

# *McCall Gibson Swedlund Barfoot Ellis PLLC*

*Certified Public Accountants*

*Chris Swedlund  
Noel W. Barfoot  
Joseph Ellis  
Ashlee Martin*

*Mike M. McCall  
(retired)  
Debbie Gibson  
(retired)*

June 3, 2025

Board of Directors  
Travis County Municipal Utility District No. 10  
Travis County, Texas

We have audited the financial statements of the governmental activities and each major fund of Travis County Municipal Utility District No. 10 (the "District") for the year ended February 28, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated February 6, 2025. Professional standards also require that we communicate to you the following information related to our audit. For the purposes of this letter, the term "management" refers to the Board of Directors and/or District consultants.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the District, including new accounting policies, if any, that have been adopted and implemented during the current fiscal year, are discussed in Note 2. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were management's estimate of depreciable lives of capital assets and amounts recorded as due to developer. Depreciation of infrastructure assets is based on industry wide accepted estimated useful lives taken on a straight-line basis. Amounts shown as developer liabilities are based on final construction costs plus an estimated 15% for engineering and other fees. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The District's bookkeeper and Board of Directors will be provided with all such adjustments.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated June 3, 2025.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to perform the following non-attest services for the District: (1) preparation of the financial statements and related notes in conformity with accounting principles generally accepted in the United States of America and (2) preparation of the capital asset and depreciation schedules. These services were performed based on information provided by you. We performed these services in accordance with applicable professional standards. The non-attest services we performed are limited to those specifically defined and did not result in assuming management responsibilities.

We applied certain limited procedures to the Management's Discussion and Analysis and the budgetary comparison schedule for the General Fund, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information required by the Texas Commission on Environmental Quality, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors of the District and is not intended to be, and should not be, used by anyone other than the specified party.

Sincerely,

*McCall Gibson Swedlund Barfoot Ellis PLLC*

McCall Gibson Swedlund Barfoot Ellis PLLC  
Certified Public Accountants  
Houston, Texas

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June 3, 2025

Board of Directors  
Travis County Municipal  
Utility District No. 10  
Travis County, Texas

In planning and performing our audit of the financial statements of Travis County Municipal Utility District No. 10 (the “District”) as of and for the year ended February 28, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District’s internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements of the District’s financial statements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## **Material Weaknesses**

Last year, and again this year, we observed the following deficiencies in the District’s internal control that we consider to be material weaknesses.

The District’s management consists of an elected Board of Directors (the “Directors”). The day-to-day operations are performed by private companies (“Consultants”) under contract with the District. The Directors of the District supervise the performance of the Consultants. The Consultants can be part of the District’s system of internal control; however, the Consultants are not members of management. Ultimately, the Directors of the District are responsible for the design and implementation of the system of internal control.

As is common within the system of internal control of most small organizations, the accounting function of the District does not include the preparation of the financial statements complete with footnotes in accordance with generally accepted accounting principles. Accordingly, the District has not established internal controls over the preparation of its financial statements. This condition is considered to be a material weakness of the District’s system of internal control over financial reporting.

### **Material Weaknesses (Continued)**

During the course of performing the audit, the auditor prepared various entries to present the financial statements on the government-wide basis of accounting. Management's reliance upon the auditor to detect and make these necessary adjustments is considered to be a material weakness in internal control. Management relies on the auditor to prepare the capital asset and depreciation schedules and post adjustments related to the presentation of the capital assets in the government-wide financial statements. Management's reliance on the auditor to perform this function is considered to be a material weakness in the system of internal control. In addition, we made various adjustments to the fund financial statements that were necessary for them to be fairly presented, in all material respects, in conformity with generally accepted accounting principals. Management's inability to detect these adjustments is considered to be a material weakness in internal control. Auditing standards do not make exceptions for reporting deficiencies that are adequately mitigated with nonaudit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive.

We agree with the objective of auditing standards to inform an organization of all the conditions in its internal control that interfere with its ability to record financial data reliably and issue financial statements free of material misstatement. Communication of the material weaknesses above helps to emphasize that the responsibility for financial reporting rests entirely with the organization and not the auditor.

### **Management's Response**

The financial statements have been prepared in a manner that is consistent with prior years. The Board engages a bonded bookkeeper who possesses industry knowledge and expertise, including a concentration in special districts accounting. The Board also engages a financial advisor and tax assessor/collector who possess industry knowledge and expertise, as well as legal and professional engineering services. The Board has consulted with its independent auditor concerning this "management letter" and the auditor does not recommend any change in the Board's bookkeeping or audit procedures at this time. To the best of its knowledge, the Board conducts the District's business affairs in the same manner as other similarly situated special districts, and, based on the recommendations of its auditor, does not believe that the addition of an employee to oversee the monthly and annual financial reporting process or to prepare financial statements or that undertaking an additional annual audit is necessary or cost effective.

### **Conclusion**

Management's written response to the material weaknesses identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Board of Directors and the Texas Commission on Environmental Quality and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

*McCall Gibson Swedlund Barfoot Ellis PLLC*

McCall Gibson Swedlund Barfoot Ellis PLLC  
Certified Public Accountants  
Houston, Texas

# ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS }

COUNTY OF TRAVIS }

I, Chris Swedlund \_\_\_\_\_ of the  
(Name of Duly Authorized District Representative)  
Travis County Municipal Utility District No. 10  
(Name of District)

hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of Directors of the District on the 3rd day of June, 2025, its annual audit report for the year ended February 28, 2025 and that copies of the audit report have been filed in the district office, located at

919 Congress Avenue, Suite 1500, Austin, Texas 78701  
(Address of District)

The annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of the annual filing requirements of Texas Water Code Section 49.194.

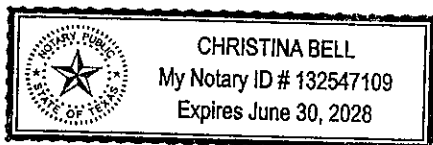
Date: June 24, 2025.

By: Chris Swedlund  
(Signature of District Representative)

Chris Swedlund, Auditor  
(Typed Name & Title of above District Representative)

Sworn to and subscribed to before me this 24<sup>th</sup> day of June, 2025.

(Seal)



Christina Bell  
(Signature of Notary)

My Commission Expires On: June 30, 2028.  
Notary Public in the State of Texas.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**

**TRAVIS COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**FEBRUARY 28, 2025**

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Travis County Municipal Utility District No. 10  
Travis County, Texas

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Travis County Municipal Utility District No. 10 (the "District") as of and for the year ended February 28, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of February 28, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

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

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

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



### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked "Unaudited" on which we express no opinion or provide any assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*McCall Gibson Swedlund Barfoot Ellis PLLC*

McCall Gibson Swedlund Barfoot Ellis PLLC  
Certified Public Accountants  
Houston, Texas

June 3, 2025

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR YEAR ENDED FEBRUARY 28, 2025**

Management's discussion and analysis of Travis County Municipal Utility District No. 10's (the "District") financial performance provides an overview of the District's financial activities for the year ended February 28, 2025. Please read it in conjunction with the District's financial statements.

**USING THIS ANNUAL REPORT**

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

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

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

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

**FUND FINANCIAL STATEMENTS**

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR YEAR ENDED FEBRUARY 28, 2025**

**FUND FINANCIAL STATEMENTS (Continued)**

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

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

**NOTES TO THE FINANCIAL STATEMENTS**

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

**OTHER INFORMATION**

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$826,821 as of February 28, 2025.

A portion of the District's net position reflects its net investment in capital assets (land and land improvements and water, wastewater and drainage facilities less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide water and wastewater services.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR YEAR ENDED FEBRUARY 28, 2025**

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

The following is a comparative analysis of government-wide changes in net position:

	Summary of Changes in the Statement of Net Position		
	2025	2024	Change Positive (Negative)
Current and Other Assets	\$ 2,536,049	\$ 2,826,217	\$ (290,168)
Capital Assets (Net of Accumulated Depreciation)	<u>7,469,459</u>	<u>7,074,674</u>	<u>394,785</u>
Total Assets	<u>\$ 10,005,508</u>	<u>\$ 9,900,891</u>	<u>\$ 104,617</u>
Deferred Outflows of Resources	<u>\$ 177,736</u>	<u>\$ 196,627</u>	<u>\$ (18,891)</u>
Due to Developers	\$ 5,927,561	\$ 5,927,561	\$
Long -Term Liabilities	4,444,338	4,697,842	253,504
Other Liabilities	<u>374,577</u>	<u>510,404</u>	<u>135,827</u>
Total Liabilities	<u>\$ 10,746,476</u>	<u>\$ 11,135,807</u>	<u>\$ 389,331</u>
Deferred Inflows of Resources	<u>\$ 263,589</u>	<u>\$ 424,232</u>	<u>\$ 160,643</u>
Net Investment in Capital Assets	\$ (2,724,704)	\$ (3,354,102)	\$ 629,398
Restricted	263,632	249,443	14,189
Unrestricted	<u>1,634,251</u>	<u>1,642,138</u>	<u>(7,887)</u>
Total Net Position	<u>\$ (826,821)</u>	<u>\$ (1,462,521)</u>	<u>\$ 635,700</u>

The following table provides a summary of the District's operations for the year ended February 28, 2025, and February 29, 2024. The District's net position increased by \$635,700.

	Summary of Changes in the Statement of Activities		
	2025	2024	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 1,773,487	\$ 1,490,749	\$ 282,738
Charges for Services	328,771	408,668	(79,897)
Other Revenues	<u>122,883</u>	<u>96,365</u>	<u>26,518</u>
Total Revenues	<u>\$ 2,225,141</u>	<u>\$ 1,995,782</u>	<u>\$ 229,359</u>
Expenses for Services	<u>1,589,441</u>	<u>1,618,587</u>	<u>29,146</u>
Change in Net Position	\$ 635,700	\$ 377,195	\$ 258,505
Net Position, Beginning of Year	<u>(1,462,521)</u>	<u>(1,839,716)</u>	<u>377,195</u>
Net Position, End of Year	<u>\$ (826,821)</u>	<u>\$ (1,462,521)</u>	<u>\$ 635,700</u>

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR YEAR ENDED FEBRUARY 28, 2025**

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

The District's combined fund balances as of February 28, 2025, were \$1,841,739, a decrease of \$59,158 from the prior year.

The General Fund fund balance decreased by \$64,629, primarily due to operating expenditures and capital outlay exceeding service and property tax revenues.

The Debt Service Fund fund balance increased by \$5,471, primarily due to the structure of the District's outstanding debt service requirements.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Directors annually adopts an unappropriated budget for the General Fund and amended the budget during the fiscal year. Actual revenues were \$206,838 more than budgeted revenues primarily due to higher than anticipated property tax revenues. Actual expenditures were \$303,062 less than budgeted expenditures due to higher than expected professional fees and contractor services, offset by lower than anticipated capital outlay. In addition, the District received \$38,846 of insurance proceeds during the year, which was not considered in the budget. See budget to actual comparison.

**CAPITAL ASSETS**

Capital assets as of February 28, 2025, totaled \$7,469,459 (net of accumulated depreciation) and included land and land improvements and construction in progress as well as the water, wastewater and drainage systems. See also Note 8.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2025	2024	Change Positive (Negative)
Capital Assets Not Being Depreciated -			
Land and Land Improvements	\$ 312,524	\$ 312,524	\$
Construction in Progress	158,310	671,883	(513,573)
Capital Assets, Net of Accumulated Depreciation:			
Water System	3,094,981	2,886,533	208,448
Wastewater System	3,412,599	2,694,499	718,100
Drainage System	491,045	509,235	(18,190)
Total Net Capital Assets	<u>\$ 7,469,459</u>	<u>\$ 7,074,674</u>	<u>\$ 394,785</u>

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR YEAR ENDED FEBRUARY 28, 2025**

**LONG-TERM DEBT ACTIVITY**

At February 28, 2025, the District had total bond debt payable of \$4,455,000. The changes in the debt position of the District during the year ended February 28, 2025, are summarized as follows:

Bond Debt Payable, March 1, 2024	\$ 4,710,000
Less: Bond Principal Paid	<u>255,000</u>
Bond Debt Payable, February 28, 2025	<u><u>\$ 4,455,000</u></u>

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

**CURRENTLY KNOWN FACTS, DECISIONS OR CONDITIONS**

The adopted budget for fiscal year 2026 projects an increase in General Fund fund balance of \$469,050. Compared to the fiscal year 2025 budget, revenues are expected to increase by approximately \$231,300 and expenditures are expected to decrease by approximately \$851,100.

**CONTACTING THE DISTRICT'S MANAGEMENT**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Travis County Municipal Utility District No. 10, c/o Allen Boone Humphries Robinson LLP, 919 Congress Avenue, Suite 1500, Austin, Texas 78701.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**FEBRUARY 28, 2025**

	General Fund	Debt Service Fund
<b>ASSETS</b>		
Cash	\$ 93,123	\$ 330,516
Investments	1,469,468	363,966
Cash with Paying Agent		78,684
Receivables:		
Property Taxes	113,171	27,943
Penalty and Interest on Delinquent Taxes		
Service Accounts	25,359	
Accrued Interest	8,600	
Due from Other Funds	181,278	
Prepaid Costs	12,084	
Capital Assets (Net of Accumulated Depreciation):		
Land and Land Improvements		
Construction in Progress		
Water, Wastewater and Drainage Systems		
<b>TOTAL ASSETS</b>	<u>\$ 1,903,083</u>	<u>\$ 801,109</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charges on Refunding Bonds	<u>\$ -0-</u>	<u>\$ -0-</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$ 1,903,083</u></u>	<u><u>\$ 801,109</u></u>

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



<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 423,639	\$	\$ 423,639
1,833,434		1,833,434
78,684		78,684
141,114		141,114
	13,135	13,135
25,359		25,359
8,600		8,600
181,278	(181,278)	
12,084		12,084
	312,524	312,524
	158,310	158,310
	6,998,625	6,998,625
<u>\$ 2,704,192</u>	<u>\$ 7,301,316</u>	<u>\$ 10,005,508</u>
<u>\$ -0-</u>	<u>\$ 177,736</u>	<u>\$ 177,736</u>
<u>\$ 2,704,192</u>	<u>\$ 7,479,052</u>	<u>\$ 10,183,244</u>

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**FEBRUARY 28, 2025**

	<u>General Fund</u>	<u>Debt Service Fund</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 214,882	\$
Accrued Interest Payable		
Due to Developers		
Due to Other Funds		181,278
Due to Taxpayers		27,061
Security Deposits	53,950	
Long-Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
<b>TOTAL LIABILITIES</b>	<u>\$ 268,832</u>	<u>\$ 208,339</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	<u>\$ 113,171</u>	<u>\$ 272,111</u>
<b>FUND BALANCES</b>		
Nonspendable -		
Prepaid Costs	\$ 12,084	\$
Restricted for Debt Service		320,659
Unassigned	<u>1,508,996</u>	
<b>TOTAL FUND BALANCES</b>	<u>\$ 1,521,080</u>	<u>\$ 320,659</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 1,903,083</u>	<u>\$ 801,109</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
<b>TOTAL NET POSITION</b>		

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

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 214,882	\$	\$ 214,882
	78,684	78,684
	5,927,561	5,927,561
181,278	(181,278)	
27,061		27,061
53,950		53,950
	265,000	265,000
	<u>4,179,338</u>	<u>4,179,338</u>
<u>\$ 477,171</u>	<u>\$ 10,269,305</u>	<u>\$ 10,746,476</u>
<u>\$ 385,282</u>	<u>\$ (121,693)</u>	<u>\$ 263,589</u>
\$ 12,084	\$ (12,084)	\$
320,659	(320,659)	
<u>1,508,996</u>	<u>(1,508,996)</u>	<u></u>
<u>\$ 1,841,739</u>	<u>\$ (1,841,739)</u>	<u>\$ - 0 -</u>
<u>\$ 2,704,192</u>		
	\$ (2,724,704)	\$ (2,724,704)
	263,632	263,632
	<u>1,634,251</u>	<u>1,634,251</u>
	<u>\$ (826,821)</u>	<u>\$ (826,821)</u>

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**FEBRUARY 28, 2025**

Total Fund Balances - Governmental Funds	\$	1,841,739
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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 as assets in the governmental funds.		7,469,459
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Deferred inflows of resources related to property tax revenues for the 2023 and prior debt service tax levies and the 2024 and prior maintenance tax levies became part of recognized revenue in the governmental activities of the District. In addition, uncollected penalty and interest revenue became part of recognized revenue in the governmental activities of the District.		134,828
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Interest paid in advance as part of a refunding bond sale is recorded as a deferred outflow in the governmental activities and systematically charged to interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.		177,736
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Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Due to Developer	\$ (5,927,561)	
Accrued Interest Payable	(78,684)	
Bonds Payable Within One Year	(265,000)	
Bonds Payable After One Year	(4,179,338)	(10,450,583)
Total Net Position - Governmental Activities		<u>\$ (826,821)</u>

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

	General Fund	Debt Service Fund
<b>REVENUES</b>		
Property Taxes	\$ 1,297,367	\$ 418,093
Water Service	140,559	
Wastewater Service	101,686	
Grinder Pump Maintenance	59,999	
Penalty and Interest	1,391	13,840
Tap Connection and Inspection Fees	7,888	
Investment Revenues	55,852	21,589
Miscellaneous Revenues	6,596	
	<hr/>	<hr/>
<b>TOTAL REVENUES</b>	<b>\$ 1,671,338</b>	<b>\$ 453,522</b>
<b>EXPENDITURES/EXPENSES</b>		
Service Operations:		
Professional Fees	\$ 291,286	\$ 7,810
Contracted Services	193,444	16,098
Purchased Water Service	15,292	
Utilities	52,612	
Repairs and Maintenance	298,106	
Depreciation		
Other	231,143	3,724
Capital Outlay	692,930	
Debt Service:		
Bond Principal		255,000
Bond Interest		165,419
	<hr/>	<hr/>
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 1,774,813</b>	<b>\$ 448,051</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES/EXPENSES</b>	<b>\$ (103,475)</b>	<b>\$ 5,471</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Insurance Proceeds	\$ 38,846	\$ -0-
	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (64,629)</b>	<b>\$ 5,471</b>
<b>CHANGE IN NET POSITION</b>		
<b>FUND BALANCES/NET POSITION - MARCH 1, 2024</b>	<b>1,585,709</b>	<b>315,188</b>
	<hr/>	<hr/>
<b>FUND BALANCES/NET POSITION - FEBRUARY 28, 2025</b>	<b>\$ 1,521,080</b>	<b>\$ 320,659</b>
	<hr/>	<hr/>

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

<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 1,715,460	\$ 58,027	\$ 1,773,487
140,559		140,559
101,686		101,686
59,999		59,999
15,231	3,408	18,639
7,888		7,888
77,441		77,441
6,596		6,596
<u>\$ 2,124,860</u>	<u>\$ 61,435</u>	<u>\$ 2,186,295</u>
\$ 299,096	\$	\$ 299,096
209,542		209,542
15,292		15,292
52,612		52,612
298,106		298,106
	298,145	298,145
234,867		234,867
692,930	(692,930)	
255,000	(255,000)	
165,419	16,362	181,781
<u>\$ 2,222,864</u>	<u>\$ (633,423)</u>	<u>\$ 1,589,441</u>
<u>\$ (98,004)</u>	<u>\$ 694,858</u>	<u>\$ 596,854</u>
<u>\$ 38,846</u>	<u>\$ -0-</u>	<u>\$ 38,846</u>
\$ (59,158)	\$ 59,158	\$
	635,700	635,700
1,900,897	(3,363,418)	(1,462,521)
<u>\$ 1,841,739</u>	<u>\$ (2,668,560)</u>	<u>\$ (826,821)</u>

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED FEBRUARY 28, 2025**

Net Change in Fund Balances - Governmental Funds	\$	(59,158)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		58,027
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Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.		3,408
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Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.		(298,145)
--	--	-----------

Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.		692,930
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Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.		255,000
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Governmental funds report deferred charges on refunding bonds, bond premiums and bond discounts as other financing sources in the year paid and received. However, in the Statement of Net Position, deferred charges on refunding bonds, bond premiums and bond discounts are amortized over the life of the bonds and the current year amortized portion is recorded in the Statement of Activities.		(20,387)
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Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		4,025
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Change in Net Position - Governmental Activities	\$	<u>635,700</u>
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The accompanying notes to the financial  
statements are an integral part of this report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

**NOTE 1. CREATION OF DISTRICT**

Point Venture II Municipal Utility District, located in Travis County, Texas (the “District”), was created effective May 17, 1989, by an Order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (the “Commission”). On November 20, 1998, the District received approval from the Commission to change its name to Travis County Municipal Utility District No. 10. Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, wastewater service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, and to construct parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and to establish, operate and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its first meeting on June 9, 1989.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

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

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

Financial Statement Presentation

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

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



**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Financial Statement Presentation (Continued)

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

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Governmental Funds

The District has two governmental funds and considers these funds to be major funds.

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

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

Basis of Accounting

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

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures. Recognition of revenues for the 2024 debt service tax levied in the current year has been deferred until the 2026 fiscal year.

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset. In accordance with GASB Statement No. 89, interest costs, including developer interest, are not capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost of \$10,000 or more and a useful life of at least two years. Depreciation is calculated on each class of depreciable property using no salvage value and the straight-line method of depreciation. Estimated useful lives are as follows:

	<u>Years</u>
Water System	10-45
Wastewater System	10-45
Drainage System	10-45

Service Accounts Receivable

The District provides for uncollectible service accounts receivable using the allowance method of accounting for bad debts. Under this method of accounting, a provision for uncollectible accounts is charged to earnings. The allowance account is increased or decreased based on past collection history and management's evaluation of accounts receivable. All amounts considered uncollectible are charged against the allowance account, and recoveries of previously charged off accounts are added to the allowance. The District believes all accounts were collectible at February 28, 2025.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Measurement Focus

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

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

*Nonspendable:* amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

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

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

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

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

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered to be wages subject to federal income tax withholding for payroll purposes only.

Accounting Estimates

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

**NOTE 3. LONG TERM DEBT**

	<u>Series 2011</u>	<u>Series 2016 Ref.</u>
Amount Outstanding – February 28, 2025	\$25,000	\$4,430,000
Interest Rates	4.75%	3.00% - 3.75%
Maturity Dates – Beginning/Ending	September 1, 2025	September 1, 2025/2038
Interest Payment Dates	March 1/ September 1	March 1/ September 1
Callable Dates	September 1, 2018*	September 1, 2023*

- \* Or on any date thereafter at a price of par plus unpaid accrued interest in whole or in part, at the option of the District. Series 2016 term bonds maturing September 1, 2031, and September 1, 2038, are subject to mandatory redemption beginning September 1, 2030, and September 1, 2036, respectively.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

The following is a summary of transactions regarding bonds payable for the year ended February 28, 2025:

	March 1, 2024	Additions	Retirements	February 28, 2025
Bonds Payable	\$ 4,710,000	\$	\$ 255,000	\$ 4,455,000
Unamortized Discounts	(12,158)		(1,496)	(10,662)
Bonds Payable, Net	<u>\$ 4,697,842</u>	<u>\$ -0-</u>	<u>\$ 253,504</u>	<u>\$ 4,444,338</u>
		Amount Due Within One Year		\$ 265,000
		Amount Due After One Year		<u>4,179,338</u>
		Bonds Payable, Net		<u>\$ 4,444,338</u>

As of February 28, 2025, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2026	\$ 265,000	\$ 157,369	\$ 422,369
2027	275,000	148,981	423,981
2028	280,000	140,731	420,731
2029	290,000	131,631	421,631
2030	305,000	122,206	427,206
2031-2035	1,710,000	441,912	2,151,912
2036-2039	<u>1,330,000</u>	<u>114,563</u>	<u>1,444,563</u>
	<u>\$ 4,455,000</u>	<u>\$ 1,257,393</u>	<u>\$ 5,712,393</u>

As of February 28, 2025, the District had authorized but unissued bonds in the amount of \$13,660,000 for utility facilities and \$12,610,000 for refunding bonds.

The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount, and are further payable from and secured by a lien on and pledge of the net revenues to be received from the operation of the District's waterworks and wastewater system.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

During the year ended February 28, 2025, the District levied an ad valorem debt service tax rate of \$0.11 per \$100 of assessed valuation, which resulted in a tax levy of \$263,589 on the adjusted taxable valuation of \$239,626,184 for the 2024 tax year. The bond resolutions require the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 9 for maintenance tax levy.

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

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

The bond resolutions state that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information and operating data with respect to the District to the state information depository. This information, along with the audited annual financial statements, is to be provided within six months after the end of each fiscal year and shall continue to be provided through the life of the bonds.

**NOTE 5. DEPOSITS AND INVESTMENTS**

Deposits

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

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities held by a third-party depository and eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$653,639 and the bank balance was \$659,904. Of the bank balance, \$576,935 was covered by federal depository insurance and the remaining balance was covered by collateral pledged in the name of the District and held by a third-party depository.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Deposits (Continued)

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at February 28, 2025, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 93,123	\$ 230,000	\$ 323,123
DEBT SERVICE FUND	330,516		330,516
TOTAL DEPOSITS	<u>\$ 423,639</u>	<u>\$ 230,000</u>	<u>\$ 653,639</u>

Investments

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

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



**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

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

Investments (Continued)

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

Certificates of deposit are recorded at acquisition cost.

As of February 28, 2025, the District had the following investments and maturities.

Fund and Investment Type	Fair Value	Maturities in Years			
		Less Than 1	1-5	6-10	More Than 10
<u>GENERAL FUND</u>					
Texpool	\$ 1,239,468	\$ 1,239,468	\$	\$	\$
Certificates of Deposit	230,000	230,000			
<u>DEBT SERVICE FUND</u>					
Texpool	363,966	363,966			
TOTAL INVESTMENTS	\$ 1,833,434	\$ 1,833,434	\$ - 0 -	\$ - 0 -	\$ - 0 -

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At February 28, 2025, the District's investment in TexPool was rated "AAAm" by Standard and Poor's. The District also manages credit risk by typically investing in certificates of deposit with balances below FDIC coverage.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investment in TexPool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value. The District also manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

Restrictions

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

**NOTE 6. INTERFUND PAYABLES, RECEIVABLES AND TRANSFERS**

At February 28, 2025, the Debt Service Fund recorded a payable to the General Fund in the amount of \$181,278 for maintenance tax collections.

**NOTE 7. DEFERRED OUTFLOWS OF RESOURCES**

The following is a summary of changes in the deferred outflows of resources for the year ended February 28, 2025:

	March 1, 2024	Additions	Retirements	February 28, 2025
Deferred charges on refunding bonds	\$ 196,627	\$ -0-	\$ 18,891	\$ 177,736

**NOTE 8. CAPITAL ASSETS**

Capital asset activity for the year ended February 28, 2025:

	March 1, 2024	Increases	Decreases	February 28, 2025
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 312,524	\$	\$	\$ 312,524
Construction in Progress	671,883	692,930	1,206,503	158,310
<b>Total Capital Assets Not Being Depreciated</b>	<u>\$ 984,407</u>	<u>\$ 692,930</u>	<u>\$ 1,206,503</u>	<u>\$ 470,834</u>
<b>Capital Assets Subject to Depreciation</b>				
Water System	\$ 5,717,272	\$ 375,494	\$	\$ 6,092,766
Wastewater System	5,294,558	831,009		6,125,567
Drainage System	816,317			816,317
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 11,828,147</u>	<u>\$ 1,206,503</u>	<u>\$ - 0 -</u>	<u>\$ 13,034,650</u>
<b>Less Accumulated Depreciation</b>				
Water System	\$ 2,830,739	\$ 167,046	\$	\$ 2,997,785
Wastewater System	2,600,059	112,909		2,712,968
Drainage System	307,082	18,190		325,272
<b>Total Accumulated Depreciation</b>	<u>\$ 5,737,880</u>	<u>\$ 298,145</u>	<u>\$ - 0 -</u>	<u>\$ 6,036,025</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 6,090,267</u>	<u>\$ 908,358</u>	<u>\$ - 0 -</u>	<u>\$ 6,998,625</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 7,074,674</u>	<u>\$ 1,601,288</u>	<u>\$ 1,206,503</u>	<u>\$ 7,469,459</u>

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

**NOTE 9. MAINTENANCE TAX**

On August 12, 1989, the voters of the District approved the levy and collection of a maintenance tax not to exceed \$1.00 per \$100 of assessed valuation of taxable property within the District. During the year ended February 28, 2025, the District levied an ad valorem maintenance tax rate of \$0.569 per \$100 of assessed valuation, which resulted in a tax levy of \$1,363,473 on the adjusted taxable valuation of \$239,626,184 for the 2024 tax year. The maintenance tax is to be used by the General Fund to pay expenditures of operating the District's waterworks and sanitary sewer system.

**NOTE 10. DUE TO DEVELOPERS AND UNREIMBURSED COSTS**

The District has entered into development financing agreements whereby the District's developers agreed to fund costs associated with water, wastewater and drainage facilities, utilities construction and operating advances until such time as the District can sell bonds. As of February 28, 2025, it was estimated that the developers have advanced \$5,927,561 on behalf of the District in connection with water, wastewater and drainage facilities to serve the District. These costs are to be funded from a future bond issue and are subject to regulatory approvals prior to the sale of bonds.

The following is a summary of transactions regarding the changes in developer advances for the year ended February 28, 2025:

Due to Developer, beginning of year	\$ 5,927,561
Current Year Additions	-
Current Year Reimbursements	-
Due to Developer, end of year	<u>\$ 5,927,561</u>

**NOTE 11. RISK MANAGEMENT**

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

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FEBRUARY 28, 2025**

**NOTE 12. WATER SUPPLY CONTRACT**

The District has entered into a contract with the Lower Colorado River Authority (“LCRA”) for the right to divert up to 17.921 million gallons (the maximum annual quantity) of raw water per annum from the Colorado River/Lake Travis in Travis County, Texas. This contract has been null and void. On May 1, 2012 the District entered into a contract with the LCRA for the right to a maximum diversion as stated in the contract. The term of this contract is 40 years.

On a monthly basis, the District agrees to pay an amount equal to the water rate determined by the Board of Directors of LCRA to then be in effect for all sales of water for municipal purposes times the amount of water diverted during the previous month. Also on a monthly basis, the District agrees to pay a monthly reservation charge, which is equal to the reservation rate determined by the Board of Directors of the LCRA multiplied by one-twelfth of the maximum annual quantity of raw water diverted from the Colorado River/Lake Travis. In addition, the District agrees to pay, on a calendar basis, an amount equal to the rate determined by the Board of Directors of LCRA, to then be in effect for diversion of water in amounts in excess of the maximum annual quantity. During the current year, the District recorded expenditures of \$15,292 related to this agreement.

**NOTE 13. EMERGENCY WATER SUPPLY AGREEMENT**

On March 5, 2024, the District and Travis County Water Control and Improvement District – Point Venture (“WCID-PV”) entered into an Emergency Water Supply Agreement whereby each district shall furnish the other district with emergency water. The district receiving emergency water shall pay for the water at the rate published in the WCID-PV rate table for Surplus Water Sales as stated in the WCID-PV rate order on the date the emergency is declared. As of February 28, 2025, the surplus water sales rate per the WCID-PV rate order is \$12.00 per 1,000 gallons of metered water supplied. The Emergency Water Supply Agreement shall remain in force until cancelled by either district with sixty days’ notice.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**

**REQUIRED SUPPLEMENTARY INFORMATION**

**FEBRUARY 28, 2025**

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

	Original Budget	Final Amended Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Property Taxes	\$ 1,019,000	\$ 1,019,000	\$ 1,297,367	\$ 278,367
Water Service	200,000	200,000	140,559	(59,441)
Wastewater Service	100,000	100,000	101,686	1,686
Grinder Pump Maintenance	79,000	79,000	59,999	(19,001)
Penalty and Interest	500	500	1,391	891
Tap Connection and Inspection Fees	15,000	15,000	7,888	(7,112)
Investment Revenues	45,000	45,000	55,852	10,852
Miscellaneous Revenues	<u>6,000</u>	<u>6,000</u>	<u>6,596</u>	<u>596</u>
<b>TOTAL REVENUES</b>	<u>\$ 1,464,500</u>	<u>\$ 1,464,500</u>	<u>\$ 1,671,338</u>	<u>\$ 206,838</u>
<b>EXPENDITURES</b>				
Service Operations:				
Professional Fees	\$ 201,500	\$ 201,500	\$ 291,286	\$ (89,786)
Contracted Services	167,000	167,000	193,444	(26,444)
Purchased Water Service	20,000	20,000	15,292	4,708
Utilities	50,000	50,000	52,612	(2,612)
Repairs and Maintenance	316,000	316,000	298,106	17,894
Other	239,375	239,375	231,143	8,232
Capital Outlay	<u>1,016,500</u>	<u>1,084,000</u>	<u>692,930</u>	<u>391,070</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,010,375</u>	<u>\$ 2,077,875</u>	<u>\$ 1,774,813</u>	<u>\$ 303,062</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (545,875)</u>	<u>\$ (613,375)</u>	<u>\$ (103,475)</u>	<u>\$ 509,900</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Insurance Proceeds	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 38,846</u>	<u>\$ 38,846</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (545,875)</u>	<u>\$ (613,375)</u>	<u>\$ (64,629)</u>	<u>\$ 548,746</u>
<b>FUND BALANCE - MARCH 1, 2024</b>	<u>1,585,709</u>	<u>1,585,709</u>	<u>1,585,709</u>	
<b>FUND BALANCE - FEBRUARY 28, 2025</b>	<u><u>\$ 1,039,834</u></u>	<u><u>\$ 972,334</u></u>	<u><u>\$ 1,521,080</u></u>	<u><u>\$ 548,746</u></u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**SUPPLEMENTARY INFORMATION REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**FEBRUARY 28, 2025**





**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

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

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

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤¾"	<u>180</u>	<u>180</u>	x 1.0	<u>180.0</u>
1"	<u>27</u>	<u>27</u>	x 2.5	<u>67.5</u>
1½"	<u>1</u>	<u>1</u>	x 5.0	<u>5.0</u>
2"	<u>3</u>	<u>3</u>	x 8.0	<u>24.0</u>
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water Connections	<u>211</u>	<u>211</u>		<u>276.5</u>
Total Wastewater Connections	<u>207</u>	<u>207</u>	x 1.0	<u>207.0</u>

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

Gallons billed to customers: 22,801,000

Water Accountability Ratio: 85.7%  
(Gallons billed /Gallons purchased)

Gallons purchased: 26,610,000

From: Lower Colorado River Authority

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

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

Does the District have Debt Service standby fees? Yes ☐ No ☒

Does the District have Operation and Maintenance standby fees? Yes ☐ No ☒

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes ☒ No ☐

County or Counties in which District is located:

Travis County, Texas

Is the District located within a city?

Entirely ☐ Partly ☐ Not at all ☒

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

Entirely ☐ Partly ☒ Not at all ☐

ETJ's in which District is located:

City of Lago Vista, Texas

City of Austin, Texas

Are Board Members appointed by an office outside the District?

Yes ☐ No ☒

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

PROFESSIONAL FEES:	
Auditing	\$ 9,250
Engineering	223,958
Legal	<u>58,078</u>
TOTAL PROFESSIONAL FEES	<u>\$ 291,286</u>
 PURCHASED SERVICES FOR RESALE -	
Purchased Water Service	<u>\$ 15,292</u>
 CONTRACTED SERVICES:	
Bookkeeping	\$ 18,200
Operations and Billing	<u>124,376</u>
TOTAL CONTRACTED SERVICES	<u>\$ 142,576</u>
 UTILITIES	<u>\$ 52,612</u>
 REPAIRS AND MAINTENANCE	<u>\$ 298,106</u>
 ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 9,600
Dues	750
Insurance	25,662
Legal Notices	220
Office Supplies and Postage	12,128
Payroll Taxes	801
Travel and Meetings	2,851
Other	<u>1,870</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 53,882</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

CAPITAL OUTLAY -	
Capitalized Assets	\$ 692,930
TAP CONNECTIONS	\$ 61,265
SOLID WASTE DISPOSAL	\$ 50,868
OTHER EXPENDITURES:	
Chemicals	\$ 27,100
Laboratory Fees	28,131
Permit Fees	1,733
Inspection Fees	1,787
Regulatory Assessment	2,309
Sludge Hauling	54,936
TOTAL OTHER EXPENDITURES	\$ 115,996
TOTAL EXPENDITURES	\$ 1,774,813

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**INVESTMENTS**  
**FEBRUARY 28, 2025**

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
<u>GENERAL FUND</u>					
TexPool	XXXX0002	Varies	Daily	\$ 1,239,468	\$
Certificate of Deposit	XXXX4857	5.15%	06/08/25	<u>230,000</u>	<u>8,600</u>
TOTAL GENERAL FUND				<u>\$ 1,469,468</u>	<u>\$ 8,600</u>
<u>DEBT SERVICE FUND</u>					
TexPool	XXXX0001	Varies	Daily	<u>\$ 363,966</u>	<u>\$</u>
TOTAL				<u><u>\$ 1,833,434</u></u>	<u><u>\$ 8,600</u></u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

	<u>Maintenance Taxes</u>		<u>Debt Service Taxes</u>	
TAXES RECEIVABLE -				
MARCH 1, 2024	\$	56,429	\$	25,882
Adjustments to Beginning				
Balance		<u>(9,364)</u>		<u>(4,855)</u>
	\$	47,065	\$	21,027
Original 2024 Tax Levy	\$	1,243,369	\$	240,370
Adjustment to 2024 Tax Levy		<u>120,104</u>		<u>23,219</u>
		<u>1,363,473</u>		<u>263,589</u>
TOTAL TO BE				
ACCOUNTED FOR		\$ 1,410,538		\$ 284,616
TAX COLLECTIONS:				
Prior Years	\$	34,354	\$	12,505
Current Year		<u>1,263,013</u>		<u>244,168</u>
		<u>1,297,367</u>		<u>256,673</u>
TAXES RECEIVABLE -				
FEBRUARY 28, 2025		<u>\$ 113,171</u>		<u>\$ 27,943</u>
TAXES RECEIVABLE BY				
YEAR:				
2024	\$	100,460	\$	19,421
2023		4,281		1,695
2022		1,466		669
2021		4,320		3,394
2020 and prior		<u>2,644</u>		<u>2,764</u>
TOTAL		<u>\$ 113,171</u>		<u>\$ 27,943</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
PROPERTY VALUATIONS:				
Land	\$ 176,836,552	\$ 125,667,989	\$ 106,547,694	\$ 50,299,385
Improvements	157,403,704	157,260,701	163,071,279	103,155,308
Personal Property	683,626	652,688	164,462	861,383
Exemptions	<u>(95,297,698)</u>	<u>(60,301,505)</u>	<u>(60,783,177)</u>	<u>(18,393,012)</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 239,626,184</u>	<u>\$ 223,279,873</u>	<u>\$ 209,000,258</u>	<u>\$ 135,923,064</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.110	\$ 0.19	\$ 0.21	\$ 0.33
Maintenance**	<u>0.569</u>	<u>0.48</u>	<u>0.46</u>	<u>0.42</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 0.679</u>	<u>\$ 0.67</u>	<u>\$ 0.67</u>	<u>\$ 0.75</u>
ADJUSTED TAX LEVY*	<u>\$ 1,627,062</u>	<u>\$ 1,495,975</u>	<u>\$ 1,400,302</u>	<u>\$ 1,019,423</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>92.63 %</u>	<u>99.60 %</u>	<u>99.85 %</u>	<u>99.24 %</u>

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

\*\* Maintenance Tax – Maximum tax rate of \$1.00 per \$100 of assessed valuation approved by voters on August 12, 1989.

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**FEBRUARY 28, 2025**

S E R I E S - 2 0 1 1			
<u>Due During Fiscal Years Ending February 28/29</u>	<u>Principal Due September 1</u>	<u>Interest Due March 1/ September 1</u>	<u>Total</u>
2026	\$ 25,000	\$ 1,188	\$ 26,188
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
	<u>\$ 25,000</u>	<u>\$ 1,188</u>	<u>\$ 26,188</u>

See accompanying independent auditor's report.



**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**FEBRUARY 28, 2025**

S E R I E S - 2 0 1 6 R E F U N D I N G

Due During Fiscal Years Ending February 28/29	Principal Due September 1	Interest Due March 1/ September 1	Total
2026	\$ 240,000	\$ 156,181	\$ 396,181
2027	275,000	148,981	423,981
2028	280,000	140,731	420,731
2029	290,000	131,631	421,631
2030	305,000	122,206	427,206
2031	315,000	111,531	426,531
2032	325,000	100,506	425,506
2033	340,000	89,131	429,131
2034	355,000	76,806	431,806
2035	375,000	63,938	438,938
2036	395,000	49,875	444,875
2037	415,000	35,063	450,063
2038	250,000	19,500	269,500
2039	270,000	10,125	280,125
	<u>\$ 4,430,000</u>	<u>\$ 1,256,205</u>	<u>\$ 5,686,205</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**FEBRUARY 28, 2025**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending February 28/29	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2026	\$ 265,000	\$ 157,369	\$ 422,369
2027	275,000	148,981	423,981
2028	280,000	140,731	420,731
2029	290,000	131,631	421,631
2030	305,000	122,206	427,206
2031	315,000	111,531	426,531
2032	325,000	100,506	425,506
2033	340,000	89,131	429,131
2034	355,000	76,806	431,806
2035	375,000	63,938	438,938
2036	395,000	49,875	444,875
2037	415,000	35,063	450,063
2038	250,000	19,500	269,500
2039	270,000	10,125	280,125
	<u>\$ 4,455,000</u>	<u>\$ 1,257,393</u>	<u>\$ 5,712,393</u>

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**CHANGE IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED FEBRUARY 28, 2025**

Description	Original Bonds Issued	Bonds Outstanding March 1, 2024
Travis County Municipal Utility District No. 10 Unlimited Tax and Revenue Bonds - Series 2011	\$ 1,150,000	\$ 50,000
Travis County Municipal Utility District No. 10 Unlimited Tax and Revenue Refunding Bonds - Series 2016	<u>5,800,000</u>	<u>4,660,000</u>
TOTAL	<u>\$ 6,950,000</u>	<u>\$ 4,710,000</u>

Bond Authority:	New Issue Bonds*	Refunding Bonds*
Amount Authorized by Voters	\$ 20,300,000	\$ 13,200,000
Amount Issued	<u>6,640,000</u>	<u>590,000</u>
Remaining to be Issued	<u>\$ 13,660,000</u>	<u>\$ 12,610,000</u>

\* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

Debt Service Fund cash, investments and paying agent balance  
as of February 28, 2025: \$ 773,166

Average annual debt service payment (principal and interest) for remaining term  
of all debt: \$ 408,028

See Note 3 for interest rate, interest payment dates and maturity dates.

See accompanying independent auditor's report.

Current Year Transactions			
Bonds Sold	Retirements		Bonds Outstanding February 28, 2025
	Principal	Interest	
	\$ 25,000	\$ 2,338	\$ 25,000
	230,000	163,081	4,430,000
<u>\$ - 0 -</u>	<u>\$ 255,000</u>	<u>\$ 165,419</u>	<u>\$ 4,455,000</u>

The Bank of New York  
Mellon Trust Company, N.A.  
Dallas, Texas

The Bank of New York  
Mellon Trust Company, N.A.  
Dallas, Texas

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND - FIVE YEARS**

	Amounts		
	2025	2024	2023
<b>REVENUES</b>			
Property Taxes	\$ 1,297,367	\$ 1,078,139	\$ 930,941
Water Service	140,559	178,792	171,349
Wastewater Service	101,686	92,459	86,680
Grinder Pump Maintenance	59,999	47,397	75,714
Penalty and Interest	1,391	1,827	1,822
Tap Connection and Inspection Fees	7,888	55,976	33,963
Investment Revenues	55,852	62,881	21,793
Miscellaneous Revenues	<u>6,596</u>	<u>8,725</u>	<u>5,504</u>
<b>TOTAL REVENUES</b>	<u>\$ 1,671,338</u>	<u>\$ 1,526,196</u>	<u>\$ 1,327,766</u>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 291,286	\$ 246,298	\$ 169,352
Contracted Services	193,444	154,107	156,810
Purchased Water Service	15,292	16,179	21,095
Utilities	52,612	47,220	40,178
Repairs and Maintenance	298,106	430,475	351,839
Other	231,143	207,670	165,191
Capital Outlay	<u>692,930</u>	<u>537,647</u>	<u>128,543</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 1,774,813</u>	<u>\$ 1,639,596</u>	<u>\$ 1,033,008</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (103,475)</u>	<u>\$ (113,400)</u>	<u>\$ 294,758</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Insurance Proceeds	<u>\$ 38,846</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>\$ 38,846</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ (64,629)	\$ (113,400)	\$ 294,758
<b>BEGINNING FUND BALANCE</b>	<u>1,585,709</u>	<u>1,699,109</u>	<u>1,404,351</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 1,521,080</u>	<u>\$ 1,585,709</u>	<u>\$ 1,699,109</u>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2022	2021	2025	2024	2023	2022	2021
\$ 574,243	\$ 401,171	77.6 %	70.6 %	70.1 %	62.9 %	51.2 %
122,018	124,788	8.4	11.7	12.9	13.4	15.9
77,157	72,450	6.1	6.1	6.5	8.5	9.3
78,950	96,765	3.6	3.1	5.7	8.6	12.4
897	183	0.1	0.1	0.1	0.1	
47,738	63,390	0.5	3.7	2.6	5.2	8.1
1,211	5,823	3.3	4.1	1.7	0.1	0.7
10,519	18,905	0.4	0.6	0.4	1.2	2.4
<u>\$ 912,733</u>	<u>\$ 783,475</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 151,340	\$ 150,568	17.4 %	16.1 %	12.8 %	16.6 %	19.2 %
133,436	134,458	11.6	10.1	11.8	14.6	17.2
14,147	11,788	0.9	1.1	1.6	1.5	1.5
36,213	34,142	3.2	3.1	3.0	4.0	4.4
357,133	288,232	17.8	28.2	26.5	39.1	36.8
108,313	117,890	13.8	13.6	12.4	11.9	15.0
5,693	106,750	41.5	35.2	9.7	0.6	13.6
<u>\$ 806,275</u>	<u>\$ 843,828</u>	<u>106.2 %</u>	<u>107.4 %</u>	<u>77.8 %</u>	<u>88.3 %</u>	<u>107.7 %</u>
<u>\$ 106,458</u>	<u>\$ (60,353)</u>	<u>(6.2) %</u>	<u>(7.4) %</u>	<u>22.2 %</u>	<u>11.7 %</u>	<u>(7.7) %</u>
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>					
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>					
\$ 106,458	\$ (60,353)					
<u>1,297,893</u>	<u>1,358,246</u>					
\$ 1,404,351	\$ 1,297,893					

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2025	2024	2023
<b>REVENUES</b>			
Property Taxes	\$ 418,093	\$ 431,382	\$ 442,289
Penalty and Interest	13,840	26,865	14,370
Investment Revenues	21,589	20,961	8,226
Miscellaneous Revenues	<u>          </u>	<u>3,798</u>	<u>          </u>
<b>TOTAL REVENUES</b>	<u>\$ 453,522</u>	<u>\$ 483,006</u>	<u>\$ 464,885</u>
<b>EXPENDITURES</b>			
Tax Collection and Other Expenditures	\$ 27,632	\$ 26,026	\$ 41,576
Debt Service Principal	255,000	245,000	240,000
Debt Service Interest	<u>165,419</u>	<u>173,144</u>	<u>180,681</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 448,051</u>	<u>\$ 444,170</u>	<u>\$ 462,257</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 5,471	\$ 38,836	\$ 2,628
<b>BEGINNING FUND BALANCE</b>	<u>315,188</u>	<u>276,352</u>	<u>273,724</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 320,659</u>	<u>\$ 315,188</u>	<u>\$ 276,352</u>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	<u>211</u>	<u>206</u>	<u>200</u>
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	<u>207</u>	<u>189</u>	<u>185</u>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2022	2021	2025	2024	2023	2022	2021
\$ 435,576	\$ 423,784	92.2 %	89.3 %	95.1 %	90.7 %	96.9 %
24,368	12,737	3.0	5.6	3.1	5.1	2.9
372	1,030	4.8	4.3	1.8	0.1	0.2
19,983	10		0.8		4.1	
\$ 480,299	\$ 437,561	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
\$ 31,033	\$ 17,263	6.1 %	5.4 %	8.9 %	6.5 %	3.9 %
235,000	230,000	56.2	50.7	51.6	48.9	52.6
185,944	191,044	36.5	35.9	38.9	38.7	43.7
\$ 451,977	\$ 438,307	98.8 %	92.0 %	99.4 %	94.1 %	100.2 %
\$ 28,322	\$ (746)	1.2 %	8.0 %	0.6 %	5.9 %	(0.2) %
245,402	246,148					
\$ 273,724	\$ 245,402					
195	184					
173	162					

See accompanying independent auditor's report.



**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**FEBRUARY 28, 2025**

District Mailing Address - Travis County Municipal Utility District No. 10  
c/o Allen Boone Humphries Robinson LLP  
919 Congress Avenue, Suite 1500  
Austin, TX 78701

District Telephone Number - (512) 518-2424

<b>Board Members</b>	<b>Term of Office (Elected or Appointed)</b>	<b>Fees of Office for the year ended February 28, 2025</b>	<b>Expense Reimbursements for the year ended February 28, 2025</b>	<b>Title</b>
John Sneed	05/22 05/26 (Elected)	\$ 2,100	\$ 599	President
Andrew Fawthrop	05/24 05/28 (Appointed)	\$ 1,650	\$ -0-	Executive Vice President
Chris-Lei Fox	01/25 05/28 (Appointed)	\$ 300	\$ -0-	Secretary
Dan Eckermann	05/22 05/26 (Elected)	\$ 1,800	\$ -0-	Vice President/ Assistant Secretary
Gerald Wines	05/24 05/28 (Elected)	\$ 1,500	\$ 742	Treasurer

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

Submission date of most recent District Registration Form: February 10, 2025

The limit on Fees of Office that a Director may receive during a fiscal year is \$7,200 as set by Board Resolution (TWC Section 49.060). Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

**TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 10**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**FEBRUARY 28, 2025**

<b>Consultants:</b>	<b>Date Hired</b>	<b>Fees for the year ended February 28, 2025</b>	<b>Title</b>
Allen Boone Humphries Robinson LLP	07/28/03	\$ 57,901	Attorney
McCall Gibson Swedlund Barfoot Ellis PLLC	09/12/00	\$ 9,250	Auditor
Myrtle Cruz, Inc.	08/11/98	\$ 21,638	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	03/14/00	\$ 7,810	Delinquent Tax Attorney
Gray Engineering, Inc.	02/06/25	\$ -0-	Engineer
Quiddity Engineering LLC	02/12/02	\$ 367,553	Former Engineer
Rathmann & Associates, L.P.	04/21/03	\$ -0-	Financial Advisor
Mary Jarmon	03/09/04	\$ -0-	Investment Officer
SiEnvironmental, LLC	05/01/05	\$ 596,861	Operator
Assessments of the Southwest, Inc.	10/01/01	\$ 8,600	Tax Assessor/ Collector

See accompanying independent auditor's report.