

CASH SPECIAL UTILITY DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2021

RUTHERFORD, TAYLOR & COMPANY, P.C.
Certified Public Accountants
3500 Joe Ramsey Blvd.
Greenville, Texas 75401
(903) 455-6252

**CASH SPECIAL UTILITY DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2021**

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibits</u>
INTRODUCTORY SECTION		
Annual Filing Affidavit	3	
FINANCIAL SECTION		
<u>Independent Auditor's Reports:</u>		
Report on Basic Financial Statements Accompanied by Required Supplementary Information, Supplementary Information, and Other Information	5	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	7	
Schedule of Findings and Questioned Costs	9	
Status of Prior Audit Findings and Questioned Costs	10	
Corrective Action Plan	11	
Management's Discussion and Analysis (Required Supplementary Information)	12	
<u>Basic Financial Statements:</u>		
<u>Fund Financial Statements:</u>		
Statement of Fund Net Position – Proprietary Funds	17	
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	19	
Statement of Cash Flows – Proprietary Funds	20	
Notes to the Financial Statements	22	
<u>Other Supplementary Information:</u>		
TEXAS SUPPLEMENTARY INFORMATION (TSI)		
Supplementary Schedules Included Within This Report	29	
Budgetary Comparison Schedules – Enterprise Fund	30	
Services and Rates	31	TSI-1
Enterprise Fund Expenditures	33	TSI-2
Temporary Investments	34	TSI-3
Long-Term Debt Service Requirements by Years	35	TSI-5
Changes in Long-Term Bonded Debt	37	TSI-6
Comparative Schedule of Revenues and Expenses - Enterprise Fund - Five Years	38	TSI-7
Board Members, Key Personnel and Consultants	39	TSI-8

**CASH SPECIAL UTILITY DISTRICT
ANNUAL FILING AFFIDAVIT**

State of Texas
County of Hunt

I, Staley Cash of the Cash Special Utility District hereby
(Name of Duly Authorized District Representative)

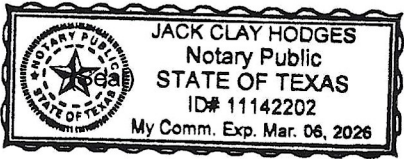
swear, or affirm, that the District above has reviewed and approved at a meeting of the District's Board of Directors on the 28 day of March, 2022 it's annual audit report for the fiscal period ended December 31, 2021 and that copies of the annual report have been filed in the District's office, located at 172 FM 1564, Greenville, Texas 75402.

This filing affidavit and the attached copy of the audit report will be submitted to the Texas Commission on Environmental Quality to satisfy the annual filing requirements of Texas Water Code, Section 49.194.

Date March 28, 2022 By [Signature]
(Signature of District Representative)

Staley Cash
(Printed Name and Title of District Representative)

Sworn to and Subscribed to before me this 28 day of March, 2022



[Signature]
(Signature of Notary)

My Commission Expires on: March 6, 2026

FINANCIAL SECTION

**RUTHERFORD,
TAYLOR &
COMPANY, P.C.**
Certified Public Accountants

3500 Joe Ramsey Blvd.

Greenville, Texas 75401

(903) 455-6252

Fax (903) 455-6667

INDEPENDENT AUDITOR'S REPORT

Members of the Board

Opinion

We have audited the financial statements of the business-type activities, which are the proprietary funds of the Cash Special Utility District (District), as of and for the year ended December 31, 2021, 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, accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, which are the proprietary funds of the Cash Special Utility District, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 opinion.

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 know information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 judgement made by a reasonable user based on the financial statements.

Independent Auditor's Report – Continued

In performing an audit in accordance with GAAS, we

- exercise professional judgement 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 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 judgement, 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 management's discussion and analysis 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 Government 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 response to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules identified as Texas Supplementary Information (TSI) but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the information exists, we are required to describe it in our report.



March 20, 2022
Greenville, Texas

**RUTHERFORD,
TAYLOR &
COMPANY, P.C.**
Certified Public Accountants

3500 Joe Ramsey Blvd.

Greenville, Texas 75401

(903) 455-6252

Fax (903) 455-6667

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Members of the Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business type activities, which are the proprietary funds of the Cash Special Utility District (District), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 20, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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.

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 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 District'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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Report on Internal Control – Continued

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Ruthenford, Taylor & Company, P.C." The signature is written in a cursive, flowing style.

March 20, 2022
Greenville, Texas

**CASH SPECIAL UTILITY DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021**

**Schedule
Reference
Number**

Findings

NONE

**CASH SPECIAL UTILITY DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021**

**Schedule
Reference
Number**

Prior Findings

NONE

CASH SPECIAL UTILITY DISTRICT
CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2021

Schedule
Reference
Number

Actions Planned

NONE

**CASH SPECIAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

This section of Cash Special Utility District's annual financial report presents our discussion and analysis of the District's financial performance during the year ended December 31, 2021. Please read it in conjunction with the District's basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position was \$ 19,451,609 at December 31, 2021.
- During the year, the District's expenses were \$ 1,570,681 less than the \$ 7,229,627 generated from charges in services and other revenues for business-type activities.
- The District did not issue any new debt in the 2021 year.
- The District is to complete the Fate Transmission Line following the end of the fiscal period which will provide enhanced water delivery infrastructure for customers.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – Managements Discussion and Analysis (this section), the basic financial statements and required supplementary information. Management's Discussion and Analysis provides an overview of the financial activities of the District. The District is a special pupose government engaged in only business-type activities. The business-type fund is identified as an enterprise fund. The financial statements include three statements that present a financial view of the District: The Statement of Fund Net Position presents financial information, including assets and liabilities, representing a one day snapshot; the Statement of Revenues, Expenses and Changes in Fund Net Position presents a review of operating and non-operating activities for the fiscal period; the Statement of Cash Flows reflects the inflows and outflows of cash resources.

The basic financial statements also include notes to the financial statements that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the basic financial statements. Special schedules as required by the Texas Commission on Environmental Quality (TCEQ) are included following the required supplementary information section.

FINANCIAL ANALYSIS OF THE DISTRICT

STATEMENT OF NET POSITION

Net position may serve over time as a useful indicator of an entity's financial position. The District's fund net position increased \$ 1,570,681 during the year to \$ 19,451,609.

A significant portion of the net position reflects its investment in capital assets. Capital assets are land, water production and distribution infrastructure, equipment, vehicles and other physical assets. The value of capital assets is reduced by accumulated depreciation to arrive at net capital assets. The investment in capital assets reflected in the net position section of the financial statement reflects the net value of the capital assets reduced by any debt used to construct or acquire the assets. The net investment in capital assets increased 19.34% during the year as the District used prior period unrestricted net assets to complete construction projects for the system.

The unrestricted net position \$ 4,023,153 is available for recurring operating expenses or other capital investments.

**CASH SPECIAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT (Continued)

The following Table A-1 presents condensed financial information for comparative purposes:

	District's Net Position		Table A-1
	2021	2020	Total Percentage Change 2020 - 2021
Assets:			
Cash and Cash Equivalents	\$ 384,894	\$ -	100.00%
Other Assets	599,156	384,698	55.75%
Restricted Assets	5,059,822	5,956,121	-15.05%
Capital Assets, net of depreciation	20,518,456	18,988,129	8.06%
Total Assets	\$ 26,562,328	\$ 25,328,948	4.87%
Liabilities:			
Current Liabilities	\$ 3,035,973	\$ 2,379,206	27.60%
Long-term Liabilities	4,042,501	5,024,477	-19.54%
Total Liabilities	\$ 7,078,474	\$ 7,403,683	-4.39%
Deferred Inflows of Resources:	\$ 32,245	\$ 44,337	-27.27%
Net Position:			
Net Investment in Capital Assets	\$ 15,428,456	\$ 12,928,129	19.34%
Unrestricted	4,023,153	4,952,799	-18.77%
Total Net Position	\$ 19,451,609	\$ 17,880,928	8.78%

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSTION

The Statement of Revenues, Expenses and Changes in Fund Net Position presents information showing how the District's net position changed during the year. Operating revenues consists of water sales, and other fees related to the delivery of potable water. Operating expenses include salaries and related benefits; water production and delivery expenses including repairs, chemicals, supplies and materials; and other operating costs including depreciation and amortization. The non-operating revenues include sources of funds that are not dependent on the delivery of water to the District's customers and includes investment earnings and contributions. Non-operating expenses are limited to interest paid on debt issued by the District.

The net position of the District increased \$ 1,570,681 from the prior year due to better than anticipated revenues as well as managed costs.

Operating revenues totaled \$ 6,569,890. This represents an increase of \$ 13,375 from the prior year operating revenues of \$ 6,556,515 or .20%.

Operating expenses totaled \$ 5,516,424. This represents an increase of \$ 66,384 from the prior year expenses of \$ 5,450,040. The change represents the general increase of costs related to the operations of the District including water purchase costs and payroll and benefits.

Non-operating revenues increased due to expansion of services into areas of development where developers contributed to the District for the expanded infrastructure. At the same time, interest expense decreased \$ 21,851 from the prior year amount.

**CASH SPECIAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

The following Table A-2 presents condensed financial information for comparative purposes:

Changes in the District's Net Position			Table A-2
	2021	2020	Total Percentage Change 2020 - 2021
Operating Revenues:			
Charges for Services	\$ 6,569,890	\$ 6,556,515	0.20%
Total Operating Revenues	<u>\$ 6,569,890</u>	<u>\$ 6,556,515</u>	0.20%
Operating Expenses:			
Water Utilities	\$ 5,516,424	\$ 5,450,040	1.22%
Total Operating Expenses	<u>\$ 5,516,424</u>	<u>\$ 5,450,040</u>	1.22%
Non-operating Revenues (Expenses):			
Tower Rental Income	\$ 9,977	\$ -	100.00%
Interest Income	(3,100)	65,189	-104.76%
Interest Expense	(137,981)	(159,832)	13.67%
Gain (loss) on Disposal of Fixed Assets	(1,441)	-	100.00%
Customer/Developer Contributions	649,760	295,706	119.73%
Total Non-operating Revenues (Expenses)	<u>\$ 517,215</u>	<u>\$ 201,063</u>	157.24%
Increase (Decrease) in Net Position	\$ 1,570,681	\$ 1,307,538	20.13%
Net Position - Beginning	<u>17,880,928</u>	<u>16,573,390</u>	7.89%
Net Position - Ending	<u>\$ 19,451,609</u>	<u>\$ 17,880,928</u>	8.78%

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District had invested \$ 35,656,718 in a broad range of capital assets, including land, water distribution systems, buildings, equipment and vehicles.

The construction of the Fate transmission line phase II project is to be completed in the subsequent year. These improvement projects should continue through the next year to provide enhanced services to both new and current customers.

The following Table A-3 presents the breakdown of the capital assets of the District. Additional information on the capital asset activities occurring during the year are included in the notes to the financial statement.

District's Capital Assets			Table A-3
	2021	2020	Total Percentage Change 2020 - 2021
Land and Improvements	\$ 500,868	\$ 500,868	0.00%
Construction in Progress	2,591,320	395,414	555.34%
Buildings and Improvements	708,600	708,600	0.00%
Water Distribution System	30,499,698	30,081,717	1.39%
Vehicles and Equipment	1,250,236	1,321,494	-5.39%
Office Equipment	105,996	78,262	35.44%
Totals at Historical Cost	<u>\$ 35,656,718</u>	<u>\$ 33,086,355</u>	7.77%
Total Accumulated Depreciation	<u>(15,138,262)</u>	<u>(14,098,226)</u>	7.38%
Net Capital Assets	<u>\$ 20,518,456</u>	<u>\$ 18,988,129</u>	8.06%

**CASH SPECIAL UTILITY DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2021**

Long Term Debt

The District had \$ 5,090,000 in debt outstanding as shown in Table A-4. More detailed information about the District's debt is presented in the notes to the basic financial statements.

District's Long Term Debt			Table A-4
	2021	2020	Total Percentage Change 2020 - 2021
Bonds Payable	\$ 5,090,000	\$ 6,060,000	-16.01%
Total Debt Payable	<u>\$ 5,090,000</u>	<u>\$ 6,060,000</u>	-16.01%

BUDGET, ECONOMIC ENVIRONMENT AND RATES

At this time, Cash Special Utility District is not aware of any conditions that would impact the District's operations through 2022. Rates will be reviewed for adjustment as has been completed in the past. Water purchasing costs continue to escalate as prior years and the District has calculated for rate increases in the 2022 budget. The District voted on and approved a service rate increase to be implemented in 2022.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Clay Hodges, General Manager for the District.

BASIC FINANCIAL STATEMENTS

CASH SPECIAL UTILITY DISTRICT
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2021

		Enterprise	
		Fund	
			Water
			Utilities
<hr/>			
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$	384,894	
Accounts Receivable		269,636	
Prepaid Expenses - Supplies and Materials		311,642	
Prepaid Expenses - Other		17,878	
Total Current Assets	\$	<u>984,050</u>	
Restricted Assets:			
Cash and Cash Equivalents - Debt Service	\$	567,087	
Cash and Cash Equivalents - Construction		3,194,778	
Cash and Cash Equivalents - Developer Capacity Fee		69,837	
Cash and Cash Equivalents - Customer Deposits		<u>1,228,120</u>	
Total Restricted Assets	\$	<u>5,059,822</u>	
Capital Assets, Net	\$	<u>20,518,456</u>	
Total Assets	\$	<u>26,562,328</u>	

The accompanying notes are an integral part of this statement.

CASH SPECIAL UTILITY DISTRICT
STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
DECEMBER 31, 2021

	Enterprise Fund
	Water Utilities
LIABILITIES	
Current Liabilities:	
Accrued Wages Payable	\$ 26,140
Payroll Liabilities Payable	2,331
Accounts Payable	119,425
TCEQ Assessment Payable	27,215
Total Current Liabilities	\$ 175,111
Current Liabilities (Payable from Restricted Assets):	
Construction Retainage Payable	\$ 190,709
Accrued Interest Payable	44,113
Bonds Payable (Current Portion)	985,000
Customer Deposits	1,226,375
Developer Capacity Fees	414,665
Total Current Liabilities (Payable from Restricted Assets)	\$ 2,860,862
Non-Current Liabilities:	
Bonds Payable	\$ 4,105,000
Bond Issue Discounts	(62,499)
Total Non-Current Liabilities	\$ 4,042,501
Total Liabilities	\$ 7,078,474
DEFERRED INFLOW OF RESOURCES	
Gain on Refunding	\$ 32,245
Total Deferred Inflow of Resources	\$ 32,245
NET POSITION	
Net Investment in Capital Assets	\$ 15,428,456
Unrestricted	4,023,153
Total Net Position	\$ 19,451,609

The accompanying notes are an integral part of this statement.

CASH SPECIAL UTILITY DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2021

		Enterprise Fund
		Water
		Utilities
		<hr/>
OPERATING REVENUES		
Water/Sales	\$	5,700,893
Customer Charges/Fees		868,997
		<hr/>
Total Operating Revenues	\$	6,569,890
OPERATING EXPENSES		
Payroll and Benefits	\$	1,514,220
Water Purchases		1,228,188
Repairs and Maintenance		419,573
Supplies		428,122
Professional and Legal Fees		62,324
Insurance		321,451
Other Operating Costs		313,306
Amortization and Depreciation		1,229,240
		<hr/>
Total Operating Expenses	\$	5,516,424
Net Operating Revenue (Expenses)	\$	1,053,466
NON-OPERATING REVENUE (EXPENSES)		
Tower Rental Income	\$	9,977
Interest Income		(3,100)
Interest Expense		(137,981)
Gain (Loss) on Disposal of Fixed Assets		(1,441)
Customer/Developer Contributions		649,760
		<hr/>
Net Non-Operating Revenue (Expenses)	\$	517,215
Change in Net Position	\$	1,570,681
Total Net Position - Beginning (January 1)		17,880,928
		<hr/>
Total Net Position - Ending (December 31)	\$	19,451,609
		<hr/> <hr/>

The accompanying notes are an integral part of this statement.

**CASH SPECIAL UTILITY DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2021**

Enterprise
Fund
Water
Utilities

		Enterprise Fund Water Utilities
Cash Flows Provided by (Used for) Operating Activities:		
Cash Received from Customers	\$	6,557,012
Cash Payments for Goods and Services		(2,946,729)
Cash Payments to Employees		(1,504,685)
Loss on Disposal of Capital Assets		(1,441)
Change in Customer Deposits		30,375
		30,375
Net Cash Provided by (Used for) Operating Activities	\$	2,134,532
Cash Flows Provided by (Used for) Capital and Other Related Financing Activities:		
Principal Paid on Bonds	\$	(970,000)
Interest Paid on Bonds		(154,404)
Acquisition and Construction of Capital Assets		(2,568,858)
		(2,568,858)
Net Cash Provided by (Used for) Capital and Other Related Financing Activities	\$	(3,693,262)
Net Cash Provided by (Used for) Noncapital Financing Activities		
Developer Capacity Fee	\$	414,665
Customer/Developer Contributions		649,760
		649,760
Net Cash Provided by (Used for) Noncapital Financing Activities	\$	1,064,425
Cash Flows Provided by (Used for) Investing Activities:		
Interest Received	\$	(3,100)
Tower Rental Income		9,977
		9,977
Net Cash Provided by (Used for) Investing Activities	\$	6,877
Net Increase (Decrease) in Cash and Cash Equivalents	\$	(487,428)
Cash and Cash Equivalents - Beginning (January 1)		5,932,144
Cash and Cash Equivalents - Ending (December 31)	\$	5,444,716
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position		
Cash and Cash Equivalents in Current Assets	\$	384,894
Restricted Cash and Cash Equivalents		5,059,822
		5,059,822
Total Cash and Cash Equivalents	\$	5,444,716

The accompanying notes are an integral part of this statement.

**CASH SPECIAL UTILITY DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2021**

**Reconciliation of Change in Equity to Net Cash
Provided by (Used for) Operating Activities**

Net Operating Revenue (Expenses)	\$	1,053,466
Adjustments to Reconcile Operating Income to Net Cash		
Provided by (Used for) Operating Activities:		
Amortization and Depreciation		1,229,240
Loss on Disposal of Capital Assets		(1,441)
Change in Customer Deposit		30,375
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivables		(12,878)
(Increase) Decrease in Prepaid Expenses, Supplies and Materials		(201,580)
Increase (Decrease) in Accounts Payable		26,732
Increase (Decrease) in Accrued Wages Payable		7,722
Increase (Decrease) in Payroll Liabilities		1,813
Increase (Decrease) in TCEQ Assessment Payable		1,083
Net Cash Provided by (Used for) Operating Activities	\$	<u>2,134,532</u>

The accompanying notes are an integral part of this statement.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

A. Summary of Significant Accounting Policies

Cash Special Utility District was created under Chapter 49 and 65 of the Texas Water Code by order of the Texas Commission of Environmental Quality, (TCEQ) on March 11, 2003.

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

1. Reporting Entity

The Board of Directors (Board), a nine member group constituting an on-going entity, is the level of government which has governance responsibilities over all activities related to providing water services within the jurisdiction of the Cash Special Utility District. Members of the Board are elected by the public, have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and have the primary accountability for fiscal matters. The District is not included in any other governmental "Reporting Entity" as defined by GASB in its Statement No. 14, "The Financial Reporting Entity." There are no component units presented.

2. Basis of Presentation

The District is a special purpose government engaged in only business-type activities. In accordance with GASB Statement 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, the District is required to present only financial statements for enterprise funds, along with management's discussion and analysis (MD&A), notes of the financial statements and other required supplementary information (RSI).

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenue and expenses. The fund type utilized by the District is described below:

Proprietary fund types include the following –

The *Enterprise Fund* is used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) the governing body has decided periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

3. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Proprietary fund types are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. With this measurement focus, all assets and liabilities associated with the operation of these funds are included in the balance sheet. Fund equity is identified as net position.

4. Budget

The Board adopts an annual budget for the Enterprise Fund. The budget for the Enterprise Fund is adopted under a basis consistent with GAAP. The Board approves amendments to the annual budget as prepared by the General Manager of the District.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

A. Summary of Significant Accounting Policies (Continued)

5. Capital Assets

Additions to the utility system are recorded at cost or, if contributed property, at its estimated fair value at time of contribution. Repairs and maintenance are recorded as expenses; renewals and betterments are capitalized. The sale or disposal of capital assets is recovered by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Office Equipment	3-7 years
Equipment and Vehicles	5-10 years
Water Distribution System	20-40 years

6. Prepaid Expenses - Supplies and Materials

Prepaid expenses consist of items or services paid for in the current period to be utilized in following accounting periods. Prepaid supplies and materials consist of supplies and repair parts for the distribution system, valued at cost. The cost of supplies and materials is recorded as an expense when consumed rather than when purchased.

7. Cash and Cash Equivalents

Cash and Cash Equivalents are comprised of deposits in financial institutions, including time deposits. For the purpose of the statement of cash flows, a cash equivalent is considered any highly liquid investment with a maturity of ninety days or less.

8. Contributions from Customers / Developers

The District requires customers and developers to provide funds to make distribution system storage and line improvements. These funds are collected prior to the improvement planning or construction. Major improvements require engineering and other costs to determine the impact on the existing system. Upon completion of the engineering services, cost estimates are provided to the customer/developer. The customer/developer places funds with the District and the District completes the expansion of the required infrastructure. Upon completion of the expansion, excess funds are returned to the customer/ developer. The District recognizes the funds collected for the project as other non-operating revenues.

9. Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. Sick leave accumulates, but does not vest, and will only be expensed when used.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

B. Capital Assets

The following is a summary of changes in capital assets for the year:

	Beginning Balances	Additions and Reclassifications	Disposals	Ending Balances
Land	\$ 500,868	\$ -	\$ -	\$ 500,868
Construction in Progress	395,414	2,195,906	-	2,591,320
Water Distribution System	30,081,717	426,549	8,568	30,499,698
Buildings and Improvements	708,600	-	-	708,600
Vehicles and Equipment	1,321,494	160,852	232,110	1,250,236
Office Equipment	78,262	27,734	-	105,996
Totals at Historical Cost	\$ 33,086,355	\$ 2,811,041	\$ 240,678	\$ 35,656,718
Less Accumulated Depreciation for:				
Water Distribution System	\$ 12,935,438	\$ 1,114,391	\$ 8,568	\$ 14,041,261
Buildings and Improvements	281,838	24,575	-	306,413
Vehicles and Equipment	811,203	94,554	188,005	717,752
Office Equipment	69,747	3,089	-	72,836
Total Accumulated Depreciation	\$ 14,098,226	\$ 1,236,609	\$ 196,573	\$ 15,138,262
Net Capital Assets	\$ 18,988,129	\$ 1,574,432	\$ 44,105	\$ 20,518,456

C. Deposits, Securities and Investments

The District's funds are deposited and invested under the terms of an agreement with a financial institution. The agreement requires the depository to pledge approved securities in an amount significant to protect the District's day-to-day balances. The pledge is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. At December 31, 2021, all District cash deposits appear to be covered by FDIC insurance or by pledged collateral held by the depository in the District's name. The District's deposits appear to have been properly secured throughout the fiscal year.

The District's investment policies and types of investments are governed by the Public Funds Investment Act. The Act requires specific training, reporting and establishment of local policies. The District appears to be in compliance with the requirements of the Act.

State statutes and local policy authorize the District to invest in the following types of investment goods:

- a. obligations of the U.S. or its agencies or instrumentalities,
- b. obligations of the State of Texas or its agencies,
- c. obligations guaranteed by the U.S. or State of Texas or their agencies or instrumentalities,
- d. obligations of other states, agencies or political subdivisions having a national investment rating of "A" or greater,
- e. guaranteed or secured certificates of deposit issued by a bank domiciled in the State of Texas, or
- f. fully collateralized repurchase agreements.

District investments include deposits in TexSTAR, an external investment pool, and investments held with Edward Jones. These investments are reported at share price (fair value) and are presented as Restricted Assets.

Texas Short Term Asset Reserve Program (TexSTAR) has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These two acts provide for the creation of public funds investment pools (including TexSTAR) and authorize eligible governmental entities (Participants) to invest their public funds and funds under their control through the investment pools.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

C. Deposits, Securities and Investments (Continue)

J. P. Morgan Investment Management, Inc. (JPMIM) and First Southwest Asset Management, Inc. (FSAM) serve as co-administrators for TexSTAR under an agreement with the TexSTAR board of directors (Board). JPMIM provides investment services, and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co.

The Board may establish separate Funds within TexSTAR from time to time. Participants choose the Funds in which their deposits are invested. Participants' assets in the Funds are represented by units of beneficial interest (units). The Board may issue an unlimited number of units in each Fund.

TexSTAR is rated AAAM by Standard & Poor's rating agency. This rating and the fund's operational settings allow the fund to comply with the requirement of the Public Funds Investment Act.

The following table categorizes the District's investments at year end:

	Credit Rating	Fair Value
TexSTAR	AAAm	\$ 4,529,474
Edward Jones	AAA	530,348
Total		\$ 5,059,822

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the Districts' name. At year end, the District does not appear to be exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District does not appear to be exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District does not appear to be exposed to interest rate risk.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

C. Deposits, Securities and Investments (Continue)

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District does not appear to be exposed to foreign currency risk.

D. Long - Term Obligations

The following schedule presents changes in long-term debt for the year:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Bonds Payable	\$ 6,060,000	\$ -	\$ 970,000	\$ 5,090,000	\$ 985,000
Unamortized Discount	(65,523)	-	(3,024)	(62,499)	-
Totals	\$ 5,994,477	\$ -	\$ 966,976	\$ 5,027,501	\$ 985,000

The following schedule presents outstanding debt at year end:

Description	Interest Rate	Original Amount	Outstanding Balance
Revenue Refunding Bonds, Series 2014	2.13%	\$ 8,695,000	\$ 2,800,000
Revenue Bonds, Series 2018	4.21%	2,560,000	2,290,000
Totals			\$ 5,090,000

Debt service requirements to maturity on bonds at year end are as follows:

Year Ending December 31	Principal	Interest	Total Requirements
2022	\$ 985,000	\$ 132,340	\$ 1,117,340
2023	1,015,000	111,456	1,126,456
2024	1,035,000	89,741	1,124,741
2025	85,000	67,000	152,000
2026	85,000	64,450	149,450
2027-2031	475,000	281,900	756,900
2032-2036	570,000	203,438	773,438
2037-2041	685,000	101,169	786,169
2042	155,000	5,425	160,425
Totals	\$ 5,090,000	\$ 1,056,919	\$ 6,146,919

E. Customer Deposits

The District requires each new customer to pay \$ 200, which is held as a refundable deposit to secure payment of the customer's final water bill. At year end, the District's obligation for refundable deposits owed to water customers totaled \$ 1,226,375.

F. Litigation

The District does not appear to be involved in any litigation at year end.

**CASH SPECIAL UTILITY DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

G. Joint Agreements

The District has entered into equity agreements with North Texas Municipal Water District (NTMWD) and Sabine River Authority (SRA).

H. 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; injuries to employees; and natural disasters. During fiscal year 2021, the District purchased commercial insurance to cover these liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance for each of the past three fiscal years.

I. Subsequent Events

The District's management has evaluated subsequent events through March 20, 2022, the date which the financial statements were available for issue.

J. Pension Plans

457(b) Deferred Compensation Plan

The District established a 457(b) deferred compensation plan for the employees of the District. The plan is a voluntary program where employees can elect to defer portions of their annual compensation. There is no responsibility of the District to match elective deferrals made by the employees.

Cash Special Utility District Profit Sharing Plan

The District contributes to the Cash Special Utility District Profit Sharing Plan (Plan), a defined contribution pension plan, for its full time employees. The Plan is administered by the District's Board with Edward Jones acting as the trustee. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the District's Board. The District is required to contribute 7% of employee's annual compensation to individual employee accounts for each participating employee. The District contributed \$ 89,437 to the Plan.

Employees are eligible for contributions after attaining 500 hours of work and employed full time. The Plan has a vesting schedule in place as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1	-0-
1	-0-
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Non-vested contributions are forfeited upon termination of employment and such forfeitures are allowed to pay administrative expenses of the Plan. Any remaining forfeitures will be used to restore rehired participant's balances and then to various other purposes allowed in the plan document.

There is no liability at year end to the Plan.

TEXAS SUPPLEMENTARY INFORMATION (TSI)
(Other Supplementary Information)

**CASH SPECIAL UTILITY DISTRICT
 SUPPLEMENTARY SCHEDULES INCLUDED WITHIN THIS REPORT
 YEAR ENDED DECEMBER 31, 2021**

Exhibit ID	Exhibit Title	Page
	Budgetary Comparison – Enterprise Fund	30
TSI-1	Services and Rates	31
TSI-2	Enterprise Fund Expenditures	33
TSI-3	Temporary Investments	34
TSI-5	Long-Term Debt Service Requirements by Years	35
TSI-6	Changes in Long-Term Bonded Debt	37
TSI-7	Comparative Schedule of Revenues and Expenses Enterprise Fund - Five Years	38
TSI-8	Board Members, Key Personnel and Consultants	39

The following schedules are not applicable to this District.

TSI-4 Analysis of Taxes Levied and Receivable

**CASH SPECIAL UTILITY DISTRICT
ENTERPRISE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED DECEMBER 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
OPERATING REVENUES				
Water/Sales	\$ 5,782,000	\$ 5,679,000	\$ 5,700,893	\$ 21,893
Customer Charges/Fees	673,000	673,000	868,997	195,997
Total Operating Revenues	\$ 6,455,000	\$ 6,352,000	\$ 6,569,890	\$ 217,890
OPERATING EXPENSES				
Payroll and Benefits	\$ 1,685,000	\$ 1,685,000	\$ 1,514,220	\$ 170,780
Water Purchased	1,180,000	1,246,600	1,228,188	18,412
Repairs and Maintenance	625,000	625,000	419,573	205,427
Supplies	450,000	495,000	428,122	66,878
Professional and Legal Fees	60,000	65,000	62,324	2,676
Insurance	370,000	370,000	321,451	48,549
Other Operating Costs	445,000	450,000	313,306	136,694
Amortization and Depreciation	1,040,000	1,220,000	1,229,240	(9,240)
Total Operating Expenses	\$ 5,855,000	\$ 6,156,600	\$ 5,516,424	\$ 640,176
NONOPERATING REVENUES (EXPENSES)				
Tower Rental Income	\$ -	\$ -	\$ 9,977	\$ 9,977
Interest Income	55,000	55,000	(3,100)	(58,100)
Interest Expense	(155,000)	(155,000)	(137,981)	17,019
Gain (Loss) on Disposal of Capital Asset	-	-	(1,441)	(1,441)
Customer Contributions	100,000	100,000	649,760	549,760
Net Nonoperating Revenues (Expenses)	\$ -	\$ -	\$ 517,215	\$ 517,215
Change in Net Position	\$ 600,000	\$ 195,400	\$ 1,570,681	\$ 1,375,281
Net Position - Beginning (January 1)	17,880,928	17,880,928	17,880,928	-
Net Position - Ending (December 31)	\$ 18,480,928	\$ 18,813,928	\$ 19,451,609	\$ 1,375,281
OTHER ITEMS:				
Capital Construction Transfers	\$ 600,000	\$ 175,000	\$ -	\$ 300,000

**CASH SPECIAL UTILITY DISTRICT
SERVICES AND RATES
YEAR ENDED DECEMBER 31, 2021**

1. Services provided by the District:

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

2. a. Retail Rates Based on 5/8" Meter:

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate Per 1000 Gallons Over Minimum		Usage Levels	
WATER:	\$ 30.54	0	N	4.00	0	to	5,000
				4.95	5,001	to	10,000
				5.50	10,001	to	15,000
				6.50	15,001	to	20,000
				7.25	20,001	to	25,000
				8.00	25,001	to	unlimited

District employs winter averaging for wastewater usage? Yes ___ No X

Total charges per 10,000 gallons usage: Water \$ 71.29 Wastewater \$ n/a

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unbilled	0	0	x 1.0	0
≤ 3/4"	1	1	x 1.0	1
1"	35	34	x 2.5	85
5/8"	7,754	6,993	x 2.5	17,483
1 1/2"	0	0	x 5.0	0
2"	21	19	x 8.0	152
3"	18	6	x 15.0	90
4"	0	0	x 25.0	0
6"	0	0	x	0
Total Water	7,829	7,053		17,811

**CASH SPECIAL UTILITY DISTRICT
SERVICES AND RATES
YEAR ENDED DECEMBER 31, 2021**

3. Total water consumption (rounded to the nearest 1,000) during the fiscal year:

Gallons pumped into system:	<u>782,750,000</u>
Gallons billed to customers:	<u>631,500,000</u>
Water Accountability %:	<u>19%</u>

4. Standby Fees: District does not levy standby fees.

5. Location of District:

County(ies) in which district is located. Hunt, Hopkins, Rains and Rockwall

Is the District located entirely in one county? Yes No

Is the District located within a city? Entirely Partly Not at all

City(ies) in which district is located. n/a

Is the District located within a city's extra territorial jurisdiction (ETJ)?
Entirely Partly Not at all

ETJ's in which district is located. Greenville

Is the general membership of the Board appointed by an office outside the district?

Yes No

If Yes, by whom? n/a

**CASH SPECIAL UTILITY DISTRICT
ENTERPRISE FUND EXPENSES
YEAR ENDED DECEMBER 31, 2021**

Payroll and Benefits	\$	1,514,220
Professional and Legal Fees		62,324
Water Purchased		1,228,188
Repairs and Maintenance		419,573
Supplies		428,122
Other Operating Costs		313,306
Insurance		321,451
Amortization and Depreciation		1,229,240
Interest Expense		137,981
Total Expenses	\$	5,654,405

Number of persons employed by the District:

Full Time	26
Part Time	0

**CASH SPECIAL UTILITY DISTRICT
TEMPORARY INVESTMENTS
YEAR ENDED DECEMBER 31, 2021**

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at Year End
<u>Enterprise Fund</u>					
TexSTAR Investments *	1160010230	1.5643%	Monthly	\$ 157,304	-
TexSTAR Investments *	1160010400	1.5643%	Monthly	3,194,778	-
TexSTAR Investments *	1160015660	1.5643%	Monthly	60,214	-
TexSTAR Investments *	1160022990	1.5643%	Monthly	707,395	-
TexSTAR Investments *	1160030000	1.5643%	Monthly	409,783	-
Edward Jones *	MMA	1.0300%	Monthly	168,405	-
Edward Jones *	MMA	1.0300%	Monthly	4,856	-
Edward Jones *	535705	6.5000%	2/1/2031	1,172	-
Edward Jones *	687399	6.0000%	12/1/2032	1,761	-
Edward Jones *	684199	6.0000%	1/1/2033	455	-
Edward Jones *	555667	5.5000%	7/1/2033	1,379	-
Edward Jones *	003094	6.0000%	6/20/2031	1,384	-
Edward Jones *	003052	6.0000%	3/20/2031	3,801	-
Edward Jones *	303826	6.0000%	3/1/2026	2,159	-
Edward Jones *	555000	6.0000%	10/1/2032	1,795	-
Edward Jones *	C01491	6.0000%	2/1/2033	3,593	-
Edward Jones *	604245	5.5000%	4/15/2033	4,676	-
Edward Jones *	256552	5.5000%	1/1/2037	5,691	-
Edward Jones *	003865	6.0000%	6/20/2036	3,351	-
Edward Jones *	004559	5.0000%	10/20/2039	6,495	-
Edward Jones *	004680	5.5000%	4/20/2040	6,378	-
Edward Jones *	004802	5.0000%	9/20/2040	7,359	-
Edward Jones *	004924	5.0000%	1/20/2041	8,135	-
Edward Jones *	005234	4.5000%	11/20/2041	13,214	-
Edward Jones *	MA1224	3.5000%	8/20/2043	25,406	-
Edward Jones *	MA1223	3.0000%	8/20/2043	27,340	-
Edward Jones *	MA0154	3.5000%	6/20/2042	20,619	-
Edward Jones *	MA1676	3.0000%	2/20/1944	25,296	-
Edward Jones *	MA2446	4.0000%	12/20/2044	13,951	-
Edward Jones *	MA2892	3.5000%	6/20/2045	16,829	-
Edward Jones *	G13596	4.0000%	7/1/2024	2,774	-
Edward Jones *	MA3037	5.0000%	8/20/2045	21,686	-
Edward Jones *	AS4582	4.0000%	3/1/2045	43,332	-
Edward Jones *	MA4452	4.0000%	5/20/2030	23,614	-
Edward Jones *	MA1600	3.5000%	10/1/2043	38,311	-
Edward Jones *	MA5019	3.5000%	2/20/2048	25,131	-
Total				<u>\$ 5,059,822</u>	<u>\$ -</u>

The District's interest-bearing investments do not accrue interest due to interest being paid monthly.

**CASH SPECIAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2014 - BY YEAR
YEAR ENDED DECEMBER 31, 2021**

Year Ending December 31	Principal	Interest	Total Requirements
2022	\$ 910,000	\$ 59,640	\$ 969,640
2023	935,000	40,256	975,256
2024	955,000	20,342	975,342
Totals	<u>\$ 2,800,000</u>	<u>\$ 120,238</u>	<u>\$ 2,920,238</u>

**CASH SPECIAL UTILITY DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
SERIES 2018 - BY YEAR
YEAR ENDED DECEMBER 31, 2021**

Year Ending December 31	Principal	Interest	Total Requirements
2022	\$ 75,000	\$ 72,700	\$ 147,700
2023	80,000	71,200	151,200
2024	80,000	69,400	149,400
2025	85,000	67,000	152,000
2026	85,000	64,450	149,450
2027	90,000	61,900	151,900
2028	90,000	59,200	149,200
2029	95,000	56,500	151,500
2030	100,000	53,650	153,650
2031	100,000	50,650	150,650
2032	105,000	47,650	152,650
2033	110,000	44,369	154,369
2034	115,000	40,931	155,931
2035	120,000	37,194	157,194
2036	120,000	33,293	153,293
2037	125,000	29,244	154,244
2038	130,000	25,025	155,025
2039	135,000	20,475	155,475
2040	145,000	15,750	160,750
2041	150,000	10,675	160,675
2042	155,000	5,425	160,425
Totals	<u>\$ 2,290,000</u>	<u>\$ 936,681</u>	<u>\$ 3,226,681</u>

**CASH SPECIAL UTILITY DISTRICT
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES
ALL PROPRIETARY FUND TYPES
FIVE YEARS ENDED DECEMBER 31, 2021**

	AMOUNTS					PERCENT OF FUND TOTAL REVENUE				
	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017
OPERATING REVENUE										
Water Sales	\$ 5,700,893	\$ 5,805,788	\$ 5,270,177	\$ 5,188,784	\$ 4,582,672	86.77%	88.55%	87.51%	88.34%	86.16%
Customer Charges/Fees	868,997	750,727	751,964	685,166	735,837	13.23%	11.45%	12.49%	11.66%	13.84%
TOTAL OPERATING REVENUE	\$ 6,569,890	\$ 6,556,515	\$ 6,022,141	\$ 5,873,950	\$ 5,318,509	100.00%	100.00%	100.00%	100.00%	100.00%
OPERATING EXPENSES										
Payroll and Benefits	\$ 1,514,220	\$ 1,405,762	\$ 1,343,216	\$ 1,220,518	\$ 1,227,457	23.05%	21.44%	22.30%	20.78%	23.08%
Water Purchased	1,228,188	1,187,299	1,151,390	1,062,410	1,023,385	18.69%	18.11%	19.12%	18.09%	19.24%
Repairs and Maintenance	419,573	523,048	511,432	381,038	309,154	6.39%	7.98%	8.49%	6.49%	5.81%
Supplies	428,122	212,823	216,978	263,839	328,093	6.52%	3.25%	3.60%	4.49%	6.17%
Professional Fees	62,324	68,162	36,727	21,483	128,044	0.95%	1.04%	0.61%	0.37%	2.41%
Insurance	321,451	246,668	274,040	214,926	257,085	4.89%	3.76%	4.55%	3.66%	4.83%
Other Operating Costs	313,306	520,551	502,584	488,476	444,881	4.77%	7.94%	8.35%	8.32%	8.36%
Amortization and Depreciation	1,229,240	1,285,727	1,088,909	1,019,955	1,005,733	18.71%	19.61%	18.08%	17.36%	18.91%
TOTAL OPERATING EXPENSES	\$ 5,516,424	\$ 5,450,040	\$ 5,125,276	\$ 4,672,645	\$ 4,723,832	83.97%	83.12%	85.11%	79.55%	88.82%
NET OPERATING REVENUE (EXPENSES)	\$ 1,053,466	\$ 1,106,475	\$ 896,865	\$ 1,201,305	\$ 594,677	16.03%	16.88%	14.89%	20.45%	11.18%
NONOPERATING REVENUE (EXPENSES)										
Gain (Loss) on Disposal of Capital Assets	\$ (1,441)	\$ -	\$ -	\$ (2,731)	\$ 1,267	-0.02%	0.00%	0.00%	-0.05%	0.02%
Interest Income	(3,100)	65,189	136,701	143,021	62,231	-0.05%	0.99%	2.27%	2.43%	1.17%
Interest Expense	(137,981)	(159,832)	(180,154)	(172,370)	(133,174)	-2.10%	-2.44%	-2.99%	-2.93%	-2.50%
Tower Rental Income	9,977	-	-	-	-	0.15%	0.00%	0.00%	0.00%	0.00%
Customer/Developer Contributions	649,760	295,706	297,099	112,576	124,244	9.89%	4.51%	4.93%	1.92%	2.34%
NET NONOPERATING REVENUE (EXPENSES)	\$ 517,215	\$ 201,063	\$ 253,646	\$ 80,496	\$ 54,568	7.87%	3.07%	4.21%	1.37%	1.03%
NET REVENUE (EXPENSES)	\$ 1,570,681	\$ 1,307,538	\$ 1,150,511	\$ 1,281,801	\$ 649,245	23.91%	19.94%	19.10%	21.82%	12.21%

**CASH SPECIAL UTILITY DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
YEAR ENDED DECEMBER 31, 2021**

Complete District Mailing Address: P.O. Box 8129, Greenville, Texas 75404-8129
 District Business Telephone Number: 903-883-2695
 Submission Date of the most recent District Registration Form: 9/30/2021

	Term of Office (Elected or Appointed or Date Hired)	Fees of Office Paid 12/31/2021	Expense Reimbursements 12/31/2021	Title at Year End
Board Members:				
Staley Cash	2021-2024	\$ 450	\$ -	President
Kevin Chilcoat	2019-2022	\$ 500	\$ -	Vice-President
James Fortenberry	2020-2023	\$ 350	\$ -	Sec/Tres
David Lindsey	2020-2023	\$ 500	\$ -	Director
Craig Driggers	2019-2022	\$ 250	\$ -	Director
Bryan Delgado	2019-2022	\$ 250	\$ -	Director
Norris Mayberry	2021-2024	\$ 400	\$ -	Director
Gary Pendergrass	2021-2023	\$ 250	\$ -	Director
Bill Watkins	2021-2024	\$ 500	\$ -	Director
Key Administrative Personnel:				
Clay Hodges		\$ 162,622	\$ 192	General Manager
Consultants:				
McLean & Howard, LLP		\$ 2,470		Attorney
James D. Bradbury, PLLC		\$ 12,561		Attorney
Rutherford, Taylor & Company, P.C.		\$ 12,575		Auditor
Velvin & Weeks, P.C.		\$ 157,609		Engineer
Modrall Spering Lawyers		\$ 1,618		Attorney
Jackson Walker, LLP		\$ 981		Attorney