081 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the fiscal year ending September 30, 2025.

Amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending September 30</u>	<u>OPEB Expense</u>
2025	\$ (20,910)
2026	(21,170)
2027	(39,429)
2028	(50,097)
2029	<u>(4,506)</u>
	 <u>\$ (136,112)</u>

**Retiree Healthcare Plan**

Plan Description: The City offers its eligible retirees and their dependents medical and prescription drug coverage through a single-employer defined benefit OPEB plan (the "Plan") under City policy. The Plan is administered by the City, and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The pre-65 plan is a continuation of the fully insured, active plan. The premiums do not cover the cost of the retirees on a stand-alone basis. Thus, there is an implicit subsidy which is part of the OPEB liability. The post-65 plan is a fully insured, Medicare supplement plan.

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(Continued)

CITY OF ROSENBERG, TEXAS  
 NOTES TO FINANCIAL STATEMENTS  
 For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Benefits and Contributions: To qualify for the retiree health plan benefits, employees must be age 60 or greater with 5 years of service with the City or have 20 years of TMRS creditable service. Retirees are required to contribute to receive coverage with the contributions varying by years of service. The lowest level of contribution is after an employee retires with at least 30 years of service. They contribute approximately 0% of the cost, the same as active employees. There are no plans to reduce benefits and the group is open with future hires still covered. The contributions are assumed to increase with trend.

Retirees are responsible for payment of premiums for dependent coverage, and the City pays a portion of the retiree premiums based on the number of years of service with the City. The City's contributions to the Plan for the year ended September 30, 2024 were \$314,424 while total contributions to the Plan were \$686,916, which equal benefit payments for retirees.

The number of employees covered by the benefit terms is as follows:

Inactive employees or beneficiaries currently receiving benefits	55
Active employees	284
Total	339

Actuarial Methods and Assumptions: Significant methods and assumptions were as follows:

Actuarial Valuation Date	September 30, 2024
Actuarial Cost Method	Entry Age Level
Inflation Rate	3.00%
Salary Increases	3.00%
Discount Rate	3.88%
Mortality	General PUB-2010
Mortality Improvement	MP-2021
Healthcare Cost and Trend Rates	Getzen Trend Model. Pre-65 (initial/ultimate) was 7.73%/4.4%. Post-65 (initial/ultimate) was 11.7%/4.4%.
Turnover	Based on City's experience
Retirement	Based on City's experience

Projections of health benefits are based on the Plan as understood by the City and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and its retirees to that point. Actuarial calculations reflect long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

A single discount rate of 3.88% was used to measure the total OPEB liability. This single discount rate was based on the municipal bond rates as of the measurement date. The source of the municipal bond rate was fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of September 30, 2023.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Changes in the Total OPEB Liability: The City's total OPEB liability of \$26,655,972 was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024.

	Increase (Decrease) <u>Total OPEB Liability</u>
Changes for the year:	
Service cost	\$ 1,533,257
Interest	1,050,600
Differences between expected and actual experience	(2,035,516)
Changes of assumptions	4,198,218
Benefit payments	<u>(686,916)</u>
Net changes	4,059,643
Balance at September 30, 2023	<u>22,596,329</u>
Balance at September 30, 2024	<u>\$ 26,655,972</u>

Discount Rate Sensitivity Analysis: The following schedule shows the impact of the total OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.41%) in measuring the total OPEB liability:

	1% Decrease (2.88%)	Discount Rate (3.88%)	1% Increase (4.88%)
City's total OPEB liability	<u>\$ 32,588,616</u>	<u>\$ 26,655,972</u>	<u>\$ 22,065,859</u>

Healthcare Cost Trend Rate Sensitivity Analysis: The following schedule shows the impact of the total OPEB liability if the healthcare cost trend rate used was 1% less than and 1% greater than what was used in measuring the total OPEB liability:

	1% Decrease	Current Healthcare Costs Trend Rate Assumption	1% Increase
City's total OPEB liability	<u>\$ 21,490,879</u>	<u>\$ 26,655,972</u>	<u>\$ 33,657,375</u>

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(Continued)

CITY OF ROSENBERG, TEXAS  
 NOTES TO FINANCIAL STATEMENTS  
 For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the year ended September 30, 2024, the City recognized OPEB expense of \$1,667,687. At September 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$ -	\$ 3,161,056
Changes in actuarial assumptions	<u>3,598,473</u>	<u>2,259,057</u>
 Total	 <u>\$ 3,598,473</u>	 <u>\$ 5,420,113</u>

The amounts reported as deferred outflows/inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending September 30</u>	<u>OPEB Expense</u>
2025	\$ (916,170)
2026	(916,170)
2027	(916,171)
2028	308,957
2029	308,957
2030	<u>308,957</u>
	 <u>\$ (1,821,640)</u>

Deferred Compensation Plan: The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 (the "Plan"). The Plan is available to all full-time City employees at their option and permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

Commitments and Contingencies:

**Walsh Road Industrial Park Development Agreement** - In 2013, the RDC entered a Development Agreement (the "Agreement") with Walsh Road Industrial Park, Ltd. (the "Developer") for development of the Walsh Road Industrial Park (the "Park"), an industrial and distribution business park. The RDC agrees to reimburse Developer for the cost of design and construction of water distribution and sanitary sewer, not including any private internal facilities, in an amount not to exceed \$300,000. Within ten years from the January 1 following reimbursement (made on February 16, 2015), Developer shall cause improvements to be constructed totaling \$10,000,000 in taxable value. Improvements shall consist of buildings and associated structures, infrastructure, and plant equipment intended to create and maintain a minimum of five primary jobs.

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(Continued)

**NOTE 4 - OTHER INFORMATION** (Continued)

The ten-year development window will expire on January 1, 2025. The project has proceeded much slower than anticipated. Between timing of development, Covid-19, and the changes in the market from Covid have impacted the project. The developer has recognized that the slower pace of development will make it not possible to meet the value thresholds. The RDC and developer are looking to amend the agreement to provide additional time to achieve the assessed value threshold.

**Texas State Technical College Performance Agreement** - In 2015, the RDC entered into a performance agreement (the "Agreement") with Texas State Technical College (TSTC) to fund up to \$2,500,000 for a 105,000 square foot TSTC Campus to be located in the City. In fiscal year 2024, the RDC paid \$300,000 for year 9 of the Agreement. The payments are made as follows:

Years 1 to 5: \$200,000 each year  
Years 6 to 10: \$300,000 each year

**Village Crossing, LLC, Performance Agreement** - In 2017, the RDC entered into a performance agreement (the "Agreement") with Village Crossing, LLC (the "Developer"), for a commercial mixed-use development known as Village Crossing (the "Property"). The RDC agrees to fund, design, and construct certain public improvements to include the extension of Airport Avenue from FM 2218 to Interstate 69, and the related 12-inch water line, 10-inch sanitary sewer line, and storm sewer facilities, excluding any detention ponds, to serve Village Crossing at ultimate build-out at a cost not to exceed \$3,173,050. The RDC requires that certain conditions to construction are met in advance, which includes dedication of the necessary right-of-way, obtaining an access permit from TxDOT, recordation of deed restrictions to disallow certain uses, and recordation of a plat to reflect street right-of-way and needed easements. The Developer agrees to design and construct all other water, sanitary sewer, and storm sewer/drainage facilities to serve the Property (the "Utilities"), and to meet certain performance criteria. Specifically, the Developer must adhere to an RDC-approved site plan and any future amendments for the development. The Developer must complete construction of the Utilities within one year of commencement of construction by the RDC. The Developer must diligently prosecute the completion and opening of at least 50,000 square feet of commercial improvements within fifty months of the completion of Infrastructure (by January 31, 2026). The Developer must provide satisfactory proof that a minimum of \$5,000,000 of taxable value, real property improvements have been constructed within sixty months of the completion of Infrastructure (not later than November 30, 2026), and a minimum of \$10,000,000 in taxable value, real property improvements within seventy-eight months (not later than May 31, 2028). In the event of default by Developer, Developer will reimburse the RDC for 50% of the RDC's maximum contribution plus interest and attorney fees incurred to collect the recapture payment. The RDC satisfied its construction obligation completely on November 30, 2021.

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(Continued)

**NOTE 4 - OTHER INFORMATION** (Continued)

**Rosenberg Business Park Ltd. Development Agreement** - The RDC and the City have entered into a development agreement (the "Agreement") with the Rosenberg Business Park Ltd. (the "Developer"), for the development of the Rosenberg Business Park (the "Park"). The City agreed to fund, design, and construct certain public improvements including drainage, utilities, and roads to encourage and promote the development of an industrial distribution business park. The Developer has agreed to construct a building with a minimum of 25,000 square feet, assure the creation of at least five new jobs, convey certain property/assets to the City, and promote the Park. Phase I Improvements were completed in fiscal year 2018 at a cost of \$3,610,936. The Agreement includes obligations to fund future projects known as Phase II Future Improvements. This obligation is contingent on (i) the Developer selling or entering into a long-term lease with an end user/builder of at least 50% of the property served in Phase I Improvements or (ii) the Developer selling or entering into a long-term lease with an end user/builder for at least 50% of the property which requires Phase II Future Improvements. If the Developer does not meet the property sales threshold within 10 years of the completion of the construction of Phase I Improvements, the City will have the right to terminate the Agreement and have no further obligation to construct the future improvements. The RDC and City are committed to each fund 50% of the total infrastructure costs for Phase II of the Business Park infrastructure. Phase II improvements were completed in fiscal year 2023 at a cost of \$843,264 for each entity.

**Dollar Tree, Inc. Targeted Infrastructure and Performance Agreements** - The RDC entered into a targeted infrastructure agreement (the "Agreement") with Dollar Tree, Inc. (the "Company"). The RDC agreed to provide a cash payment grant reimbursing the Company for costs incurred to construct rights-of-way improvements in an amount not to exceed \$1,650,000. Payments are not due until the City has accepted the rights-of-way improvements and assumed the maintenance. The RDC will reimburse 50% of the City real property taxes paid by the Company starting in tax year 2021 through tax year 2025. The RDC will coordinate with the necessary entities to assist in obtaining reimbursements up to \$1,800 per employee for training costs that are for jobs that comply with the wage requirements per the Agreement. The Company must obtain a certificate of occupancy and commence warehousing and distribution operations at the facility on or before the completion deadline. The Company must create and maintain 300 full-time employees with a \$15 per hour average employee wage by year three and achieve the annual benchmarks noted in the Agreement. The capital investment by the Company must be a minimum of \$130,000,000.

The RDC also entered into a performance agreement to provide an incentive grant in the amount of \$1,075,000, incrementally payable upon the initial commencement date of operations (August 20, 2020), followed by annual installments of \$250,000 on the first, second, and third anniversary of the commencement date, and a final payment of \$75,000 on the fourth anniversary.

In fiscal year 2024, the RDC paid \$75,000 for the final commencement incentive grant installment for the fourth anniversary. To date, the Company has not submitted a request for reimbursement of 50% of property taxes paid to the City in any of the eligible tax years. The RDC continues to budget annually for this obligation and, if so requested by the Company with the appropriate documentation, is prepared to honor the commitment.

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(Continued)

**NOTE 4 - OTHER INFORMATION** (Continued)

**Brazos TC - Partnership A, L.P. Performance Agreement** - The RDC entered into a performance agreement with Brazos TC – Partnership A, L.P. (BTC) for the design and construction of a driveway access point connecting Town Center Boulevard to the IH-69 frontage road, design and installation of a traffic signal at the intersection of Town Center Boulevard and Commercial Drive, and for landscaping and signage in the project area for a reimbursement amount not to exceed \$1,150,000. BTC agrees that the roadway improvements and traffic signal improvements will be designed, constructed, and completed by June 30, 2022. The RDC agrees to make four annual payments of \$287,500 to BTC upon the final inspection and acceptance of the roadway and traffic signal improvements by the City, with an option to accelerate payments to meet the obligation earlier if desired. BTC covenants and agrees that Brazos Town Center will generate a minimum of \$1,000,000 of sales tax revenue as allocated to the City per calendar years 2022 to 2025 from retail business located within the boundaries of Brazos Town Center. In fiscal year 2024, the RDC exercised the option to accelerate payments and completed the remaining second, third, and fourth payment installments totaling \$862,500 following approval and acceptance of the improvements by the City. The RDC will continue to monitor sales tax revenue in fiscal year 2025 to ensure the minimum sales tax revenue threshold is met.

**Rosenberg Railroad Museum, Inc. Performance Agreement** - The RDC entered into a performance agreement with the Rosenberg Railroad Museum, Inc. (RRM) for specific civil construction related expenditures for the Rail Heritage Project (Project). The Project consists of construction of approximately three hundred (300) feet of stationary track built to support four (4) additional historic railcars. The entire Project, including railcars, is estimated at \$1,502,000 for all components. The RDC has agreed to reimburse the RRM for specific civil construction costs in an amount not to exceed \$260,000. The RRM must complete construction of improvements by July 31, 2026, including acquisition of historic railcars at the sole expense of the RRM. Refurbishment of the additional railcars must be completed no later than twenty-four (24) months after the July 31, 2026, construction deadline. The RRM must provide a written invoice to the RDC for the one-time reimbursement payment of \$260,000 along with a certificate of completion from the engineer of record and proof of eligible expenditures and payments made for the cost of engineering design, construction, and installation of improvements.

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(Continued)

**NOTE 4 - OTHER INFORMATION (Continued)**

Tax Abatement Incentives:

**Chapter 312 Property Tax Abatement Agreements -**

Aldi, L.L.C. - The City created Reinvestment Zone No. 17 (the “Zone”) in accordance with Texas Tax Code 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with Aldi (Texas) L.L.C. (the “Company”) in accordance with Chapter 312 of the Texas Tax Code. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which the Agreement is executed. The Company has constructed 650,000 square feet of divisional headquarters and distribution space on or before March 1, 2017. The Company must have a certified appraised value of not less than \$44 million. The Company shall receive a property tax abatement on both the improvements and eligible tangible personal property at the rate below. The term of the Agreement extends through December 31, 2026. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties.

<u>Effective Tax Year</u>	<u>Aldi LLC % Abated</u>
2017	70%
2018	70%
2019	55%
2020	55%
2021	55%
2022	55%
2023	55%
2024	55%

Dollar Tree, Inc. - The City has created Reinvestment Zone No. 20 (the “Zone”) in accordance with Texas Tax Code, Chapter 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with Dollar Tree, Inc. (the “Company”) in accordance with Chapter 312 of the Texas Tax Code. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which the Agreement is executed. The Company shall construct an approximately 1.2 million square foot warehouse and distribution facility (the “Project”) and commence operation in the Project by no later than October 1, 2020. The Company has agreed to a minimum investment of \$130 million in the Project including land, real property improvement, furniture, fixtures, and equipment. By the end of the first full calendar quarter of the second anniversary of the commencement date, the Company shall employ and maintain no less than 300 full-time employees with an average employee wage of \$15 per hour and a payroll of at least \$9,360,000 annually. The abatement shall be for a period of 10 years commencing on January 1 of the calendar year immediately following the year in which completion of construction occurs. The Company shall receive a property tax abatement on both the improvements and eligible tangible personal property (excluding inventory) at the rate of 75%. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NOTES TO FINANCIAL STATEMENTS  
For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Seatex, LLC - The City has created Reinvestment Zone No. 21 (the “Zone”) in accordance with Texas Tax Code, Chapter 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with Seatex, City of Rosenberg, Texas LLC (the “Company”) in accordance with Chapter 312 of the Texas Tax Code. The Company’s property, which is located in the Zone, is subject to a tax abatement under this Agreement. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which this Agreement is executed, which was \$19,262,720. To qualify for the property tax abatement, the certified appraised value for the applicable effective tax year must be at least \$21,762,720. The Company must maintain 110 full-time employees. The term of the Agreement extends through December 31, 2024. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties. For fiscal year 2024, the City did not recognize any rebates.

<u>Effective Tax Year</u>	<u>Seatex, LLC % Abated</u>
2020	50%
2021	50%
2022	50%
2023	50%
2024	50%

OCuSOFT - The City has created Reinvestment Zone No. 22 (the “Zone”) in accordance with Texas Tax Code, Chapter 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with OCuSOFT (the “Company”), later amended in FY2022 to remove ineligible inventory values, in accordance with Chapter 312 of the Texas Tax Code. The Company’s property, which is located in the Zone, is subject to a tax abatement under this Agreement. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which this amended Agreement is executed which was \$6,591,387. To qualify for the property tax abatement, the certified appraised value for the applicable effective tax year must be at least \$9,591,387. The Company must maintain 125 full-time employees. The term of the Agreement extends through December 31, 2026. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties. For fiscal year 2024, the City did not recognize any rebates.

<u>Effective Tax Year</u>	<u>OCuSOFT % Abated</u>
2020	70%
2021	70%
2022	70%
2023	70%
2024	70%
2025	70%
2026	70%

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(Continued)

CITY OF ROSENBERG, TEXAS  
 NOTES TO FINANCIAL STATEMENTS  
 For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Wet Sounds, Inc. - The City has created Reinvestment Zone No. 24 (the “Zone”) in accordance with Texas Tax Code, Chapter 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with Wet Sounds, Inc. (the “Company”), later amended in FY2022, in accordance with Chapter 312 of the Texas Tax Code. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which this Agreement is executed. The Company agreed to construct 115,000 square feet of headquarters, office, and operation space on or before December 31, 2021. Any future improvements constructed during the term of this Agreement will also be included. The Company must expend not less than \$8.5 million on improvements on the property and have a certified appraised value of not less than \$7.5 million. The Company shall maintain a minimum of 40 full-time employees at an average wage of \$28 per hour by December 31, 2021. The Company shall receive a property tax abatement on both the improvements and eligible tangible personal property at the rates below. The term of the Agreement extends through December 31, 2031. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties. For fiscal year 2024, the City did not recognize any rebates.

<u>Effective Tax Year</u>	Wet Sounds, Inc. Required Certified Appraised Value for <u>Property Tax Abatement</u>	<u>% Abated</u>
2022	\$ 7,500,000	50%
2023	\$ 7,500,000	50%
2024	\$ 7,500,000	50%
2025	\$ 7,500,000	50%
2026	\$ 7,500,000	50%
2027	\$ 7,500,000	50%
2028	\$ 7,500,000	50%
2029	\$ 7,500,000	50%
2030	\$ 7,500,000	50%
2031	\$ 7,500,000	50%

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(Continued)

CITY OF ROSENBERG, TEXAS  
 NOTES TO FINANCIAL STATEMENTS  
 For the year ended September 30, 2024

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**NOTE 4 - OTHER INFORMATION** (Continued)

Sako Properties, L.P., operating as Luxury Boat and RV Storage - The City created Reinvestment Zone No. 26 (the “Zone”) in accordance with Texas Tax Code 312. The City entered into a Tax Abatement Agreement (the “Agreement”) with Sako Properties, L.P. (the “Company”) in accordance with Chapter 312 of the Texas Tax Code. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible personal property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible personal property for the year in which this Agreement is executed. The Company has constructed 275,000 square feet of rentable storage space on or before December 21, 2021. The Company must have a certified appraised value of not less than \$6 million. The Company shall maintain at least three (3) full-time employees. The Company shall receive a property tax abatement on both the improvements and eligible personal property at the rates below. The term of the Agreement extends through December 31, 2026. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties. For fiscal year 2024, the City did not recognize any rebates.

<u>Effective Tax Year</u>	Sako Properties, LP <u>% Abated</u>
2022	25%
2023	25%
2024	25%
2025	25%
2026	25%

Biotics Research Corporation - The City has created Reinvestment Zone No. 27 (the “Zone”) in accordance with Texas Tax Code Chapter 312. The City has entered into a Tax Abatement Agreement (the “Agreement”) with Biotics Research Corporation (the “Company”) in accordance with Chapter 312 of the Texas Tax Code. The tax abatement shall be applied to the extent to which the certified appraised value of the improvements and eligible tangible property for each applicable tax year exceeds the certified appraised value of the improvements and eligible tangible property for the year this Agreement is executed. The Company agrees to construct 80,000 square feet of headquarters, office, warehousing and distribution space on or before December 31, 2022, with a minimum certified appraised value of \$8 million. The Company shall maintain 155 full-time employees, increasing by 5 full-time employee positions per year for each year of the Agreement. The term of the Agreement extends through December 31, 2027. In the event of default by the Company, the applicable amount of property taxes abated during the agreement must be repaid including interest and penalties. For fiscal year 2024, the City did not recognize any rebates.

<u>Effective Tax Year</u>	Biotics Research Corporation <u>% Abated</u>
2023	75%
2024	50%
2025	50%
2026	25%
2027	25%

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(Continued)

**NOTE 4 - OTHER INFORMATION (Continued)**

**Chapter 380 Sales Tax Abatement Agreement**

Builders' FirstSource "BFS Texas Sales, LLC" (formerly BMC Texas Sales, LLC) - The City and the RDC entered into an agreement (the "Agreement") with BMC Texas Sales, LLC, which changed its name in 2022 to Builders' FirstSource "BFS Texas Sales" (the "Company") under Chapter 380 of the Texas Local Government Code. The Company has agreed to establish, retain, and operate regional headquarters within the City and employ a minimum of 50 full-time employees. The City and the RDC have no obligation if the aggregate City sales and use tax revenues generated by the Company, and payable to and received by the City from the State Comptroller, is less than \$3,500,000. If the applicable revenues generated exceeds \$3,500,000 for the contract year then the Company will receive a percentage of sales tax rebated from the City's one percent, and the RDC's one-half of one percent, of sales and use tax based on the table below. The term of the agreement is 10 years, expiring April 1, 2027, with an additional 10-year renewal option that the Company may exercise. If the Company defaults, they will owe the City and the RDC the recapture payment which is the total of the previous two years program grant payments plus interest and any attorney fees. As security for the recapture payment, the Company must provide the City proof of acceptable security annually, such as a letter of credit or a surety bond. For fiscal year 2024, the City rebated \$2,328,887.09, and the RDC rebated \$1,164,443.55 in sales tax.

Aggregate City Sales and Use Tax Revenue <u>Generated</u>	Percentage of Sales and Use <u>Tax Paid</u>
\$3,500,001 - \$3,999,999	35%
\$4,000,000 - \$4,799,999	40%
\$4,800,000 - \$5,599,999	45%
\$5,600,000 - \$6,399,999	50%
\$6,400,000 and over	55%



**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the year ended September 30, 2024

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property taxes	\$ 8,635,790	\$ 8,050,790	\$ 8,069,794	\$ 19,004
Sales taxes	18,920,000	21,271,000	21,283,526	12,526
Franchise fees	2,055,000	2,055,000	2,062,359	7,359
Licenses and permits	1,000,650	1,205,650	1,255,263	49,613
Fines and forfeitures	793,050	987,550	1,063,130	75,580
Charges for services	2,305,005	1,980,005	1,992,296	12,291
Intergovernmental	70,000	70,000	175,667	105,667
Investment revenue	800,000	1,075,000	1,099,941	24,941
Lease revenue	16,300	16,300	16,793	493
Other revenue	308,600	569,600	875,117	305,517
Total revenues	<u>34,904,395</u>	<u>37,280,895</u>	<u>37,893,886</u>	<u>612,991</u>
<b>Expenditures</b>				
General government:				
Mayor and City Council	76,426	76,427	56,187	20,240
City manager	717,229	717,229	716,247	982
Economic development	389,821	389,821	381,639	8,182
City secretary	386,732	396,732	395,913	819
Finance	1,015,542	1,015,542	1,012,799	2,743
Human resources	424,166	414,166	412,975	1,191
Legal	290,000	290,000	271,918	18,082
City prosecutor	85,000	85,000	76,668	8,332
Municipal court	652,873	652,873	637,181	15,692
Technology	687,878	687,878	684,603	3,275
Communications	387,334	387,334	339,308	48,026
Nondepartmental	1,591,179	1,591,179	1,565,494	25,685
Total general government	<u>6,704,180</u>	<u>6,704,181</u>	<u>6,550,932</u>	<u>153,249</u>
Public safety:				
Police and emergency management	13,227,335	13,392,335	13,337,512	54,823
Fire and fire marshal	6,622,910	6,425,410	6,287,703	137,707
Animal control	623,644	744,644	730,925	13,719
Total public safety	<u>20,473,889</u>	<u>20,562,389</u>	<u>20,356,140</u>	<u>206,249</u>
Public works:				
Streets and drainage	3,404,415	3,301,240	3,249,659	51,581
Street lighting and signals	465,850	490,850	487,561	3,289
Park maintenance	1,272,517	1,267,017	1,260,355	6,662
Building maintenance	375,254	375,254	351,633	23,621
City engineering	1,326,010	1,106,010	1,104,622	1,388
Fleet maintenance	518,359	523,859	522,710	1,149
Total public works	<u>7,362,405</u>	<u>7,064,230</u>	<u>6,976,540</u>	<u>87,690</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures (Continued)				
Community development:				
Planning	\$ 551,251	\$ 551,251	\$ 500,630	\$ 50,621
Code enforcement	1,091,555	1,091,555	1,071,698	19,857
Public health	<u>198,701</u>	<u>198,701</u>	<u>179,656</u>	<u>19,045</u>
Total community development	<u>1,841,507</u>	<u>1,841,507</u>	<u>1,751,984</u>	<u>89,523</u>
Total expenditures	<u>36,381,981</u>	<u>36,172,307</u>	<u>35,635,596</u>	<u>536,711</u>
Excess (deficiency) of revenues over (under) expenditures	(1,477,586)	1,108,588	2,258,290	76,280
Other financing sources (uses):				
Transfers in	3,451,526	3,451,526	3,451,526	-
Transfers out	<u>(1,973,940)</u>	<u>(5,942,940)</u>	<u>(5,942,940)</u>	<u>-</u>
Total other financing sources (uses)	<u>1,477,586</u>	<u>(2,491,414)</u>	<u>(2,491,414)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (1,382,826)</u>	(233,124)	<u>\$ 76,280</u>
Beginning fund balance			<u>20,234,660</u>	
Ending fund balance			<u>\$ 20,001,536</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 RDC PROJECTS FUND  
 For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Intergovernmental	\$ 4,440,000	\$ 4,440,000	\$ 4,440,000	\$ -
Investment revenue	50,000	50,000	486,497	436,497
Total revenues	<u>4,490,000</u>	<u>4,490,000</u>	<u>4,926,497</u>	<u>436,497</u>
<b>Expenditures</b>				
Current:				
Community development	-	60,083	13,723	46,360
Capital outlay	4,440,000	11,586,463	2,779,831	8,806,632
Total expenditures	<u>4,440,000</u>	<u>11,646,546</u>	<u>2,793,554</u>	<u>8,852,992</u>
Net change in fund balance	<u>\$ 50,000</u>	<u>\$ (7,156,546)</u>	2,132,943	<u>\$ (8,416,495)</u>
Beginning fund balance			<u>7,832,805</u>	
Ending fund balance			<u>\$ 9,965,748</u>	

**Notes to Required Supplementary Information:**

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)  
Last Ten Years

	Measurement Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>										
Service cost	\$ 3,438,253	\$ 3,182,649	\$ 3,021,004	\$ 3,050,355	\$ 2,873,947	\$ 2,657,523	\$ 2,139,697	\$ 2,034,621	\$ 1,995,907	\$ 1,665,767
Interest (on the total pension liability)	6,863,774	6,393,119	5,998,105	5,648,609	5,229,709	4,973,547	4,383,721	4,180,290	4,076,807	3,869,483
Changes in benefit terms	-	-	-	-	-	4,750,555	-	-	-	-
Difference between expected and actual experience	836,545	1,190,827	308,872	(347,902)	660,421	(774,670)	69,996	(518,072)	289,636	(551,553)
Change in assumptions	(682,597)	-	-	-	411,125	-	-	-	(25,808)	-
Benefit payments, including refunds of employee contributions	(4,060,801)	(3,782,640)	(3,330,847)	(2,986,505)	(3,128,444)	(3,210,794)	(2,518,656)	(2,952,510)	(2,379,033)	(1,994,965)
Net change in total pension liability	6,395,174	6,983,955	5,997,134	5,364,557	6,046,758	8,396,161	4,074,758	2,744,329	3,957,509	2,988,732
Beginning total pension liability	101,996,821	95,012,866	89,015,732	83,651,175	77,604,417	69,208,256	65,133,498	62,389,169	58,431,660	55,442,928
Ending total pension liability	<u>\$ 108,391,995</u>	<u>\$ 101,996,821</u>	<u>\$ 95,012,866</u>	<u>\$ 89,015,732</u>	<u>\$ 83,651,175</u>	<u>\$ 77,604,417</u>	<u>\$ 69,208,256</u>	<u>\$ 65,133,498</u>	<u>\$ 62,389,169</u>	<u>\$ 58,431,660</u>
<b>Plan fiduciary net position</b>										
Contributions - employer	\$ 3,268,300	\$ 2,997,541	\$ 2,929,292	\$ 2,958,350	\$ 2,798,557	\$ 2,200,858	\$ 1,966,261	\$ 1,928,740	\$ 1,986,101	\$ 1,843,970
Contributions - employee	1,425,428	1,322,169	1,258,752	1,279,088	1,198,191	987,784	898,292	858,490	840,382	743,396
Net investment income	9,325,718	(6,300,312)	9,858,238	5,247,667	9,146,607	(1,828,615)	7,392,526	3,389,430	73,296	2,657,661
Benefit payments, including refunds of employee contributions	(4,060,801)	(3,782,640)	(3,330,847)	(2,986,505)	(3,128,444)	(3,210,794)	(2,518,656)	(2,952,510)	(2,379,033)	(1,994,965)
Administrative expense	(59,261)	(54,473)	(45,581)	(33,941)	(51,663)	(35,332)	(38,306)	(38,275)	(8,645)	(27,745)
Other	(415)	65,002	312	(1,325)	(1,552)	(1,847)	(1,940)	(2,062)	(2,205)	(2,281)
Net change in plan fiduciary net position	9,898,969	(5,752,713)	10,670,166	6,463,334	9,961,696	(1,887,946)	7,698,177	3,183,813	509,896	3,220,036
Beginning plan fiduciary net position	80,483,988	86,236,701	75,566,535	69,103,201	59,141,505	61,029,451	53,331,274	50,147,461	49,637,565	46,417,529
Ending plan fiduciary net position	<u>\$ 90,382,957</u>	<u>\$ 80,483,988</u>	<u>\$ 86,236,701</u>	<u>\$ 75,566,535</u>	<u>\$ 69,103,201</u>	<u>\$ 59,141,505</u>	<u>\$ 61,029,451</u>	<u>\$ 53,331,274</u>	<u>\$ 50,147,461</u>	<u>\$ 49,637,565</u>
Net pension liability	<u>\$ 18,009,038</u>	<u>\$ 21,512,833</u>	<u>\$ 8,776,165</u>	<u>\$ 13,449,197</u>	<u>\$ 14,547,974</u>	<u>\$ 18,462,912</u>	<u>\$ 8,178,805</u>	<u>\$ 11,802,224</u>	<u>\$ 12,241,708</u>	<u>\$ 8,794,095</u>
Plan fiduciary net position as a percentage of total pension liability	83.39%	78.91%	90.76%	84.89%	82.61%	76.21%	88.18%	81.88%	80.38%	84.95%
Covered payroll	\$ 20,356,738	\$ 18,888,124	\$ 17,982,169	\$ 18,200,209	\$ 17,117,016	\$ 15,724,990	\$ 14,942,016	\$ 14,308,168	\$ 14,006,366	\$ 12,383,933
Net pension liability as a percentage of covered payroll	88.47%	113.90%	48.80%	73.90%	84.99%	117.41%	54.74%	82.49%	87.40%	71.01%

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CONTRIBUTIONS  
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)  
Last Ten Years

	Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 3,760,271	\$ 3,200,463	\$ 3,077,300	\$ 2,954,461	\$ 2,931,829	\$ 2,697,550	\$ 2,022,036	\$ 1,950,736	\$ 1,941,325	\$ 1,909,555
Contributions in relation to the actuarially determined contribution	<u>3,760,271</u>	<u>3,200,463</u>	<u>3,077,300</u>	<u>2,954,461</u>	<u>2,931,829</u>	<u>2,697,550</u>	<u>2,022,036</u>	<u>1,950,736</u>	<u>1,941,325</u>	<u>1,909,555</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 22,682,751	\$ 19,993,703	\$ 19,255,612	\$ 18,169,136	\$ 18,058,713	\$ 16,468,984	\$ 15,482,968	\$ 14,742,619	\$ 14,230,199	\$ 13,181,944
Contributions as a percentage of covered payroll	16.58%	16.01%	15.98%	16.26%	16.23%	16.38%	13.06%	13.23%	13.64%	14.49%

**Notes to Required Supplementary Information:**

1. Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.
2. Methods and Assumptions Used to Determine Contribution Rates:
  - Actuarial cost method                      Entry age normal
  - Amortization method                      Level percentage of payroll, closed
  - Remaining amortization period              22 years
  - Asset valuation method                      10 year smoothed market; 12.00% soft corridor
  - Inflation                                      2.50%
  - Salary increases                              3.60% 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 2023 valuation pursuant to an experience study of the period ending 2022.
  - Mortality                                      Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis with scale MP-2021 (with immediate convergence). 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 MP-2021 (with immediate convergence).
3. Other Information: There were no benefit changes during the year.

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFITS  
Last Seven Years

	Measurement Year*						
	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>							
Service cost	\$ 20,357	\$ 43,443	\$ 39,561	\$ 38,220	\$ 23,964	\$ 25,160	\$ 20,919
Interest (on the total pension liability)	27,792	19,037	18,845	21,651	22,754	21,211	20,658
Difference between expected and actual experience	6,608	14,079	7,585	(33,556)	(13,902)	(18,007)	-
Change in assumptions	41,007	(399,607)	35,509	136,081	139,338	(50,334)	55,204
Benefit payments**	(16,285)	(11,333)	(10,789)	(5,460)	(5,135)	(4,717)	(4,483)
Net change in total OPEB liability	79,479	(334,381)	90,711	156,936	167,019	(26,687)	92,298
Beginning total OPEB liability	684,191	1,018,572	927,861	770,925	603,906	630,593	538,295
Ending total OPEB liability	<u>\$ 763,670</u>	<u>\$ 684,191</u>	<u>\$ 1,018,572</u>	<u>\$ 927,861</u>	<u>\$ 770,925</u>	<u>\$ 603,906</u>	<u>\$ 630,593</u>
Covered employee payroll	\$ 20,356,738	\$ 18,888,124	\$ 17,982,169	\$ 18,220,209	\$ 17,117,016	\$ 15,724,990	\$ 14,942,016
Total OPEB liability as a percentage of covered employee payroll	3.75%	3.62%	5.66%	5.09%	4.50%	3.84%	4.22%

\*Only seven years of information is currently available. The City will build this schedule over the next four-year period.

\*\*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

**Notes to Required Supplementary Information:**

1. Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.
2. Methods and Assumptions Used to Determine Contribution Rates:
  - Actuarial cost method                      Entry age normal
  - Inflation    2.50%
  - Salary increases                                  3.50% to 11.88% including inflation
  - Discount rate\*                                      3.77%
  - Administrative expenses                      All administrative expenses are paid through the PTF and accounted for under reporting requirements GASB Statement No. 68.
  - Mortality rates - service retirees              2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on fully generational basis by the most recent scale MP-2021 (with intermediate convergence).

(Continued)

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM - SUPPLEMENTAL DEATH BENEFITS  
Last Seven Years

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**Notes to Required Supplementary Information (Continued):**

Mortality rates - disabled retirees

2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with intermediate convergence) to account for future mortality improvements subject to the floor.

3. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

\*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2023.

There were no benefit changes during the year.

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
RETIREE HEALTH CARE BENEFIT PLAN  
Last Seven Years

	Measurement Year*						
	2023	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>							
Service cost	\$ 1,533,257	\$ 1,468,637	\$ 1,858,368	\$ 1,814,635	\$ 1,014,357	\$ 976,940	\$ 1,035,876
Interest (on the total pension liability)	1,050,600	963,076	1,198,861	610,267	502,506	655,729	595,478
Difference between expected and actual experience	(2,035,516)	-	(2,832,656)	-	(788,197)	-	-
Change in assumptions	4,198,218	-	(4,518,114)	-	6,026,783	-	(984,270)
Benefit payments	(686,916)	(509,690)	(691,133)	(547,166)	(500,532)	(500,532)	(461,319)
Net change in total OPEB liability	4,059,643	1,922,023	(4,984,674)	1,877,736	6,254,917	1,132,137	185,765
Beginning total OPEB liability	22,596,329	20,674,306	25,658,980	23,781,244	17,526,327	16,394,190	16,208,425
Ending total OPEB liability	<u>\$ 26,655,972</u>	<u>\$ 22,596,329</u>	<u>\$ 20,674,306</u>	<u>\$ 25,658,980</u>	<u>\$ 23,781,244</u>	<u>\$ 17,526,327</u>	<u>\$ 16,394,190</u>
Covered employee payroll	\$ 23,009,339	\$ 19,507,644	\$ 19,475,766	\$ 18,908,150	\$ 1,835,777	\$ 16,804,153	\$ 21,716,538
Total OPEB liability as a percentage of covered employee payroll	115.85%	115.80%	106.20%	135.70%	129.50%	104.30%	75.49%

\*Only seven years of information is currently available. The City will build this schedule over the next four-year period.

**Notes to Required Supplementary Information:**

1. Valuation Date: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.
2. Methods and Assumptions Used to Determine Contribution Rates:

Actuarial valuation date	September 30, 2022
Actuarial cost method	Entry age normal
Inflation	3.0%
Salary increases	3.0%
Discount rate	2.41%
Mortality	General PUB-2010
Mortality Improvement	MP-2021
Healthcare Cost and Trend Rates	Getzen Trend Model. Pre-65 (initial/ultimate) was 7.73%/4.4%. Post-65 (initial/ultimate) was 11.7%/4.4%.
Turnover	Based on City's experience
Retirement	Based on City's experience

(Continued)

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS  
RETIREE HEALTH CARE BENEFIT PLAN  
Last Seven Years

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**Notes to Required Supplementary Information (Continued):**

3. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of September 30, 2024

There were no benefit changes during the year.

**COMBINING STATEMENTS AND SCHEDULES**

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCE - BUDGET AND ACTUAL  
 DEBT SERVICE FUND  
 For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Property taxes	\$ 6,293,000	\$ 6,293,000	\$ 6,118,041	\$ (174,959)
Intergovernmental	192,227	192,227	192,227	-
Investment revenue	<u>50,000</u>	<u>50,000</u>	<u>290,236</u>	<u>240,236</u>
Total intergovernmental	<u>6,535,227</u>	<u>6,535,227</u>	<u>6,600,504</u>	<u>65,277</u>
<b>Expenditures</b>				
Debt service:				
Principal	5,405,000	5,405,000	5,405,000	-
Interest and fiscal agent fees	<u>1,060,365</u>	<u>1,060,365</u>	<u>1,046,015</u>	<u>14,350</u>
Total expenditures	<u>6,465,365</u>	<u>6,465,365</u>	<u>6,451,015</u>	<u>14,350</u>
Net change in fund balance	<u>\$ 69,862</u>	<u>\$ 69,862</u>	149,489	<u>\$ 50,927</u>
Beginning fund balance			<u>5,003,368</u>	
Ending fund balance			<u>\$ 5,152,857</u>	

CITY OF ROSENBERG, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS

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**Special Revenue Funds**

Hotel and Motel Occupancy Tax Fund - The Hotel and Motel Occupancy Tax Fund accounts for revenue and expenditures from the City's hotel occupancy tax.

Municipal Court Technology Fund - The Municipal Court Technology Fund revenues are derived from State authorized court fees, which are legally restricted by Article 102.0172 of the Code of Criminal Procedures to certain expenditures. Expenditures for the Municipal Court Technology Fund are restricted to the funding of enhanced technology for the Court.

Beautification Fund - The Beautification Fund revenues consist primarily of contributions made by the City's solid waste collection contractor to be used for beautification and recycling projects.

Law Enforcement Fund - The Law Enforcement Fund revenues are derived from the proceeds of contraband seized by or forfeited to local, State, or federal law enforcement officials for activities related to enforcement and abatement of illegal narcotics. Seizure and forfeiture of contraband in Texas is governed by Chapter 59 of the Texas Code of Criminal Procedure. Expenditures are restricted to those types of expenditures, which can be used to improve activities related to the prevention of illegal narcotics use.

Community Development Block Grant Fund - The Community Development Block Grant (CDBG) Fund proceeds are received as a pass-through grant from the State through Fort Bend County. For the past several years, the City has been using these grant proceeds to construct water and sanitary sewer lines.

Police Asset Forfeiture Fund - The Police Asset Forfeiture Fund revenues are derived from the proceeds of assets seized by local and State law enforcement officials for activities related to enforcement and abatement of criminal statutes or from proceeds of assets deemed abandoned or unclaimed property. These funds are classified as revenues under Chapter 18 or Chapter 47 of the Code of Criminal Procedures. Expenditures can be used to improve activities related to general law enforcement programs and law enforcement equipment.

Animal Control – The Animal Control Fund is designated to commit funds for animal control services, including shelter operations, enforcement, and public safety efforts.

Park Land Dedication Fund - The Park Land Dedication Fund is designed to create new or to upgrade existing parks within the applicable park zones. The funding is derived from developments that are established within the City, which have chosen to give the City funds in lieu of creating parks within new residential communities. The allocation of these funds is restricted to the zone from which the revenues are derived and must be spent within ten years of being collected.

Juvenile Case Manager Fund - The Juvenile Case Manager Fund revenues are derived from State authorized court fees, which are legally restricted by Article 102.0174 of the Code of Criminal Procedures to certain expenditures. These funds can be used to fund a juvenile case manager.

Municipal Court Child Safety Fund - The Municipal Court Child Safety Fund revenues are derived from State authorized court fees, which are legally restricted by Article 102.014 of the Code of Criminal Procedures to certain expenditures. These funds can only be used to finance programs designed to enhance child safety, health, or nutrition, and include programs for child abuse prevention and intervention, and drug and alcohol abuse prevention.

Municipal Court Building Security Fund - The Municipal Court Building Security Fund revenues are derived from State authorized court fees, which are legally restricted by Article 102.017 of the Code of Criminal Procedures to certain expenditures. These funds can only be used to finance items used for providing security services for buildings housing Municipal Court.

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(Continued)

CITY OF ROSENBERG, TEXAS  
NONMAJOR GOVERNMENTAL FUNDS

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MUD Fire Services Fund - The MUD Fire Services Fund revenues consist primarily of contributions made by the Municipal Utility Districts (MUD) in the extra-territorial jurisdiction that have approved Fire Service Agreements with the City.

Police Federal Forfeiture Fund - The Police Federal Forfeiture Fund revenues are derived from the proceeds of assets seized by federal law enforcement officials that are transferred to any State or local law enforcement agency that directly participated in an investigation or prosecution that resulted in a federal forfeiture. The U.S. Department of Justice Asset Forfeiture Program is a nationwide law enforcement initiative that helps deter crime and fosters cooperation among federal, State, and local law enforcement agencies. The Department of Justice administers the Equitable Sharing Program and requires each agency to comply with guidelines by completing a yearly Equitable Sharing Agreement and Certification every year the agency receives funds. Expenditures can be used to improve activities related to general law enforcement programs and law enforcement equipment.

Fire Station Number 3 Operating Fund - The Fire Station No. 3 Operating Fund has been established to separate the annual operating costs for Fire Station No. 3 from the General Fund Fire Department Budget. Revenues from the General Fund and the MUD Fire Services Fund provide funds to operate Fire Station No. 3. This fund enables the City to conduct the administrative review which is required by the Fire Service Agreements.

Cable PEG Fees Fund - The Cable PEG Fees Fund was created to account for the 1% Public, Educational or Governmental (PEG) fee that began to be collected and remitted by franchised cable television providers in the City pursuant to the State cable franchise effective January 1, 2012. These funds are restricted to fund capital expenditures associated with the City's municipal cable channel and programming.

CDBG-Mitigation Drainage Improvement Fund - This fund is used to account for the infrastructure improvement projects related to the CDBG Mitigation project.

### **Capital Project Funds**

Operating Projects Fund - This fund is used to account for the one-time supplemental requests and improvements that are to be funded by the General Fund.

County Mobility Project Fund - These funds are used to account for the various County Mobility Projects for Benton Road and Koeblen Road projects.

2014 General Obligation Fund - This fund is used to account for the Dry Creek Drainage Project.

2017 Certificates of Obligation Fund - This fund is used to account for improvements to roads, Spacek Road, railroad quiet zones, Park Place/Fairgrounds, and sanitary sewer projects.

Street Improvement Fund - This fund is used to account for the yearly capital improvements related to the street overlay program.

Capital Improvement Fund - This fund is used to account for one-time capital improvements.

Capacity Funds - These funds are used to account for restricted development fees that are used for projects related to detention capacity improvements.

CITY OF ROSENBERG, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2024

	Special Revenue Funds								
	Hotel and Motel Occupancy Tax	Municipal Court Technology	Beautification	Law Enforcement	Community Development Block Grant	Police Asset Forfeiture	Animal Control	Park Land Dedication	Juvenile Case Manager
<b>ASSETS</b>									
Cash and cash equivalents	\$ 477,597	\$ 16,446	\$ 237,710	\$ 702,373	\$ 470,952	\$ 40,256	\$ 127,000	\$ 1,997,832	\$ 123,890
Receivables, net	147,551	-	-	-	58,300	-	-	-	-
Prepaid items	240	-	-	-	-	-	-	-	-
Total assets	<u>\$ 625,388</u>	<u>\$ 16,446</u>	<u>\$ 237,710</u>	<u>\$ 702,373</u>	<u>\$ 529,252</u>	<u>\$ 40,256</u>	<u>\$ 127,000</u>	<u>\$ 1,997,832</u>	<u>\$ 123,890</u>
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	\$ 52,412	\$ -	\$ 70	\$ 13,333	\$ 27,180	\$ 10,160	\$ -	\$ 7,989	\$ 620
Total liabilities	<u>52,412</u>	<u>-</u>	<u>70</u>	<u>13,333</u>	<u>27,180</u>	<u>10,160</u>	<u>-</u>	<u>7,989</u>	<u>620</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue - grants	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>									
Nonspendable:									
Prepays	240	-	-	-	-	-	-	-	-
Restricted for:									
Public safety	-	16,446	-	689,040	-	30,096	-	-	123,270
Parks	-	-	237,640	-	-	-	-	1,989,843	-
Tourism	572,736	-	-	-	-	-	-	-	-
Governmental programming	-	-	-	-	362,146	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Committed for:									
Governmental programming	-	-	-	-	139,926	-	127,000	-	-
Capital projects	-	-	-	-	-	-	-	-	-
Total fund balances	<u>572,976</u>	<u>16,446</u>	<u>237,640</u>	<u>689,040</u>	<u>502,072</u>	<u>30,096</u>	<u>127,000</u>	<u>1,989,843</u>	<u>123,270</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 625,388</u>	<u>\$ 16,446</u>	<u>\$ 237,710</u>	<u>\$ 702,373</u>	<u>\$ 529,252</u>	<u>\$ 40,256</u>	<u>\$ 127,000</u>	<u>\$ 1,997,832</u>	<u>\$ 123,890</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2024

	Special Revenue Funds						Capital Projects Funds		
	Municipal Court Child Safety	Municipal Court Building Security	MUD Fire Services	Police Federal Forfeiture	Fire Station Number 3 Operating	Cable PEG Fees	CDBG Mitigation Drainage Improvement	Operating Projects	County Mobility Project
<b>ASSETS</b>									
Cash and cash equivalents	\$ 191,136	\$ 67,653	\$ 797,700	\$ 214,713	\$ 226,790	\$ 328,559	\$ 4,125,993	\$ 1,479,685	\$ 4,724,502
Receivables, net	-	-	-	-	-	8,762	723,122	55,000	-
Prepaid items	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 191,136</u>	<u>\$ 67,653</u>	<u>\$ 797,700</u>	<u>\$ 214,713</u>	<u>\$ 226,790</u>	<u>\$ 337,321</u>	<u>\$ 4,849,115</u>	<u>\$ 1,534,685</u>	<u>\$ 4,724,502</u>
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	\$ 9,349	\$ -	\$ -	\$ 1,705	\$ 83,447	\$ -	\$ 377,693	\$ 107,718	\$ -
Total liabilities	<u>9,349</u>	<u>-</u>	<u>-</u>	<u>1,705</u>	<u>83,447</u>	<u>-</u>	<u>377,693</u>	<u>107,718</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>									
Unavailable revenue - grants	-	-	-	-	-	-	159,323	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,323</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>									
Nonspendable:									
Prepays	-	-	-	-	-	-	-	-	-
Restricted for:									
Public safety	181,787	67,653	797,700	213,008	143,343	-	-	-	-
Parks	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-
Governmental programming	-	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	337,321	-	-	4,724,502
Committed for:									
Governmental programming	-	-	-	-	-	-	4,312,099	-	-
Capital projects	-	-	-	-	-	-	-	1,426,967	-
Total fund balances	<u>181,787</u>	<u>67,653</u>	<u>797,700</u>	<u>213,008</u>	<u>143,343</u>	<u>337,321</u>	<u>4,312,099</u>	<u>1,426,967</u>	<u>4,724,502</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 191,136</u>	<u>\$ 67,653</u>	<u>\$ 797,700</u>	<u>\$ 214,713</u>	<u>\$ 226,790</u>	<u>\$ 337,321</u>	<u>\$ 4,849,115</u>	<u>\$ 1,534,685</u>	<u>\$ 4,724,502</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 September 30, 2024

	Capital Projects Funds						Total Nonmajor Funds
	2014 General Obligation	2017 Certificates of Obligation	Street Improvement	Capital Improvement	Seabourne Creek Capacity	Dry Creek Capacity	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 21,925	\$ 1,977,356	\$ 2,677,836	\$ 10,021,931	\$ 3	\$ 2,453,566	\$ 33,503,404
Receivables, net	-	-	-	-	-	-	992,735
Prepaid items	-	-	-	-	-	-	240
<b>Total assets</b>	<u>\$ 21,925</u>	<u>\$ 1,977,356</u>	<u>\$ 2,677,836</u>	<u>\$ 10,021,931</u>	<u>\$ 3</u>	<u>\$ 2,453,566</u>	<u>\$ 34,496,379</u>
<b>LIABILITIES</b>							
Accrued liabilities and other payables	\$ 20,022	\$ 48,875	\$ -	\$ 61,437	\$ -	\$ -	\$ 822,010
<b>Total liabilities</b>	<u>20,022</u>	<u>48,875</u>	<u>-</u>	<u>61,437</u>	<u>-</u>	<u>-</u>	<u>822,010</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - grants	-	-	-	-	-	-	159,323
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>159,323</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Prepays	-	-	-	-	-	-	240
Restricted for:							
Public safety	-	-	-	-	-	-	2,262,343
Parks	-	-	-	-	-	-	2,227,483
Tourism	-	-	-	-	-	-	572,736
Governmental programming	-	-	-	-	-	-	362,146
Capital projects	1,903	1,928,481	-	-	3	2,453,566	9,445,776
Committed for:							
Governmental programming	-	-	-	-	-	-	4,579,025
Capital projects	-	-	2,677,836	9,960,494	-	-	14,065,297
<b>Total fund balances</b>	<u>1,903</u>	<u>1,928,481</u>	<u>2,677,836</u>	<u>9,960,494</u>	<u>3</u>	<u>2,453,566</u>	<u>33,515,046</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 21,925</u>	<u>\$ 1,977,356</u>	<u>\$ 2,677,836</u>	<u>\$ 10,021,931</u>	<u>\$ 3</u>	<u>\$ 2,453,566</u>	<u>\$ 34,496,379</u>

CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the year ended September 30, 2024

	Special Revenue Funds								
	Hotel and Motel Occupancy Tax	Municipal Court Technology	Beautification	Law Enforcement	Community Development Block Grant	Police Asset Forfeiture	Animal Control	Park Land Dedication	Juvenile Case Manager
Revenues									
Franchise fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hotel occupancy tax	688,494	-	-	-	-	-	-	-	-
Fines and forfeitures	-	26,056	-	-	-	-	-	-	32,758
Intergovernmental	-	-	-	400,000	-	-	-	-	-
Investment revenue	32,382	479	11,373	38,092	-	2,366	-	98,122	6,487
Other revenue	56,990	-	20,000	-	58,300	2,738	-	313,660	-
Total revenues	<u>777,866</u>	<u>26,535</u>	<u>31,373</u>	<u>438,092</u>	<u>58,300</u>	<u>5,104</u>	<u>-</u>	<u>411,782</u>	<u>39,245</u>
Expenditures									
Current:									
General government	-	-	-	-	-	-	-	-	400
Public safety	-	24,443	-	278,519	-	9,567	-	-	-
Economic development	562,400	-	7,724	-	-	-	-	-	-
Capital outlay	94,906	-	-	-	-	-	-	170,662	-
Total expenditures	<u>\$ 657,306</u>	<u>\$ 24,443</u>	<u>\$ 7,724</u>	<u>\$ 278,519</u>	<u>\$ -</u>	<u>\$ 9,567</u>	<u>\$ -</u>	<u>\$ 170,662</u>	<u>\$ 400</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 120,560</u>	<u>\$ 2,092</u>	<u>\$ 23,649</u>	<u>\$ 159,573</u>	<u>\$ 58,300</u>	<u>\$ (4,463)</u>	<u>\$ -</u>	<u>\$ 241,120</u>	<u>\$ 38,845</u>
Other financing sources (uses)									
Transfers in	-	-	-	-	139,926	-	127,000	-	-
Transfers (out)	(311,721)	-	-	-	-	-	-	-	(42,590)
Total other financing sources (uses)	<u>\$ (311,721)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,926</u>	<u>\$ -</u>	<u>\$ 127,000</u>	<u>\$ -</u>	<u>\$ (42,590)</u>
Net change in fund balances	(191,161)	2,092	23,649	159,573	198,226	(4,463)	127,000	241,120	(3,745)
Beginning fund balances	<u>764,137</u>	<u>14,354</u>	<u>213,991</u>	<u>529,467</u>	<u>303,846</u>	<u>34,559</u>	<u>-</u>	<u>1,748,723</u>	<u>127,015</u>
Ending fund balances	<u>\$ 572,976</u>	<u>\$ 16,446</u>	<u>\$ 237,640</u>	<u>\$ 689,040</u>	<u>\$ 502,072</u>	<u>\$ 30,096</u>	<u>\$ 127,000</u>	<u>\$ 1,989,843</u>	<u>\$ 123,270</u>

(Continued)

CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the year ended September 30, 2024

	Special Revenue Funds							Capital Projects Funds	
	Municipal Court Child Safety	Municipal Court Building Security	MUD Fire Services	Police Federal Forfeiture	Fire Station Number 3 Operating	Cable PEG Fees	CDBG Mitigation Drainage Improvement	Operating Projects	County Mobility Project
<b>Revenues</b>									
Franchise fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,796	\$ -	\$ -	\$ -
Hotel occupancy tax	-	-	-	-	-	-	-	-	-
Fines and forfeitures	43,708	30,176	-	-	-	-	-	-	-
Intergovernmental	-	-	1,810,720	21,868	-	-	1,007,956	150,000	-
Investment revenue	10,941	3,318	41,763	11,334	11,840	16,040	50,510	63,289	237,851
Other revenue	-	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>54,649</b>	<b>33,494</b>	<b>1,852,483</b>	<b>33,202</b>	<b>11,840</b>	<b>54,836</b>	<b>1,058,466</b>	<b>213,289</b>	<b>237,851</b>
<b>Expenditures</b>									
Current:									
General government	66,466	-	-	-	-	-	-	245,283	-
Public safety	-	-	-	49,342	1,765,085	-	-	-	-
Economic development	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	61,498	1,182,245	565,496	2,050,000
<b>Total expenditures</b>	<b>\$ 66,466</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49,342</b>	<b>\$ 1,765,085</b>	<b>\$ 61,498</b>	<b>\$ 1,182,245</b>	<b>\$ 810,779</b>	<b>\$ 2,050,000</b>
Excess (deficiency) of revenues over (under) expenditures	\$ (11,817)	\$ 33,494	\$ 1,852,483	\$ (16,140)	\$ (1,753,245)	\$ (6,662)	\$ (123,779)	\$ (597,490)	\$ (1,812,149)
<b>Other financing sources (uses)</b>									
Transfers in	-	-	-	-	1,815,653	-	3,000,000	542,000	-
Transfers (out)	(7,800)	(25,000)	(1,765,653)	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>\$ (7,800)</b>	<b>\$ (25,000)</b>	<b>\$ (1,765,653)</b>	<b>\$ -</b>	<b>\$ 1,815,653</b>	<b>\$ -</b>	<b>\$ 3,000,000</b>	<b>\$ 542,000</b>	<b>\$ -</b>
<b>Net change in fund balances</b>	<b>(19,617)</b>	<b>8,494</b>	<b>86,830</b>	<b>(16,140)</b>	<b>62,408</b>	<b>(6,662)</b>	<b>2,876,221</b>	<b>(55,490)</b>	<b>(1,812,149)</b>
<b>Beginning fund balances</b>	<b>201,404</b>	<b>59,159</b>	<b>710,870</b>	<b>229,148</b>	<b>80,935</b>	<b>343,983</b>	<b>1,435,878</b>	<b>1,482,457</b>	<b>6,536,651</b>
<b>Ending fund balances</b>	<b>\$ 181,787</b>	<b>\$ 67,653</b>	<b>\$ 797,700</b>	<b>\$ 213,008</b>	<b>\$ 143,343</b>	<b>\$ 337,321</b>	<b>\$ 4,312,099</b>	<b>\$ 1,426,967</b>	<b>\$ 4,724,502</b>

(Continued)

CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the year ended September 30, 2024

	Capital Projects Funds						Total Nonmajor Funds
	2014 General Obligation	2017 Certificates of Obligation	Street Improvement	Capital Improvement	Seabourne Creek Capacity	Dry Creek Capacity	
Revenues							
Franchise fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,796
Hotel occupancy tax	-	-	-	-	-	-	688,494
Fines and forfeitures	-	-	-	-	-	-	132,698
Intergovernmental	-	-	-	-	-	-	3,390,544
Investment revenue	1,104	115,631	152,379	512,722	-	123,523	1,541,546
Other revenue	-	-	-	-	-	-	451,688
Total revenues	<u>1,104</u>	<u>115,631</u>	<u>152,379</u>	<u>512,722</u>	<u>-</u>	<u>123,523</u>	<u>6,243,766</u>
Expenditures							
Current:							
General government	-	-	250,778	-	-	-	562,927
Public safety	-	-	-	-	-	-	2,126,956
Economic development	-	-	-	-	-	-	570,124
Capital outlay	-	301,055	589,160	975,311	-	-	5,990,333
Total expenditures	<u>\$ -</u>	<u>\$ 301,055</u>	<u>\$ 839,938</u>	<u>\$ 975,311</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,250,340</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 1,104</u>	<u>\$ (185,424)</u>	<u>\$ (687,559)</u>	<u>\$ (462,589)</u>	<u>\$ -</u>	<u>\$ 123,523</u>	<u>\$ (3,006,574)</u>
Other financing sources (uses)							
Transfers in	-	-	950,000	1,143,940	-	-	7,718,519
Transfers out	-	-	-	-	-	-	(2,152,764)
Total other financing sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950,000</u>	<u>\$ 1,143,940</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,565,755</u>
Net change in fund balances	1,104	(185,424)	262,441	681,351	-	123,523	2,559,181
Beginning fund balances	<u>799</u>	<u>2,113,905</u>	<u>2,415,395</u>	<u>9,279,143</u>	<u>3</u>	<u>2,330,043</u>	<u>30,955,865</u>
Ending fund balances	<u>\$ 1,903</u>	<u>\$ 1,928,481</u>	<u>\$ 2,677,836</u>	<u>\$ 9,960,494</u>	<u>\$ 3</u>	<u>\$ 2,453,566</u>	<u>\$ 33,515,046</u>

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - HOTEL AND MOTEL OCCUPANCY TAX  
 For the year ended September 30, 2024

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Hotel and motel taxes	\$ 600,000	\$ 600,000	\$ 688,494	\$ 88,494
Investment earnings	5,000	17,450	32,382	14,932
Other revenue	<u>51,000</u>	<u>65,100</u>	<u>56,990</u>	<u>(8,110)</u>
Total revenues	656,000	682,550	777,866	95,316
<b>Expenditures</b>				
Current:				
Economic development	533,594	951,865	562,400	389,465
Capital outlay	<u>115,000</u>	<u>115,000</u>	<u>94,906</u>	<u>20,094</u>
Total expenditures	<u>648,594</u>	<u>1,066,865</u>	<u>657,306</u>	<u>409,559</u>
Excess of revenues over expenditures	7,406	(384,315)	120,560	(314,243)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(311,721)</u>	<u>(311,721)</u>	<u>(311,721)</u>	<u>-</u>
Total other financing (uses)	<u>(311,721)</u>	<u>(311,721)</u>	<u>(311,721)</u>	<u>-</u>
Net change in fund balance	<u>\$ (304,315)</u>	<u>\$ (696,036)</u>	(191,161)	<u>\$ (314,243)</u>
Beginning fund balance			<u>764,137</u>	
Ending fund balance			<u>\$ 572,976</u>	

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - MUNICIPAL COURT TECHNOLOGY  
 For the year ended September 30, 2024

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	Original Budget <u>Amounts</u>	Final Budget <u>Amounts</u>	Actual <u>Amounts</u>	Variance with Final Budget Positive (Negative)
Revenues				
Fines and forfeitures	\$ 24,900	\$ 24,900	\$ 26,056	\$ 1,156
Investment earnings	<u>100</u>	<u>100</u>	<u>479</u>	<u>379</u>
Total revenues	25,000	25,000	26,535	1,535
Expenditures				
Current:				
Public safety	<u>25,000</u>	<u>25,000</u>	<u>24,443</u>	<u>557</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>24,443</u>	<u>557</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	2,092	<u>\$ 2,092</u>
Beginning fund balance			<u>14,354</u>	
Ending fund balance			<u>\$ 16,446</u>	

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CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - BEAUTIFICATION  
 For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Investment earnings	\$ 2,000	\$ 2,000	\$ 11,373	\$ 9,373
Other revenue	<u>10,000</u>	<u>10,000</u>	<u>20,000</u>	<u>10,000</u>
Total revenues	12,000	12,000	31,373	19,373
<b>Expenditures</b>				
Current:				
Economic development	<u>33,150</u>	<u>33,150</u>	<u>7,724</u>	<u>25,426</u>
Total expenditures	<u>33,150</u>	<u>33,150</u>	<u>7,724</u>	<u>25,426</u>
Net change in fund balance	<u>\$ (21,150)</u>	<u>\$ (21,150)</u>	23,649	<u>\$ 44,799</u>
Beginning fund balance			<u>213,991</u>	
Ending fund balance			<u>\$ 237,640</u>	

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CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - LAW ENFORCEMENT  
 For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ 400,000	\$ 400,000
Investment earnings	<u>500</u>	<u>500</u>	<u>38,092</u>	<u>37,592</u>
Total revenues	500	500	438,092	437,592
Expenditures				
Current:				
Public safety	<u>302,500</u>	<u>410,300</u>	<u>278,519</u>	<u>131,781</u>
Total expenditures	<u>302,500</u>	<u>410,300</u>	<u>278,519</u>	<u>131,781</u>
Net change in fund balance	<u>\$ (302,000)</u>	<u>\$ (409,800)</u>	159,573	<u>\$ 569,373</u>
Beginning fund balance			<u>529,467</u>	
Ending fund balance			<u>\$ 689,040</u>	

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CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
NONMAJOR SPECIAL REVENUE FUNDS - COMMUNITY DEVELOPMENT BLOCK GRANT  
For the year ended September 30, 2024

	Original Budget <u>Amounts</u>	Final Budget <u>Amounts</u>	Actual <u>Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
Revenues				
Intergovernmental	\$ 1,130,257	\$ 1,130,257	\$ 58,300	\$ (1,071,957)
Total revenues	1,130,257	1,130,257	58,300	(1,071,957)
Expenditures				
Current:				
Economic development	1,359,232	3,503,061	-	3,503,061
Total expenditures	1,359,232	3,503,061	-	3,503,061
Excess of revenues over expenditures	(228,975)	(2,372,804)	58,300	2,431,104
Other financing sources (uses)				
Transfers in	198,226	198,226	139,926	(58,300)
Total other financing (uses)	198,226	198,226	139,926	(58,300)
Net change in fund balance	<u>\$ (30,749)</u>	<u>\$ (2,174,578)</u>	198,226	<u>\$ 2,372,804</u>
Beginning fund balance			303,846	
Ending fund balance			<u>\$ 502,072</u>	

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
NONMAJOR SPECIAL REVENUE FUNDS - POLICE ASSET FORFEITURE  
For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Investment earnings	\$ 25	\$ 25	\$ 2,366	\$ 2,341
Other revenue	<u>-</u>	<u>-</u>	<u>2,738</u>	<u>2,738</u>
Total revenues	25	25	5,104	5,079
Expenditures				
Current:				
Public safety	<u>10,000</u>	<u>10,000</u>	<u>9,567</u>	<u>433</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>9,567</u>	<u>433</u>
Net change in fund balance	<u>\$ (9,975)</u>	<u>\$ (9,975)</u>	(4,463)	<u>\$ 5,512</u>
Beginning fund balance			<u>34,559</u>	
Ending fund balance			<u>\$ 30,096</u>	

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CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS – ANIMAL CONTROL  
 For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Other revenue	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current:				
Public safety	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in	-	127,000	127,000	-
Total other financing (uses)	-	127,000	127,000	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 127,000</u>	127,000	<u>\$ -</u>
Beginning fund balance			-	
Ending fund balance			<u>\$ 127,000</u>	

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - PARK LAND DEDICATION  
 For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Investment earnings	\$ 350	\$ 350	\$ 98,122	\$ 97,772
Other revenue	<u>5,000</u>	<u>5,000</u>	<u>313,660</u>	<u>308,660</u>
Total revenues	5,350	5,350	411,782	406,432
Expenditures				
Capital outlay	<u>201,000</u>	<u>314,081</u>	<u>170,662</u>	<u>143,419</u>
Total expenditures	<u>201,000</u>	<u>314,081</u>	<u>170,662</u>	<u>143,419</u>
Net change in fund balance	<u>\$ (195,650)</u>	<u>\$ (308,731)</u>	241,120	<u>\$ 549,851</u>
Beginning fund balance			<u>1,748,723</u>	
Ending fund balance			<u>\$ 1,989,843</u>	

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CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
NONMAJOR SPECIAL REVENUE FUNDS - JUVENILE CASE MANAGER  
For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues</b>				
Fines and forfeitures	\$ 27,800	\$ 27,800	\$ 32,758	\$ 4,958
Investment earnings	<u>2,500</u>	<u>2,500</u>	<u>6,487</u>	<u>3,987</u>
Total revenues	30,300	30,300	39,245	8,945
<b>Expenditures</b>				
Current:				
General government	<u>2,000</u>	<u>2,000</u>	<u>400</u>	<u>1,600</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>400</u>	<u>1,600</u>
Excess of revenues over expenditures	28,300	28,300	38,845	10,545
<b>Other financing sources (uses)</b>				
Transfers out	<u>(42,590)</u>	<u>(42,590)</u>	<u>(42,590)</u>	<u>-</u>
Total other financing (uses)	<u>(42,590)</u>	<u>(42,590)</u>	<u>(42,590)</u>	<u>-</u>
Net change in fund balance	<u>\$ (14,290)</u>	<u>\$ (14,290)</u>	(3,745)	<u>\$ 10,545</u>
Beginning fund balance			<u>127,015</u>	
Ending fund balance			<u>\$ 123,270</u>	

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
NONMAJOR SPECIAL REVENUE FUNDS - MUNICIPAL COURT CHILD SAFETY  
For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Fines and forfeitures	\$ 41,000	\$ 41,000	\$ 43,708	\$ 2,708
Investment earnings	<u>2,500</u>	<u>2,500</u>	<u>10,941</u>	<u>8,441</u>
Total revenues	43,500	43,500	54,649	11,149
<b>Expenditures</b>				
Current:				
General government	<u>73,000</u>	<u>73,000</u>	<u>66,466</u>	<u>6,534</u>
Total expenditures	<u>73,000</u>	<u>73,000</u>	<u>66,466</u>	<u>6,534</u>
(Deficiency) of revenues (under) expenditures	(29,500)	(29,500)	(11,817)	17,683
<b>Other financing sources (uses)</b>				
Transfers out	<u>(7,800)</u>	<u>(7,800)</u>	<u>(7,800)</u>	<u>-</u>
Total other financing (uses)	<u>(7,800)</u>	<u>(7,800)</u>	<u>(7,800)</u>	<u>-</u>
Net change in fund balance	<u>\$ (37,300)</u>	<u>\$ (37,300)</u>	(19,617)	<u>\$ 17,683</u>
Beginning fund balance			<u>201,404</u>	
Ending fund balance			<u>\$ 181,787</u>	

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - MUNICIPAL COURT BUILDING SECURITY  
 For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 30,176	\$ 5,176
Investment earnings	<u>500</u>	<u>500</u>	<u>3,318</u>	<u>2,818</u>
Total revenues	25,500	25,500	33,494	7,994
 Excess of revenues over expenditures	 25,500	 25,500	 33,494	 7,994
Other financing sources (uses)				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Total other financing (uses)	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
 Net change in fund balance	 <u>\$ 500</u>	 <u>\$ 500</u>	 8,494	 <u>\$ 7,994</u>
 Beginning fund balance			 <u>59,159</u>	
 Ending fund balance			 <u>\$ 67,653</u>	

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CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - MUD FIRE SERVICES  
 For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 1,650,000	\$ 1,650,000	\$ 1,810,720	\$ 160,720
Investment earnings	<u>5,000</u>	<u>5,000</u>	<u>41,763</u>	<u>36,763</u>
Total revenues	1,655,000	1,655,000	1,852,483	197,483
Excess of revenues over expenditures	1,655,000	1,655,000	1,852,483	197,483
Other financing sources (uses)				
Transfers out	<u>(1,765,653)</u>	<u>(1,765,653)</u>	<u>(1,765,653)</u>	<u>-</u>
Total other financing (uses)	<u>(1,765,653)</u>	<u>(1,765,653)</u>	<u>(1,765,653)</u>	<u>-</u>
Net change in fund balance	<u>\$ (110,653)</u>	<u>\$ (110,653)</u>	86,830	<u>\$ 197,483</u>
Beginning fund balance			<u>710,870</u>	
Ending fund balance			<u>\$ 797,700</u>	

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - POLICE FEDERAL FORFEITURE  
 For the year ended September 30, 2024

	Original Budget <u>Amounts</u>	Final Budget <u>Amounts</u>	Actual <u>Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ 21,868	\$ 21,868
Investment earnings	<u>1,500</u>	<u>1,500</u>	<u>11,334</u>	<u>9,834</u>
Total revenues	1,500	1,500	33,202	31,702
Expenditures				
Current:				
Public safety	<u>56,150</u>	<u>56,150</u>	<u>49,342</u>	<u>6,808</u>
Total expenditures	<u>56,150</u>	<u>56,150</u>	<u>49,342</u>	<u>6,808</u>
Net change in fund balance	<u>\$ (54,650)</u>	<u>\$ (54,650)</u>	(16,140)	<u>\$ 38,510</u>
Beginning fund balance			<u>229,148</u>	
Ending fund balance			<u>\$ 213,008</u>	

CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - FIRE STATION #3 OPERATING  
 For the year ended September 30, 2024

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Investment earnings	\$ 1,500	\$ 1,500	\$ 11,840	\$ 10,340
Total revenues	1,500	1,500	11,840	10,340
Expenditures				
Current:				
Public safety	<u>1,817,153</u>	<u>1,817,153</u>	<u>1,765,085</u>	<u>52,068</u>
Total expenditures	<u>1,817,153</u>	<u>1,817,153</u>	<u>1,765,085</u>	<u>52,068</u>
(Deficiency) of revenues (under) expenditures	(1,815,653)	(1,815,653)	(1,753,245)	62,408
Other financing sources (uses)				
Transfers in	<u>1,815,653</u>	<u>1,815,653</u>	<u>1,815,653</u>	<u>-</u>
Total other financing (uses)	<u>1,815,653</u>	<u>1,815,653</u>	<u>1,815,653</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	62,408	<u>\$ 62,408</u>
Beginning fund balance			<u>80,935</u>	
Ending fund balance			<u>\$ 143,343</u>	

CITY OF ROSENBERG, TEXAS  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – BUDGET AND ACTUAL  
NONMAJOR SPECIAL REVENUE FUNDS - CABLE PEG FEES  
For the year ended September 30, 2024

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	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Franchise fees	\$ 50,000	\$ 50,000	\$ 38,796	\$ (11,204)
Investment earnings	<u>2,500</u>	<u>2,500</u>	<u>16,040</u>	<u>13,540</u>
Total revenues	52,500	52,500	54,836	2,336
Expenditures				
Capital outlay	<u>75,000</u>	<u>75,000</u>	<u>61,498</u>	<u>13,502</u>
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>61,498</u>	<u>13,502</u>
Net change in fund balance	<u>\$ (22,500)</u>	<u>\$ (22,500)</u>	(6,662)	<u>\$ 15,838</u>
Beginning fund balance			<u>343,983</u>	
Ending fund balance			<u>\$ 337,321</u>	

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CITY OF ROSENBERG, TEXAS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES – BUDGET AND ACTUAL  
 NONMAJOR SPECIAL REVENUE FUNDS - CDBG MITIGATION DRAINAGE IMPROVEMENT  
 For the year ended September 30, 2024

	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 1,007,956	\$ 1,007,956
Investment revenue	-	-	50,510	50,510
Total revenues	-	-	1,058,466	1,058,466
<b>Expenditures</b>				
Capital outlay	-	48,369,247	1,182,245	47,187,002
Total expenditures	-	48,369,247	1,182,245	47,187,002
Excess of revenues over expenditures	-	(48,369,247)	(123,779)	48,245,468
<b>Other financing sources (uses)</b>				
Transfers in	-	3,000,000	3,000,000	-
Total other financing (uses)	-	3,000,000	3,000,000	-
Net change in fund balance	<u>\$ -</u>	<u>\$ (45,369,247)</u>	2,876,221	<u>\$ 48,245,468</u>
Beginning fund balance			<u>1,435,878</u>	
Ending fund balance			<u>\$ 4,312,099</u>	

CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF NET POSITION  
 INTERNAL SERVICE FUNDS  
 September 30, 2024

	Health Insurance	Fleet Replacement	Information Services	Total Internal Service Funds
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 697,009	\$ 5,604,520	\$ 231,119	\$ 6,532,648
Prepaid expense	-	-	4,033	4,033
Total current assets	697,009	5,604,520	235,152	6,536,681
Noncurrent assets				
Capital assets:				
Machinery and equipment	-	8,521,791	669,562	9,191,353
Less accumulated depreciation	-	(3,668,012)	(372,938)	(4,040,950)
Right-to-use assets, net of amortization	-	-	29,865	29,865
Subscription assets, net of amortization	-	-	177,538	177,538
Total noncurrent assets	-	4,853,779	504,027	5,357,806
Total assets	<u>697,009</u>	<u>10,458,299</u>	<u>739,179</u>	<u>11,894,487</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable and accrued liabilities	28,315	62,930	33,972	125,217
Leases payable - current	-	-	28,973	28,973
Subscription liability - current	-	-	57,642	57,642
Total current liabilities	28,315	62,930	120,587	211,832
Noncurrent liabilities				
Subscription liability - noncurrent	-	-	129,441	129,441
Total noncurrent liabilities	-	-	129,441	129,441
Total liabilities	<u>28,315</u>	<u>62,930</u>	<u>250,028</u>	<u>341,273</u>
<b>NET POSITION</b>				
Net investment in capital assets	-	4,853,779	287,971	5,141,750
Unrestricted net position	668,694	5,541,590	201,180	6,411,464
Total fund balances	<u>\$ 697,009</u>	<u>\$ 10,458,299</u>	<u>\$ 739,179</u>	<u>\$ 11,894,487</u>

CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 For the year ended September 30, 2024

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	<u>Health Insurance</u>	<u>Fleet Replacement</u>	<u>Information Services</u>	<u>Total Internal Service Funds</u>
Operating Revenues				
Other revenue	\$ 4,067,152	\$ 1,174,054	\$ 1,202,900	\$ 6,444,106
Total operating revenues	4,067,152	1,174,054	1,202,900	6,444,106
Operating Expenses				
Repairs and maintenance	4,108,773	12,489	1,019,982	5,141,244
Depreciation and amortization	-	514,066	153,389	667,455
Total operating expenses	4,108,773	526,555	1,173,371	5,808,699
Operating income (loss)	(41,621)	647,499	29,529	635,407
Nonoperating revenues (expenses)				
Investment revenue	3,588	309,463	13,373	326,424
Interest expense and fiscal charges	-	-	(8,254)	(8,254)
Total nonoperating revenues	3,588	309,463	5,119	318,170
Change in net position	(38,033)	956,962	34,648	953,577
Beginning net position	<u>706,727</u>	<u>9,438,407</u>	<u>454,503</u>	<u>10,599,637</u>
Ending net position	<u>\$ 668,694</u>	<u>\$ 10,395,369</u>	<u>\$ 489,151</u>	<u>\$ 11,553,214</u>

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CITY OF ROSENBERG, TEXAS  
 COMBINING STATEMENT OF CASH FLOWS  
 INTERNAL SERVICE FUNDS  
 For the year ended September 30, 2024

	Health Insurance	Fleet Replacement	Information Services	Total Internal Service Funds
<b>Cash flows from operating activities</b>				
Receipts from customers and users	\$ 4,067,152	\$ 1,174,054	\$ 1,202,900	\$ 6,444,106
Payments to suppliers	<u>(4,110,344)</u>	<u>(27,017)</u>	<u>(1,020,870)</u>	<u>(5,158,231)</u>
Net cash provided (used) by operating activities	(43,192)	1,147,037	182,030	1,285,875
<b>Cash flows from capital and related financing activities</b>				
Purchase of equipment	-	(2,489,484)	(308,096)	(2,797,580)
Interest and fiscal charges	-	-	(8,254)	(8,254)
Principal paid on capital debt	<u>-</u>	<u>-</u>	<u>(111,754)</u>	<u>(111,754)</u>
Net cash (used) by capital and related financing activities	-	(2,489,484)	(428,104)	(2,917,588)
<b>Cash flows from investing activities</b>				
Interest on investments	<u>3,588</u>	<u>309,463</u>	<u>13,373</u>	<u>326,424</u>
Net cash provided by investing activities	3,588	309,463	13,373	326,424
<b>Net increase in cash and cash equivalents</b>	(39,604)	(1,032,984)	(232,701)	(1,305,289)
Cash and cash equivalents, beginning of year	<u>736,613</u>	<u>6,637,504</u>	<u>463,820</u>	<u>7,837,937</u>
<b>Ending cash and cash equivalents</b>	<u>\$ 697,009</u>	<u>\$ 5,604,520</u>	<u>\$ 231,119</u>	<u>\$ 6,532,648</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ (41,621)	\$ 647,499	\$ 29,529	\$ 635,407
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation and amortization	-	514,066	153,389	667,455
Changes in operating assets and liabilities: (increase) decrease in current assets:				
Prepaid items	-	-	(1,303)	(1,303)
Increase (decrease) in current liabilities:				
Accounts payable and accrued liabilities	<u>(1,571)</u>	<u>(14,528)</u>	<u>415</u>	<u>(15,684)</u>
Net cash provided (used) by operating activities	<u>\$ (43,192)</u>	<u>\$ 1,147,037</u>	<u>\$ 182,030</u>	<u>\$ 1,285,875</u>

**STATISTICAL SECTION**

CITY OF ROSENBERG, TEXAS  
STATISTICAL SECTION

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This part of the City's annual comprehensive 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..... 116

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..... 122

These schedules contain information to help the reader assess the government's most significant local revenue sources, sales and property tax.

DEBT CAPACITY..... 129

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 ..... 135

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..... 137

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.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports from the relevant year.

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CITY OF ROSENBERG, TEXAS  
NET POSITION BY COMPONENT  
Last Ten Years  
(Accrual Basis of Accounting)

	Fiscal Year									
	2015	2016	2017	2018*	2019**	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 45,031,276	\$ 44,536,858	\$ 39,787,127	\$ 40,381,422	\$ 50,383,520	\$ 54,626,678	\$ 68,230,471	\$ 74,480,486	\$ 83,929,892	\$ 95,281,252
Restricted	11,657,814	13,429,994	17,217,918	21,514,250	23,769,902	20,375,159	19,353,646	22,977,203	28,965,294	28,608,918
Unrestricted	10,601,523	9,022,275	10,315,556	6,875,808	(3,291,936)	(2,925,417)	(2,190,405)	6,261,671	3,757,878	6,593,639
Total governmental activities net position	<u>\$ 67,290,613</u>	<u>\$ 66,989,127</u>	<u>\$ 67,320,601</u>	<u>\$ 68,771,480</u>	<u>\$ 70,861,486</u>	<u>\$ 72,076,420</u>	<u>\$ 85,393,712</u>	<u>\$ 103,719,360</u>	<u>\$ 116,653,064</u>	<u>\$ 130,483,809</u>
Business-type activities										
Net investment in capital assets	\$ 50,564,934	\$ 56,850,394	\$ 64,082,657	\$ 65,482,173	\$ 68,980,345	\$ 74,479,660	\$ 74,332,548	\$ 76,471,567	\$ 76,337,796	\$ 81,715,284
Unrestricted	18,695,727	18,458,460	19,188,387	19,775,612	24,727,363	24,523,515	25,408,592	28,944,964	37,923,575	44,821,695
Total business-type net position	<u>\$ 69,260,661</u>	<u>\$ 75,308,854</u>	<u>\$ 83,271,044</u>	<u>\$ 85,257,785</u>	<u>\$ 93,707,708</u>	<u>\$ 99,003,175</u>	<u>\$ 99,741,140</u>	<u>\$ 105,416,531</u>	<u>\$ 114,261,371</u>	<u>\$ 126,536,979</u>
Primary government										
Net investment in capital assets	\$ 95,596,210	\$ 101,387,252	\$ 103,869,784	\$ 105,863,595	\$ 119,363,865	\$ 129,106,338	\$ 142,563,019	\$ 150,952,053	\$ 160,267,688	\$ 176,996,536
Restricted	11,657,814	13,429,994	17,217,918	21,514,250	23,769,902	20,375,159	19,353,646	22,977,203	28,965,294	28,608,918
Unrestricted	29,297,250	27,480,735	29,503,943	26,651,420	21,435,427	21,598,098	23,218,187	35,206,635	41,681,453	51,415,334
Total primary government net position	<u>\$ 136,551,274</u>	<u>\$ 142,297,981</u>	<u>\$ 150,591,645</u>	<u>\$ 154,029,265</u>	<u>\$ 164,569,194</u>	<u>\$ 171,079,595</u>	<u>\$ 185,134,852</u>	<u>\$ 209,135,891</u>	<u>\$ 230,914,435</u>	<u>\$ 257,020,788</u>

Note: \*Prior period adjustment for GASB 75.

\*\*Amounts reclassified to add back unspent bond proceeds previously not included in the net investment in capital assets calculation. A reclassification was also made for restricted capital project fund balance that was rolling into unrestricted net position at the government-wide level.

CITY OF ROSENBERG, TEXAS  
CHANGES IN NET POSITION  
Last Ten Years  
(Accrual Basis of Accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Expenses</b>										
Governmental activities										
General government	\$ 4,504,358	\$ 5,350,906	\$ 4,446,334	\$ 5,539,396	\$ 6,562,067	\$ 6,302,066	\$ 7,159,382	\$ 5,560,465	\$ 6,650,592	\$ 7,270,580
Public safety	13,688,321	15,997,582	17,405,764	17,388,136	21,781,177	19,633,193	18,991,208	19,120,777	21,841,266	22,476,887
Public works	7,962,151	9,224,710	9,408,265	12,564,950	11,988,077	11,731,795	12,493,484	12,720,410	10,267,010	11,557,224
Community development	3,037,820	3,704,464	3,885,492	3,093,782	3,878,243	3,992,827	3,697,149	3,537,282	3,688,036	3,686,913
Interest on long-term debt	2,161,041	2,225,941	2,362,480	2,311,732	1,716,802	1,356,873	1,411,907	1,211,992	1,025,533	2,268,127
Total governmental activities expenses	<u>31,353,691</u>	<u>36,503,603</u>	<u>37,508,335</u>	<u>40,897,996</u>	<u>45,926,366</u>	<u>43,016,754</u>	<u>43,753,130</u>	<u>42,150,926</u>	<u>43,472,437</u>	<u>47,259,731</u>
Business-type activities										
Water and wastewater	7,862,720	9,445,663	10,386,479	10,898,020	13,586,594	13,614,540	14,056,202	14,718,206	16,712,465	17,836,188
Solid waste	-	-	-	-	-	-	-	-	4,483,099	4,538,834
Civic center rentals	403,256	294,626	333,868	479,223	222,330	341,085	344,335	389,171	545,276	705,538
Total business-type activities expenses	<u>8,265,976</u>	<u>9,740,289</u>	<u>10,720,347</u>	<u>11,377,243</u>	<u>13,808,924</u>	<u>13,955,625</u>	<u>14,400,537</u>	<u>15,107,377</u>	<u>21,740,840</u>	<u>23,080,560</u>
<b>Total primary government expenses</b>	<b><u>\$ 39,619,667</u></b>	<b><u>\$ 46,243,892</u></b>	<b><u>\$ 48,228,682</u></b>	<b><u>\$ 52,275,239</u></b>	<b><u>\$ 59,735,290</u></b>	<b><u>\$ 56,972,379</u></b>	<b><u>\$ 58,153,667</u></b>	<b><u>\$ 57,258,303</u></b>	<b><u>\$ 65,213,277</u></b>	<b><u>\$ 70,340,291</u></b>
<b>Program revenues</b>										
Governmental activities										
Charges for services										
General government	\$ 2,794,675	\$ 2,767,182	\$ 2,902,041	\$ 2,923,858	\$ 2,859,478	\$ 2,837,695	\$ 3,190,350	\$ 3,336,356	\$ 3,547,310	\$ 4,428,458
Public safety	2,220,117	2,251,968	2,477,945	2,922,656	3,555,298	3,706,558	3,059,646	1,881,540	1,975,113	1,595,237
Public works	4,751,892	4,693,162	4,977,523	5,333,801	5,778,800	6,129,357	8,050,346	8,984,274	2,820,523	2,476,597
Community development	34,992	29,291	31,481	27,671	25,005	9,275	25,907	74,172	76,580	85,272
Operating grants and contributions	252,706	184,004	693,220	1,042,181	742,504	1,366,547	996,929	355,086	287,587	565,793
Capital grants and contributions	4,433,455	4,181,490	4,827,839	7,013,826	9,532,748	3,876,159	4,698,466	6,316,307	8,465,332	11,140,540
Total governmental activities program revenues	<u>14,487,837</u>	<u>14,107,097</u>	<u>15,910,049</u>	<u>19,263,993</u>	<u>22,493,833</u>	<u>17,925,591</u>	<u>20,021,644</u>	<u>20,947,735</u>	<u>17,172,445</u>	<u>20,291,897</u>
Business-type activities										
Charges for services										
Water	8,125,375	9,046,596	10,237,415	11,209,375	13,375,551	12,087,546	14,187,167	16,876,880	17,133,123	16,539,216
Wastewater	5,327,572	5,381,662	5,296,433	5,309,921	5,177,370	5,173,638	6,042,403	6,683,063	7,221,080	6,639,891
Solid waste	-	-	-	-	-	-	-	-	5,327,135	5,484,470
Civic center rentals	78,104	99,385	102,605	121,053	109,534	34,812	117,730	154,729	194,477	232,977
Operating grants and contributions	496,547	-	155,589	6,788	1,336,750	462,325	494,882	94,024	-	2,053,299
Capital grants and contributions	687,808	778,401	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>14,715,406</u>	<u>15,306,044</u>	<u>15,792,042</u>	<u>16,647,137</u>	<u>19,999,205</u>	<u>17,758,321</u>	<u>20,842,182</u>	<u>23,808,696</u>	<u>29,875,815</u>	<u>30,949,853</u>
<b>Total primary government program revenues</b>	<b><u>\$ 29,203,243</u></b>	<b><u>\$ 29,413,141</u></b>	<b><u>\$ 31,702,091</u></b>	<b><u>\$ 35,911,130</u></b>	<b><u>\$ 42,493,038</u></b>	<b><u>\$ 35,683,912</u></b>	<b><u>\$ 40,863,826</u></b>	<b><u>\$ 44,756,431</u></b>	<b><u>\$ 47,048,260</u></b>	<b><u>\$ 51,241,750</u></b>
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (16,865,854)	\$ (22,396,506)	\$ (21,598,286)	\$ (21,634,003)	\$ (23,432,533)	\$ (25,091,163)	\$ (23,731,486)	\$ (21,203,191)	\$ (26,299,992)	\$ (26,967,834)
Business-type activities	6,449,430	5,565,755	5,071,695	5,269,894	6,190,281	3,802,696	6,441,645	8,701,319	8,134,975	7,869,293
<b>Total primary government net (expense)</b>	<b><u>\$ (10,416,424)</u></b>	<b><u>\$ (16,830,751)</u></b>	<b><u>\$ (16,526,591)</u></b>	<b><u>\$ (16,364,109)</u></b>	<b><u>\$ (17,242,252)</u></b>	<b><u>\$ (21,288,467)</u></b>	<b><u>\$ (17,289,841)</u></b>	<b><u>\$ (12,501,872)</u></b>	<b><u>\$ (18,165,017)</u></b>	<b><u>\$ (19,098,541)</u></b>

(Continued)

CITY OF ROSENBERG, TEXAS  
 CHANGES IN NET POSITION  
 Last Ten Years  
 (Accrual Basis of Accounting)

	Fiscal Year									
	<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>	<u>2024</u>
General revenues and other changes in net position										
Governmental activities										
Taxes and fees										
Property tax	\$ 8,833,478	\$ 9,573,741	\$ 10,657,377	\$ 11,071,864	\$ 10,875,805	\$ 11,365,321	\$ 11,396,110	\$ 11,732,439	\$ 12,808,007	\$ 14,289,335
Sales tax	12,642,075	11,781,945	12,521,827	14,474,532	14,108,795	14,701,582	18,578,297	22,465,983	19,853,684	21,283,526
Hotel occupancy tax	744,371	642,742	605,264	755,420	537,357	422,436	515,834	598,857	660,419	688,494
Investment earnings	33,739	202,646	466,386	954,997	1,361,297	556,245	59,245	482,386	3,551,870	5,655,801
Gain on sale of capital assets	172,184	54,717	-	909,746	10,639	-	-	-	-	-
Other revenues	403,605	264,045	420,524	192,669	259,198	424,156	757,590	993,435	1,413,427	917,599
Transfers in (out)	(2,585,254)	(414,816)	(2,741,618)	2,122,861	(1,630,552)	(1,163,643)	5,741,702	3,255,739	946,289	(2,036,176)
Total governmental activities general revenues and activities	<u>20,244,198</u>	<u>22,105,020</u>	<u>21,929,760</u>	<u>30,482,089</u>	<u>25,522,539</u>	<u>26,306,097</u>	<u>37,048,778</u>	<u>39,528,839</u>	<u>39,233,696</u>	<u>40,798,579</u>
Business-type activities										
Investment earnings	11,070	67,622	148,877	349,995	629,090	329,128	38,022	229,811	1,656,154	2,370,139
Transfers in (out)	2,595,254	414,816	2,741,618	(2,122,861)	1,630,552	1,163,643	(5,741,702)	(3,255,739)	(946,289)	2,036,176
Total business-type activities general revenues and activities	<u>2,606,324</u>	<u>482,438</u>	<u>2,890,495</u>	<u>(1,772,866)</u>	<u>2,259,642</u>	<u>1,492,771</u>	<u>(5,703,680)</u>	<u>(3,025,928)</u>	<u>709,865</u>	<u>4,406,315</u>
Total primary government general revenues and expenses	<u>22,850,522</u>	<u>22,587,458</u>	<u>24,820,255</u>	<u>28,709,223</u>	<u>27,782,181</u>	<u>27,798,868</u>	<u>31,345,098</u>	<u>36,502,911</u>	<u>39,943,561</u>	<u>45,204,894</u>
Change in net position										
Governmental activities	3,378,344	(291,486)	331,474	8,848,086	2,090,006	1,214,934	13,317,292	18,325,648	12,933,704	13,830,745
Business-type activities	9,055,754	6,048,193	7,962,190	3,497,028	8,449,923	5,295,467	737,965	5,675,391	8,844,840	12,275,608
Total primary government change in net position	<u>\$ 12,434,098</u>	<u>\$ 5,756,707</u>	<u>\$ 8,293,664</u>	<u>\$ 12,345,114</u>	<u>\$ 10,539,929</u>	<u>\$ 6,510,401</u>	<u>\$ 14,055,257</u>	<u>\$ 24,001,039</u>	<u>\$ 21,778,544</u>	<u>\$ 26,106,353</u>

CITY OF ROSENBERG, TEXAS  
TAX REVENUES BY SOURCE, GOVERNMENTAL ACTIVITIES  
Last Ten Years  
(Accrual Basis of Accounting)

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Property tax	\$ 8,833,478	\$ 9,573,741	\$ 10,657,377	\$ 11,071,864	\$ 10,875,805	\$ 11,365,321	\$ 11,396,110	\$ 11,732,439	\$ 12,808,007	\$ 14,289,335
Sales tax	12,642,075	11,781,945	12,521,827	14,474,532	14,108,795	14,701,582	18,578,297	22,465,983	19,853,684	21,283,526
Hotel occupancy tax	744,371	642,742	605,264	755,420	537,357	422,436	515,834	598,857	660,419	688,494
Total	\$ 22,219,924	\$ 21,998,428	\$ 23,784,468	\$ 26,301,816	\$ 25,521,957	\$ 26,489,339	\$ 30,490,241	\$ 34,797,279	\$ 33,322,110	\$ 36,261,355

CITY OF ROSENBERG, TEXAS  
 FUND BALANCES - GOVERNMENTAL FUND  
 Last Ten Years  
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	<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>	<u>2024</u>
General fund										
Nonspendable	\$ 19,029	\$ 25,289	\$ 35,591	\$ 86,289	\$ 98,792	\$ 80,898	\$ 86,994	\$ 97,871	\$ 114,851	\$ 65,957
Assigned	-	-	-	4,293,929	1,750,000	300,000	300,000	300,000	300,000	300,000
Unassigned	<u>15,450,057</u>	<u>15,670,160</u>	<u>17,057,874</u>	<u>15,887,549</u>	<u>15,926,869</u>	<u>18,906,187</u>	<u>18,729,598</u>	<u>20,600,145</u>	<u>19,819,809</u>	<u>19,635,579</u>
Total general fund	<u>\$ 15,469,086</u>	<u>\$ 15,695,449</u>	<u>\$ 17,093,465</u>	<u>\$ 20,267,767</u>	<u>\$ 17,775,661</u>	<u>\$ 19,287,085</u>	<u>\$ 19,116,592</u>	<u>\$ 20,998,016</u>	<u>\$ 20,234,660</u>	<u>\$ 20,001,536</u>
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ 1,981	\$ 1,981	\$ 110	\$ 977	\$ 428	\$ 399	\$ 4,233	\$ 240
Restricted	25,129,068	26,495,326	27,069,605	36,048,452	34,609,621	28,293,018	24,088,535	25,342,473	31,079,998	83,578,598
Committed	-	-	-	-	-	-	4,388,768	11,149,825	13,176,995	18,644,322
Unassigned	-	-	(98,147)	(154,614)	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 25,129,068</u>	<u>\$ 26,495,326</u>	<u>\$ 26,973,439</u>	<u>\$ 35,895,819</u>	<u>\$ 34,609,731</u>	<u>\$ 28,293,995</u>	<u>\$ 28,477,731</u>	<u>\$ 36,492,697</u>	<u>\$ 44,261,226</u>	<u>\$ 102,223,160</u>

CITY OF ROSENBERG, TEXAS  
 CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
 Last Ten Years  
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Revenues</b>										
Taxes	\$ 22,218,125	\$ 22,027,162	\$ 23,781,562	\$ 26,246,047	\$ 25,529,183	\$ 26,443,259	\$ 30,608,454	\$ 34,787,306	\$ 33,278,366	\$ 36,159,855
Franchise fees	1,898,719	1,924,699	1,963,484	1,967,554	1,997,165	1,929,747	2,079,378	2,258,659	2,188,901	2,101,155
Licenses and permits	822,193	748,694	753,493	692,388	832,679	1,061,522	1,080,977	1,330,138	969,545	1,255,263
Fines and forfeitures	612,230	559,799	663,834	675,460	587,367	613,292	813,590	835,251	1,038,587	1,195,828
Fees and charges for services	4,392,627	4,345,189	4,616,700	5,085,045	5,424,756	5,586,027	7,498,177	8,189,522	2,444,345	1,992,296
Intergovernmental	7,419,273	7,105,930	3,930,169	10,699,195	17,397,749	8,800,747	8,468,826	8,317,279	10,514,270	13,162,033
Investment earnings	31,637	189,633	437,116	895,364	1,247,237	556,245	59,245	437,237	3,247,322	5,329,377
Lease revenue	-	-	-	-	-	-	-	16,887	16,848	16,793
Other	505,433	304,601	698,751	454,921	857,088	369,445	757,590	993,434	1,413,377	1,326,805
<b>Total revenues</b>	<b>37,900,237</b>	<b>37,205,707</b>	<b>36,845,109</b>	<b>46,715,974</b>	<b>53,873,224</b>	<b>45,360,284</b>	<b>51,366,237</b>	<b>57,165,713</b>	<b>55,111,561</b>	<b>62,539,405</b>
<b>Expenditures</b>										
General government	3,787,085	3,864,072	3,787,501	5,030,650	5,724,217	5,333,610	6,924,283	5,413,343	6,401,262	7,113,859
Public safety	12,958,143	14,226,773	15,323,946	15,776,535	17,373,943	18,789,715	18,360,549	18,416,333	19,711,980	22,483,096
Public works	5,059,614	5,590,942	5,894,608	7,130,734	7,361,297	7,507,476	8,176,742	8,757,693	5,495,517	6,976,540
Community development	2,772,737	3,303,417	3,413,792	2,374,504	2,445,485	2,753,123	2,678,006	3,064,819	3,004,757	2,335,831
Capital outlay	7,871,262	10,396,946	5,815,083	8,850,948	12,763,002	6,261,661	9,438,100	6,104,275	9,465,915	14,024,595
Debt service:										
Principal	4,916,983	5,236,922	5,660,000	10,262,726	8,260,000	6,535,000	8,910,000	7,665,000	5,375,000	5,405,000
Interest and fiscal charges	2,177,290	2,224,256	2,246,523	2,170,996	2,100,491	1,720,517	1,607,016	1,387,410	1,213,957	1,046,015
Debt issuance costs	65,849	85,470	239,118	306,478	-	126,464	-	-	-	491,231
<b>Total expenditures</b>	<b>39,608,963</b>	<b>44,928,798</b>	<b>42,380,571</b>	<b>51,903,571</b>	<b>56,028,435</b>	<b>49,027,566</b>	<b>56,094,696</b>	<b>50,808,873</b>	<b>50,668,388</b>	<b>59,876,167</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(1,708,726)</b>	<b>(7,723,091)</b>	<b>(5,535,462)</b>	<b>(5,187,597)</b>	<b>(2,155,211)</b>	<b>(3,667,282)</b>	<b>(4,728,459)</b>	<b>6,356,840</b>	<b>4,443,173</b>	<b>2,663,238</b>
<b>Other financing sources (uses)</b>										
Debt issuance	3,000,000	9,760,000	9,825,000	9,320,000	-	-	-	-	-	46,640,000
Refunding bonds issued	-	-	7,390,000	4,950,000	-	7,075,000	-	-	-	-
Premium on bonds	168,000	209,584	687,315	551,465	-	827,640	-	-	-	5,351,231
Insurance proceeds	6,730	21,355	19,900	22,215	34,430	54,711	-	-	-	-
Payments to refunding bond escrow agent	-	-	(7,841,447)	-	-	(7,930,738)	-	-	-	-
Proceeds on sale of capital assets	165,454	39,589	114,505	983,338	10,639	-	-	16,920,186	11,008,324	11,170,045
Transfers in	7,024,867	5,858,844	6,926,714	7,065,926	11,163,252	8,115,582	16,610,459	(13,380,636)	(8,446,324)	(8,095,704)
Transfers out	(9,620,121)	(6,573,660)	(9,710,396)	(5,608,665)	(12,831,304)	(9,279,225)	(11,868,757)	-	-	-
<b>Total other financing sources (uses)</b>	<b>744,930</b>	<b>9,315,712</b>	<b>7,411,591</b>	<b>17,284,279</b>	<b>(1,622,983)</b>	<b>(1,137,030)</b>	<b>4,741,702</b>	<b>3,539,550</b>	<b>2,562,000</b>	<b>55,065,572</b>
<b>Net change in fund balances</b>	<b>\$(963,796)</b>	<b>\$ 1,592,621</b>	<b>\$ 1,876,129</b>	<b>\$ 12,096,682</b>	<b>\$(3,778,194)</b>	<b>\$(4,804,312)</b>	<b>\$ 13,243</b>	<b>\$ 9,896,390</b>	<b>\$ 7,005,173</b>	<b>\$ 57,728,810</b>
Debt service as a percentage of noncapital expenditures	21.9%	20.2%	20.2%	26.7%	23.2%	19.0%	22.4%	19.8%	15.1%	14.6%

CITY OF ROSENBERG, TEXAS  
TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS  
Last Ten Years  
(Modified Accrual Basis of Accounting)

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Property tax	\$ 8,831,679	\$ 9,602,475	\$ 10,654,471	\$ 11,016,095	\$ 10,883,031	\$ 11,319,241	\$ 11,514,323	\$ 11,722,466	\$ 12,764,263	\$ 14,187,835
Sales tax	12,642,075	11,781,945	12,521,827	13,635,372	14,108,795	14,701,582	18,578,297	22,465,983	19,853,684	21,283,526
Hotel occupancy tax	744,371	642,742	605,264	755,420	537,357	422,436	515,834	598,857	660,419	688,494
Total	<u>\$ 22,218,125</u>	<u>\$ 22,027,162</u>	<u>\$ 23,781,562</u>	<u>\$ 25,406,887</u>	<u>\$ 25,529,183</u>	<u>\$ 26,443,259</u>	<u>\$ 30,608,454</u>	<u>\$ 34,787,306</u>	<u>\$ 33,278,366</u>	<u>\$ 36,159,855</u>

CITY OF ROSENBERG, TEXAS  
TAXABLE SALES BY CATEGORY  
Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
Manufacturing	\$ 44,265,651	\$ 15,128,366	\$ 21,052,228	\$ 43,420,104	\$ 29,373,727	\$ 30,533,925	\$ 44,319,309	\$ 51,028,553	\$ 27,464,859	\$ 21,182,473
Construction	6,761,025	5,002,267	5,662,186	7,465,976	7,691,228	8,730,260	8,986,521	11,148,621	10,938,762	9,658,056
Mining/Oil and Gas Extraction	661,261	292,920	443,889	3,020,459	1,158,820	901,581	423,453	269,825	981,804	4,993,629
Wholesale Trade	29,725,965	22,074,684	130,506,950	245,773,076	245,773,076	187,419,029	447,910,199	749,853,480	478,757,198	453,656,696
Retail Trade	499,317,990	459,552,768	388,609,753	391,644,609	374,099,855	383,622,170	446,800,215	467,822,975	480,259,959	505,608,132
Information	18,819,964	19,509,936	18,338,120	19,587,627	19,132,131	10,028,151	11,003,489	12,294,219	14,206,393	13,396,668
Finance/Insurance	1,662,748	1,656,975	1,661,182	1,686,975	1,506,495	1,781,072	1,579,476	1,867,215	2,071,532	1,956,060
Real Estate/Rental/Leasing	3,175,468	3,283,675	3,787,231	3,512,415	3,758,665	4,942,862	4,860,429	8,713,395	14,198,650	10,624,047
Professional/Scientific/Technical	2,225,002	2,346,951	2,635,658	2,503,002	2,363,759	2,523,809	4,049,143	4,248,187	3,901,721	3,982,090
Administration/Waste Management	7,761,946	11,318,786	13,902,748	17,984,064	22,391,403	28,254,169	34,378,371	32,476,998	35,774,108	41,073,887
Entertainment/Recreation	347,356	1,869,409	4,214,948	5,055,283	5,233,748	3,243,746	3,478,808	4,731,248	4,674,787	6,607,712
Accommodation/Food Service	104,003,993	107,277,110	111,620,479	119,503,935	121,340,113	109,159,482	138,140,287	156,769,680	175,383,136	186,817,282
Other Services	10,499,800	11,417,087	13,201,471	14,263,882	14,159,872	12,373,693	16,384,024	18,589,377	19,199,033	19,135,483
<b>Total</b>	<b>\$ 729,228,169</b>	<b>\$ 660,730,934</b>	<b>\$ 715,636,843</b>	<b>\$ 875,421,407</b>	<b>\$ 847,982,892</b>	<b>\$ 783,513,949</b>	<b>\$ 1,162,313,724</b>	<b>\$ 1,519,813,773</b>	<b>\$ 1,267,811,942</b>	<b>\$ 1,278,692,215</b>
City Direct Sales Tax Rate	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

Source: Texas Comptroller of Public Accounts

CITY OF ROSENBERG, TEXAS  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
Residential property	\$ 792,288,805	\$ 909,775,642	\$ 1,026,346,467	\$ 1,165,054,442	\$ 1,299,128,613	\$ 1,408,588,051	\$ 1,494,231,940	\$ 1,651,616,625	\$ 2,044,820,414	\$ 2,430,181,048
Commercial property	1,048,609,929	1,059,601,822	1,331,364,289	1,362,148,541	1,382,895,685	1,453,067,836	1,665,885,439	1,901,878,240	2,152,073,783	2,366,800,150
Personal property	288,757,261	301,546,216	288,805,245	348,221,145	390,188,821	411,559,420	403,140,153	474,962,330	561,265,684	611,056,315
Less: Tax exempt property	<u>(345,917,083)</u>	<u>(337,543,351)</u>	<u>(447,394,435)</u>	<u>(530,701,399)</u>	<u>(571,037,012)</u>	<u>(615,374,870)</u>	<u>(749,208,279)</u>	<u>(877,466,502)</u>	<u>(1,134,402,826)</u>	<u>(1,307,693,454)</u>
Total taxable assessed value (1)	<u>\$ 1,783,738,912</u>	<u>\$ 1,933,380,329</u>	<u>\$ 2,199,121,566</u>	<u>\$ 2,344,722,729</u>	<u>\$ 2,501,176,107</u>	<u>\$ 2,657,840,437</u>	<u>\$ 2,814,049,253</u>	<u>\$ 3,150,990,693</u>	<u>\$ 3,623,757,055</u>	<u>\$ 4,100,344,059</u>

Source: Tax assessor/collector's records.

(1) Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per \$100 of assessed value.

CITY OF ROSENBERG, TEXAS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Years

Tax Rates*		City Direct Rates			Overlapping Rates(1)		Total City
		Operating Tax Rate	Debt Service Rate	Total Tax Rate	Lamar CISD	Fort Bend County	Not In MUD Total Overlapping Rate
Fiscal Year	Tax Year						
2015	2014	\$ 0.25858	\$ 0.23142	\$ 0.49000	\$ 1.39005	\$ 0.49476	\$ 2.37481
2016	2015	0.21626	0.25374	0.47000	1.39005	0.48600	2.34605
2017	2016	0.21434	0.25560	0.47000	1.39005	0.47400	2.33405
2018	2017	0.27464	0.25566	0.46200	1.39005	0.46900	2.32105
2019	2018	0.26909	0.18736	0.43000	1.39000	0.46400	2.28400
2020	2019	0.25411	0.16092	0.41500	1.32000	0.46000	2.19500
2021	2020	0.26570	0.16089	0.40000	1.26910	0.45321	2.12231
2022	2021	0.22983	0.13430	0.38000	1.24200	0.45280	2.07480
2023	2022	0.18081	0.15017	0.35500	1.24200	0.44920	2.04620
2024	2023	0.19441	0.14795	0.34236	1.14920	0.43890	1.93046

Tax Rates*		Overlapping Rates(1)					
		Fort Bend MUD #94		Fort Bend MUD #144		Fort Bend MUD #147	
Fiscal Year	Tax Year	MUD Rate	Overlapping Rate	MUD Rate	Overlapping Rate	MUD Rate	Overlapping Rate
2015	2014	\$ 0.66000	\$ 3.03481	\$ 0.80000	\$ 3.17481	\$ 0.95000	\$ 3.32481
2016	2015	0.58000	2.92605	0.80000	3.14605	0.95000	3.29605
2017	2016	0.50000	2.83405	0.80000	3.13405	0.95000	3.28405
2018	2017	0.47000	2.79105	0.80000	3.12105	0.95000	3.27105
2019	2018	0.44000	2.72400	0.79000	3.07400	0.95000	3.23400
2020	2019	0.43000	2.62500	0.79000	2.98500	0.95000	3.14500
2021	2020	0.42265	2.54496	0.79000	2.91231	0.95000	3.07231
2022	2021	0.41426	2.48906	0.77000	2.84480	0.95000	3.02480
2023	2022	0.37500	2.42120	0.69000	2.73620	0.95000	2.99620
2024	2023	0.34000	2.27046	0.69000	2.62046	0.88840	2.81886

Tax Rates*		Overlapping Rates(1)					
		Fort Bend MUD #148		Fort Bend MUD #159		Fort Bend MUD #167	
Fiscal Year	Tax Year	MUD Rate	Overlapping Rate	MUD Rate	Overlapping Rate	MUD Rate	Overlapping Rate
2015	2014	\$ 0.90000	\$ 3.27481	\$ 0.78000	\$ 3.15481	\$ 0.89000	\$ 3.26481
2016	2015	0.88000	3.22605	0.72000	3.06605	0.85000	3.19605
2017	2016	0.83000	3.16405	0.72000	3.05405	0.85000	3.18405
2018	2017	0.76000	3.08105	0.72000	3.04105	0.85000	3.17105
2019	2018	0.66000	2.94400	0.72000	3.00400	0.85000	3.13400
2020	2019	0.66000	2.85500	0.72000	2.91500	0.82000	3.01500
2021	2020	0.63000	2.75231	0.71000	2.83231	0.75000	2.87231
2022	2021	0.60000	2.67480	0.70000	2.77480	0.64000	2.71480
2023	2022	0.53500	2.58120	0.67500	2.77480	0.58000	2.62620
2024	2023	0.53500	2.46546	0.66500	2.59546	0.55000	2.48046

(Continued)

CITY OF ROSENBERG, TEXAS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Years

Tax Rates*		Overlapping Rates(1)			
		Fort Bend MUD #225		Fort Bend MUD #233	
<u>Fiscal Year</u>	<u>Tax Year</u>	<u>MUD Rate</u>	<u>Overlapping Rate</u>	<u>MUD Rate</u>	<u>Overlapping Rate</u>
2015	2014	N/A	\$ 2.37481	N/A	N/A
2016	2015	N/A	2.34605	N/A	N/A
2017	2016	N/A	2.33405	N/A	N/A
2018	2017	N/A	2.32105	N/A	N/A
2019	2018	N/A	2.28400	N/A	N/A
2020	2019	N/A	2.19500	N/A	N/A
2021	2020	N/A	2.12231	0.90000	3.02231
2022	2021	N/A	2.07480	0.90000	2.97480
2023	2022	1.08500	3.13120	0.90000	2.94620
2024	2023	1.08500	3.01546	0.90000	2.83046

Source: Tax Department records of the various taxing authorities.

\* Per \$100 of assessed valuation

(1) Overlapping rates are those of local and county governments that apply within the City of Rosenberg. Not all overlapping rates apply to all City of Rosenberg property owners (i.e., the rates for special districts apply only to the portion of the government's property owners whose property is located within the geographical boundaries of the special district).

CITY OF ROSENBERG, TEXAS  
 PRINCIPAL PROPERTY TAXPAYERS  
 Current Year and Nine Years Ago

	2024			2015		
	Taxable Assessed Value	Rank	% of Taxable Assessed Value	Taxable Assessed Value	Rank	% of Taxable Assessed Value
Property Taxpayer						
Brazos TC - Partnership A, LP	\$ 49,651,326	1	1.21%	\$ 66,381,630	1	4.30%
Dolce Rosenberg Master LLC	49,553,115	2	1.21%	-	-	0.00%
RH Town Center LLC	44,213,712	3	1.08%	-	-	0.00%
Continental 453 Fund LLC	41,439,270	4	1.01%	-	-	0.00%
GSSW Brazos Ranch LLC	36,796,531	5	0.90%	-	-	0.00%
3101 Place Acquisition	33,169,944	6	0.81%	-	-	0.00%
Aldi (Texas) LLC	32,559,190	7	0.79%	-	-	0.00%
Dollar Tree Distribution Inc	31,015,515	8	0.76%	-	-	0.00%
Biotics Research Corporation	30,543,265	9	0.74%	-	-	0.00%
Brazos TC - South Partnership A, LP	29,722,808	10	0.72%	21,494,280	2	1.39%
Centerpoint Energy Electric	-	-	0.00%	12,549,570	7	0.81%
Inland American Rosenberg Brazos	-	-	0.00%	19,975,000	3	1.29%
A-S 92 Hwy 59 Reading Rd LP	-	-	0.00%	18,817,220	4	1.22%
Kroger Texas LP	-	-	0.00%	17,371,840	5	1.13%
National Oilwell Downhole Tools	-	-	0.00%	16,814,180	6	1.09%
Seatex LTD	-	-	0.00%	11,539,070	8	0.75%
Target Corporation	-	-	0.00%	10,504,580	9	0.68%
Alcort Rosenberg LLC	-	-	0.00%	10,000,000	10	0.65%
Subtotal	378,664,676		9.23%	205,447,370		13.31%
Other taxpayers	3,721,679,383		90.77%	1,338,240,589		86.69%
Total	\$ 4,100,344,059		100.00%	\$ 1,543,687,959		100.00%

Source: Fort Bend County Tax Assessor/Collector's Office

CITY OF ROSENBERG, TEXAS  
PROPERTY TAX LEVIES AND COLLECTIONS  
Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
Tax levy	\$ 8,960,577	\$ 9,533,916	\$ 10,597,320	\$ 11,002,050	\$ 10,828,689	\$ 11,069,518	\$ 11,375,366	\$ 11,522,885	\$ 12,817,375	\$ 14,291,096
Current tax collected	8,848,290	9,452,428	10,499,723	10,853,779	10,690,573	10,987,474	11,344,205	11,496,289	12,692,411	14,141,956
Percentage of current tax collections	98.75%	99.15%	99.08%	98.65%	98.72%	99.26%	99.73%	99.77%	99.03%	98.96%
Delinquent tax collections	105,941	75,364	84,998	131,225	111,869	57,907	8,040	-	-	-
Total tax collections	<u>\$ 8,954,231</u>	<u>\$ 9,527,792</u>	<u>\$ 10,584,721</u>	<u>\$ 10,985,004</u>	<u>\$ 10,802,442</u>	<u>\$ 11,045,381</u>	<u>\$ 11,352,245</u>	<u>\$ 11,496,289</u>	<u>\$ 12,692,411</u>	<u>\$ 14,141,956</u>
Tax collections as a percentage of current levy	99.93%	99.94%	99.88%	99.82%	99.76%	99.68%	99.80%	99.77%	99.03%	98.96%
Outstanding delinquent taxes	<u>\$ 6,346</u>	<u>\$ 6,124</u>	<u>\$ 12,599</u>	<u>\$ 17,046</u>	<u>\$ 26,247</u>	<u>\$ 24,137</u>	<u>\$ 23,121</u>	<u>\$ 26,596</u>	<u>\$ 124,964</u>	<u>\$ 149,140</u>

Source: Tax assessor/collector's records.

CITY OF ROSENBERG, TEXAS  
RATIOS OF OUTSTANDING DEBT BY TYPE  
Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
Primary Government										
Governmental activities:										
General obligation bonds	\$ 13,975,000	\$ 12,050,000	\$ 15,460,000	\$ 18,725,000	\$ 14,825,000	\$ 17,725,000	\$ 15,970,000	\$ 14,150,000	\$ 12,265,000	\$ 56,955,000
Certificates of obligation	48,660,000	55,265,000	55,595,000	56,425,000	52,060,000	41,915,000	34,760,000	28,915,000	25,425,000	21,970,000
Notes payable	156,922	-	-	-	-	-	-	-	-	-
Leases payable	-	-	-	-	-	-	201,428	144,177	86,712	28,973
Subscription liabilities	-	-	-	-	-	-	-	-	241,098	187,083
Bond issuance premiums	921,760	1,054,554	1,613,624	1,999,347	1,636,091	1,973,162	1,789,143	1,605,124	1,421,105	6,261,079
Total governmental activities	<u>63,713,682</u>	<u>68,369,554</u>	<u>72,668,624</u>	<u>77,149,347</u>	<u>68,521,091</u>	<u>61,613,162</u>	<u>52,720,571</u>	<u>44,814,301</u>	<u>39,438,915</u>	<u>85,402,135</u>
Business-type activities:										
Revenue bonds	294,000	273,000	252,000	231,000	210,000	189,000	164,000	147,000	122,000	101,000
Capital finance agreements	1,343,434	1,819,225	1,215,771	1,051,607	944,544	706,988	262,902	-	-	-
Notes payable	2,406,433	1,251,607	1,154,959	594,009	-	-	-	-	-	-
Total business-type activities	<u>4,043,867</u>	<u>3,343,832</u>	<u>2,622,730</u>	<u>1,876,616</u>	<u>1,154,544</u>	<u>895,988</u>	<u>426,902</u>	<u>147,000</u>	<u>122,000</u>	<u>101,000</u>
Total primary government	<u>\$ 67,757,549</u>	<u>\$ 71,713,386</u>	<u>\$ 75,291,354</u>	<u>\$ 79,025,963</u>	<u>\$ 69,675,635</u>	<u>\$ 62,509,150</u>	<u>\$ 53,147,473</u>	<u>\$ 44,961,301</u>	<u>\$ 39,560,915</u>	<u>\$ 85,503,135</u>
Personal income*	\$ 785,369,376	\$ 791,108,406	\$ 809,855,904	\$ 827,095,500	\$ 884,064,540	\$ 914,403,852	\$ 978,024,450	\$ 1,029,347,498	\$ 1,094,005,106	\$ 1,188,735,912
Debt as a percentage of personal income	8.63%	9.06%	9.30%	9.55%	7.88%	6.84%	5.43%	4.37%	3.62%	7.19%
Population*	34,896	35,151	35,894	36,750	37,516	38,282	40,001	40,346	40,739	43,092
Debt per capita	\$ 1,942	\$ 2,040	\$ 2,092	\$ 2,150	\$ 1,857	\$ 1,633	\$ 1,329	\$ 1,114	\$ 971	\$ 1,984

\*See the Schedule of Demographic and Economic Statistics for personal income and population data.

\*\*Implementation of GASB 87 for leases

\*\*\*Implementation of GASB 96 for Subscription-Based Information Technology Arrangements

CITY OF ROSENBERG, TEXAS  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
Net taxable assessed value										
All property	\$ 1,783,738,912	\$ 1,933,380,329	\$ 2,199,121,566	\$ 2,344,722,729	\$ 2,501,176,107	\$ 2,657,840,437	\$ 2,814,049,253	\$ 3,150,990,693	\$ 3,623,757,055	\$ 4,100,344,059
Net bonded debt										
General obligation bonds	\$ 13,975,000	\$ 12,050,000	\$ 15,460,000	\$ 18,725,000	\$ 14,825,000	\$ 17,725,000	\$ 15,970,000	\$ 14,150,000	\$ 12,265,000	\$ 56,955,000
Certificates of obligation	48,660,000	55,265,000	55,595,000	56,425,000	52,060,000	41,915,000	34,760,000	28,915,000	25,425,000	21,970,000
Bond issuance premiums	921,760	1,054,554	1,613,624	1,999,347	1,636,091	1,973,162	1,789,143	1,605,124	1,421,105	6,261,079
Less debt service funds	<u>5,014,535</u>	<u>5,028,226</u>	<u>5,681,677</u>	<u>5,900,145</u>	<u>5,839,495</u>	<u>5,856,535</u>	<u>5,077,025</u>	<u>4,882,720</u>	<u>5,003,368</u>	<u>5,152,857</u>
Total general bonded debt	<u>\$ 58,542,225</u>	<u>\$ 63,341,328</u>	<u>\$ 66,986,947</u>	<u>\$ 71,249,202</u>	<u>\$ 62,681,596</u>	<u>\$ 55,756,627</u>	<u>\$ 47,442,118</u>	<u>\$ 39,787,404</u>	<u>\$ 34,107,737</u>	<u>\$ 80,033,222</u>
Percentage of actual taxable value of property	3.28%	3.28%	3.05%	3.04%	2.51%	2.10%	1.69%	1.26%	0.94%	1.95%
Population*	34,896	35,151	35,894	36,750	37,516	38,282	40,001	40,346	40,739	43,092
Per capita	\$ 1,678	\$ 1,802	\$ 1,862	\$ 1,939	\$ 1,671	\$ 1,456	\$ 1,186	\$ 986	\$ 837	\$ 1,857

\*See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF ROSENBERG, TEXAS  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
Fort Bend County	\$ 1,141,510,455	3.76%	\$ 42,920,793
Fort Bend County Drainage District	22,655,000	3.76%	851,828
Fort Bend MUD No. 94	2,375,000	100.00%	2,375,000
Fort Bend MUD No. 144	31,650,000	100.00%	31,650,000
Fort Bend MUD No. 147	16,235,000	100.00%	16,235,000
Fort Bend MUD No. 148	5,120,000	100.00%	5,120,000
Fort Bend MUD No. 152	39,980,000	0.20%	79,960
Fort Bend MUD No. 159	5,310,000	100.00%	5,310,000
Fort Bend MUD No. 167	24,250,000	100.00%	24,250,000
Fort Bend MUD No. 225	10,405,000	100.00%	10,405,000
Fort Bend MUD No. 232	3,250,000	100.00%	3,250,000
Fort Bend MUD No. 233	24,815,000	100.00%	24,815,000
Lamar Consolidated Independent School District	3,112,195,000	14.89%	<u>463,405,836</u>
Total overlapping rates			<u>630,668,417</u>
City direct debt			<u>85,402,135</u>
Total direct and overlapping debt (1)			<u>\$ 716,070,552</u>

Source: Hilltop Securities

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. 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) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping government's taxable assessed value that is within the City's boundaries and dividing it by the overlapping government's total taxable assessed value.

CITY OF ROSENBERG, TEXAS  
LEGAL DEBT MARGIN INFORMATION  
Last Ten Years

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt limit	\$ 189,615,990	\$ 203,925,239	\$ 219,912,157	\$ 234,472,273	\$ 250,117,611	\$ 265,784,044	\$ 281,404,925	\$ 315,099,069	\$ 362,375,706	\$ 410,034,406
Total net debt applicable to limit	<u>58,858,229</u>	<u>62,286,774</u>	<u>65,562,263</u>	<u>60,984,855</u>	<u>61,045,505</u>	<u>53,783,465</u>	<u>45,820,975</u>	<u>38,329,280</u>	<u>32,808,632</u>	<u>73,873,143</u>
Legal debt margin	<u>\$ 130,757,761</u>	<u>\$ 141,638,465</u>	<u>\$ 154,349,894</u>	<u>\$ 173,487,418</u>	<u>\$ 189,072,106</u>	<u>\$ 212,000,579</u>	<u>\$ 235,583,950</u>	<u>\$ 276,769,789</u>	<u>\$ 329,567,074</u>	<u>\$ 336,161,263</u>
Total net debt applicable to the limit as a percentage of debt limit	31.04%	30.54%	29.81%	26.01	24.41%	20.24%	16.28%	12.16%	9.05%	18.02%
Legal debt margin calculation by fiscal year										
Assessed value	\$ 1,896,159,898	\$ 2,039,252,388	\$ 2,199,121,566	\$ 2,344,722,729	\$ 2,501,176,107	\$ 2,657,840,437	\$ 2,814,049,253	\$ 3,150,990,693	\$ 3,623,757,055	\$ 4,100,344,059
Debt limit (10% of assessed value)	189,615,990	203,925,239	219,912,157	234,472,273	250,117,611	265,784,044	281,404,925	315,099,069	362,375,706	410,034,406
Debt applicable to limit:										
General obligation bonds	63,850,760	67,315,000	75,150,000	66,885,000	66,885,000	59,640,000	50,898,000	43,212,000	37,812,000	79,026,000
Less: amount set aside for obligation debt	<u>(5,014,535)</u>	<u>(5,028,226)</u>	<u>(5,681,677)</u>	<u>(5,900,145)</u>	<u>(5,839,495)</u>	<u>(5,856,535)</u>	<u>(5,077,025)</u>	<u>(4,882,720)</u>	<u>(5,003,368)</u>	<u>(5,152,857)</u>
Total net debt applicable to limit	<u>58,836,225</u>	<u>62,286,774</u>	<u>69,468,323</u>	<u>60,984,855</u>	<u>61,045,505</u>	<u>53,783,465</u>	<u>45,820,975</u>	<u>38,329,280</u>	<u>32,808,632</u>	<u>73,873,143</u>
Legal debt margin	<u>\$ 130,779,765</u>	<u>\$ 141,638,465</u>	<u>\$ 150,443,834</u>	<u>\$ 173,487,418</u>	<u>\$ 189,072,106</u>	<u>\$ 212,000,579</u>	<u>\$ 235,583,950</u>	<u>\$ 276,769,789</u>	<u>\$ 329,567,074</u>	<u>\$ 336,161,263</u>

Note: Under state finance law, the City of Rosenberg's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

CITY OF ROSENBERG, TEXAS  
DEBT SERVICE FUND PROJECTIONS FOR FISCAL YEAR 2025

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Tax Obligation Debt Service Requirements for Fiscal Year 2025		\$ 8,211,800
Debt Service Fund, September 30, 2024	\$ 5,003,368	
Debt Service Fund Tax Levy at 99% Collection	5,758,974	
Estimated Prior Year Delinquent Taxes	50,000	
Estimated Transfer from Water/Wastewater Fund	1,952,802	
Estimated Transfer from Rosenberg Development Corporation	195,926	
Estimated Transfer from Subsidence Fund	304,098	
Estimated Investment Income	<u>100,000</u>	<u>13,365,168</u>
Estimated Debt Service Fund Balance, September 30, 2025		<u>\$ 5,153,368</u>
General Obligation and/or Revenue Bonds Authorized but Unissued for 2024	None	
Floating Debt Outstanding for 2024	None	

CITY OF ROSENBERG, TEXAS  
COMPUTATION OF SELF-SUPPORTING DEBT

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Waterworks and Wastewater System	
Net system revenue available at September 30, 2024	\$ 7,144,565
Less: 2025 requirements for revenue bonds	<u>21,000</u>
Balance available for other purposes	<u>\$ 7,123,565</u>
Debt service coverage ratio	100.00
2025 requirements for system tax or general obligation bonds (1)	\$ 2,256,901
Percentage of system general obligation bonds self-supporting	100%
Rosenberg Development Corporation	
Net system revenue available at September 30, 2024	\$ 9,441,621
Less: 2025 requirements for revenue bonds	<u>-</u>
Balance available for other purposes	<u>\$ 9,441,621</u>
2025 requirements for general obligation bonds paid by the Corporation (1)	\$ 195,926
Percentage of system general obligation bonds self-supporting	100%

(1) It is the City's current policy to provide these payments from respective system revenues; however, these revenues are not pledged to the payment of this debt. The City's policy to make debt service payments from these revenues is subject to change in the future.

CITY OF ROSENBERG, TEXAS  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 Last Ten Calendar Years

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<u>Fiscal Year Ended</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rate</u>
2015	34,896	\$ 785,369,376	\$ 22,506	32.0	29,786	4.1%
2016	35,151	791,108,406	22,506	32.0	30,891	5.0%
2017	35,984	809,855,904	22,506	32.0	32,391	4.0%
2018	36,750	827,095,500	22,506	32.0	33,641	3.9%
2019	37,516	884,064,540	23,565	32.0	35,391	3.4%
2020	38,282	914,403,852	23,886	33.8	36,820	7.2%
2021	40,001	978,024,450	24,450	33.6	39,171	5.9%
2022	40,346	1,029,347,498	25,513	32.7	42,876	3.9%
2023	40,739	1,094,005,106	26,854	31.2	44,895	4.5%
2024	43,092	1,188,735,912	27,586	31.3	47,173	4.4%

Sources:

- 1) Internal City estimates
- 2) Bureau of the Census/ESRI Profile
- 3) Lamar Consolidated Independent School District

CITY OF ROSENBERG, TEXAS  
 PRINCIPAL EMPLOYERS  
 Current Year and Nine Years Ago

<u>Employer</u>	<u>2024</u>			<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Total City Employment (%)</u>	<u>Employees</u>	<u>Rank</u>	<u>Total City Employment (%)</u>
Lamar Consolidated Independent School District	6,700	1	33.34%	4,500	1	28.47%
Fort Bend County Offices - Annex	1,502	2	7.47%	328	4	2.08%
Texana Center	823	3	4.10%	506	2	3.20%
Frito Lay, Inc.	750	4	3.73%	470	3	2.97%
Dollar Tree	548	5	2.73%	-	-	-
City of Rosenberg	313	6	1.56%	315	5	1.99%
Kroger	285	7	1.42%	278	7	1.76%
Benedittini Cabinetry	277	8	1.38%	302	6	1.91%
Si Environmental	261	9	1.30%	160	9	1.01%
Biotics Research Corporation	212	10	1.06%	175	8	1.11%
Seatex	-	0	0.00%	131	10	0.83%
Total tax roll	<u>11,671</u>		<u>58.08%</u>	<u>7,165</u>		<u>45.33%</u>

Source: City of Rosenberg Economic Development

CITY OF ROSENBERG, TEXAS  
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
 Last Ten Years

	Fiscal Year									
	<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>	<u>2024</u>
General Government	33	33	34	34	34	34	34	36	40	40
Public Safety										
Police	75	76	82	82	88	90	75	78	78	79
Civilians	25	28	28	28	28	28	25	25	25	25
Animal control	3	3	4	4	5	5	5	5	6	7
Fire										
Firefighters	52	52	52	53	59	59	59	59	61	65
Civilians	2	2	2	2	2	2	2	2	2	2
Public Works										
Streets and drainage	18	18	19	19	19	19	19	20	20	20
Building maintenance	-	-	2	2	2	2	2	2	2	4
Fleet maintenance	4	5	5	5	5	5	5	5	5	5
Community Development										
Planning	4	5	5	5	5	5	5	5	5	5
Code enforcement	8	8	8	9	9	11	11	12	12	12
Health	2	2	2	2	2	2	2	2	2	2
Communications	3	-	-	-	-	-	-	-	-	-
Parks and recreation	10	10	9	9	9	9	8	8	7	8
Hotel and motel	-	1	1	1	1	1	1	1	1	1
Civic center	5	4	3	3	3	3	3	3	3	4
Water and wastewater	<u>27</u>	<u>27</u>	<u>27</u>	<u>28</u>	<u>29</u>	<u>29</u>	<u>29</u>	<u>32</u>	<u>34</u>	<u>34</u>
Total	<u>255</u>	<u>270</u>	<u>283</u>	<u>287</u>	<u>301</u>	<u>305</u>	<u>286</u>	<u>295</u>	<u>303</u>	<u>314</u>

Source: City personnel records

CITY OF ROSENBERG, TEXAS  
OPERATING INDICATORS BY FUNCTION  
Last Ten Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Police</b>										
Arrests	2,875	2,616	2,460	2,272	2,041	1,719	1,701	2,141	1,859	1,956
Accident reports	890	977	1,083	1,041	1,064	905	974	921	898	1,008
Citations	5,250	5,098	5,530	5,037	4,970	5,130	5,751	5,834	6,860	5,374
Offense reports	4,180	3,871	3,887	3,666	3,099	2,682	3,758	4,132	4,178	4,399
Calls for service	50,843	45,907	52,738	53,253	61,010 **	60,929	62,334	62,230	60,202	65,172
<b>Fire</b>										
Emergency responses	3,602	4,506	5,076	5,131	5,371	5,512	6,351	6,299	6,781	7,274
Fire incidents	149	1,370 *	1,507	1,767	1,617	671	2,145	1,897	2,341	1,029
Service calls and other calls	3,453	3,036	3,419	3,207	3,754	4,841	4,206	4,402	4,440	6,245
Automatic aid, mutual aid given	83	153	150	157	156	74	177	113	225	100
<b>Water</b>										
Average daily consumption (millions of gallons)	3.87	3.94	4.09	4.30	5.90	5.40	5.84	6.40	5.78	8.31
Total consumption (millions of gallons)	1,411.00	1,438.00	1,493.00	1,680.30	2,170.00	1,977.80	2,131.81	2,337.06	2,110.30	3,033.96
Peak daily consumption	8.20	8.60	6.90	11.20	7.98	10.70	10.66	9.05	14.20	11.65
<b>Sewer</b>										
Average daily sewage treatment (millions of gallons)	2.82	3.01	3.23	2.90	3.36	3.05	3.56	3.34	3.74	3.97
Total consumption (millions of gallons)	1,029.00	1,098.00	1,179.00	1,070.00	1,228.75	1,112.20	1,299.82	1,218.50	1,363.16	1,449.90
Peak daily consumption (millions of gallons)	11.47	9.63	25.17	23.00	19.00	13.10	14.66	10.14	11.17	16.07

Source: Various City departments

\*Started reporting all fire incidents instead of just structure fire incidents

\*\*Includes calls for all police, fire, animal control, and other city departments dispatched

CITY OF ROSENBERG, TEXAS  
WATER AND SEWER RATES

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Water Rates

Rates for single-family residences are as follows:

First 2,000 gallons	\$12.00 minimum
2,001 - 10,000 gallons	\$2.60 per 1,000 gallons
10,001 - 20,000 gallons	\$2.80 per 1,000 gallons
20,001 - 50,000 gallons	\$2.90 per 1,000 gallons
over 50,000 gallons	\$3.00 per 1,000 gallons

Rates for commercial/industrial users are as follows:

<u>Minimum-Monthly Billing</u>	<u>Includes up to 2,000 gallons</u>
3/4" Meter	\$12.00
1" Meter	\$35.00
1 1/2" Meter	\$55.00
2" Meter	\$65.00
3" Meter	\$120.00
4" Meter	\$240.00
6" Meter	\$360.00
8" Meter	\$550.00

All water usage over 2,000 gallons:

2,000 - 10,000 gallons	\$2.60 per 1,000 gallons
10,001 - 20,000 gallons	\$2.80 per 1,000 gallons
20,001 - 50,000 gallons	\$2.90 per 1,000 gallons
over 50,000 gallons	\$3.00 per 1,000 gallons

Subsidence Rates

For all water used, the fee is \$2.75 per 1,000 gallons, in addition to the water rates.

Sewer Rates

Rates for single-family residence are as follows:

First 2,000 gallons	\$15.00 minimum
2,001 - 12,000 gallons	\$3.20 per 1,000 gallons

Rates for commercial/industrial users are as follows:

<u>Minimum Monthly Billing</u>	<u>Includes up to 2,000 gallons</u>
3/4" Meter	\$15.00
1" Meter	\$30.00
1 1/2" Meter	\$45.00
2" Meter	\$55.00
3" Meter	\$120.00
4" Meter	\$195.00
6" Meter	\$375.00
8" Meter	\$600.00

All sewer used over 2,000 gallons is charged at \$3.20 per 1,000 gallons.

CITY OF ROSENBERG, TEXAS  
TOP TEN WATER AND SEWER CUSTOMERS

TOP TEN WATER CUSTOMERS

<u>Rank</u>	<u>Customer</u>	<u>Type of Property</u>	<u>Consumption in Gallons</u>	<u>Revenue</u>
1	Urban Brittany Square LP	Apartments	18,541,300	\$ 58,334
2	Springs at Summer Park	Apartments	17,972,500	58,067
3	3101 Place Acquisition LLC	Apartments	14,380,500	47,291
4	Reading Park Apartments	Apartments	12,272,400	40,967
5	Brazos Ranch Apartment Homes	Apartments	11,711,300	41,564
6	Allied Concrete	Industrial	11,360,400	34,691
7	FBE SFM LLC (Epicenter)	Commercial	10,798,600	36,545
8	Westwood Village Apartments	Apartments	10,085,200	30,865
9	Kings Arms Apartments	Apartments	8,909,100	27,997
10	RH Town Center LLC	Apartments	8,636,000	30,058
Total			<u>124,667,300</u>	<u>\$ 406,379</u>

TOP TEN SEWER CUSTOMERS

<u>Rank</u>	<u>Customer</u>	<u>Type of Property</u>	<u>Consumption in Gallons</u>	<u>Revenue</u>
1	Urban Brittany Square LP	Apartments	18,541,300	\$ 61,595
2	Springs at Summer Park	Apartments	17,972,500	61,935
3	3101 Place Acquisition LLC	Apartments	14,380,500	50,441
4	Reading Park Apartments	Apartments	12,272,400	43,695
5	Brazos Ranch Apartments	Apartments	11,711,300	44,599
6	FBE SFM LLC (Epicenter)	Commercial	10,798,600	38,979
7	Westwood Village Apartments	Apartments	10,085,200	32,856
8	Kings Arms Apartments	Apartments	8,909,100	29,872
9	RH Town Center LLC	Apartments	8,636,000	32,058
10	MACK Rosenberg LLC	Apartments	7,698,400	26,898
Total			<u>121,005,300</u>	<u>\$ 422,928</u>

CITY OF ROSENBERG, TEXAS  
CAPITAL ASSET STATISTICS BY FUNCTION  
Last Ten Years

Function/Program	Fiscal Year									
	<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>	<u>2024</u>
Public safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Patrol units	46	47	49	49	51	50	51	53	53	53
Fire stations	3	3	3	3	3	3	3	3	4	4
Public works										
Street (miles)	156	158	159	159	164	160	160	160	160	173
Parks and recreation										
Parks acreage	445	445	445	445	469	469	469	469	469	469
Parks	9	9	9	9	9	9	9	9	9	9
Water and sewer										
Water mains (miles)	165	180	184	186	193	200	203	209	215	218
Fire hydrants	1,341	1,353	1,387	1,328	1,486	15,559	1,596	1,653	1,730	1,774
Maximum daily capacity (thousands of gallons)	8,230	8,230	11,838	11,838	11,838	11,838	11,838	11,838	11,838	11,838
Sanitary sewers (miles)	144	151	154	154	159	165	169	171	175	178
Storm sewers (miles)	68	84	91	92	97	102	105	108	114	118
Maximum daily treatment capacity (thousands of miles)	6,525	6,525	6,525	6,525	6,525	6,525	6,525	6,525	6,525	6,525

Source: Various City departments

Note: No capital asset indicators are available for the general government function