

CASH SPECIAL UTILITY DISTRICT  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2023

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**CASH SPECIAL UTILITY DISTRICT  
ANNUAL FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2023**

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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)

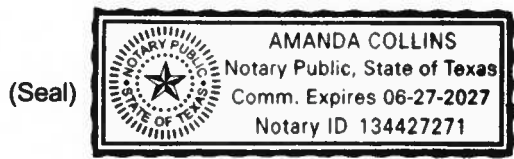
swear, or affirm, that the District above has reviewed and approved at a meeting of the District's Board of Directors on  
the 25<sup>th</sup> day of March, 2024 it's annual audit report for the fiscal  
period ended December 31, 2023 and that copies of the annual report have been filed in the District's 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 25, 2024 By [Signature]  
(Signature of District Representative)

Staley Cash  
(Printed Name and Title of District Representative)

Sworn to and Subscribed to before me this 25<sup>th</sup> day of March, 2024



[Signature]  
(Signature of Notary)

My Commission Expires on: June 27, 2027

## FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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Members of the Board

***Opinion***

We have audited the accompanying 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, 2023, 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 financial position of the business-type activities, which are the proprietary funds of the Cash Special Utility District, as of December 31, 2023, and the changes in financial position and its cash flows 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.

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 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 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 responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

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 12, 2024  
Greenville, Texas

**CASH SPECIAL UTILITY DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2023**

**Schedule  
Reference  
Number**

**Findings**

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NONE

**CASH SPECIAL UTILITY DISTRICT  
STATUS OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2023**

**Schedule  
Reference  
Number**

**Prior Findings**

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NONE



CASH SPECIAL UTILITY DISTRICT  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2023

Schedule  
Reference  
Number

Actions Planned

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NONE

**CASH SPECIAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2023**

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, 2023. 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 \$ 26,407,912 at December 31, 2023.
- During the year, the District's expenses were \$ 4,248,649 less than the \$ 10,987,241 generated from charges in services and other revenues for business-type activities.
- The District did not issue any new debt in the 2023 year.
- The District completed enhanced transmission line projects during the year which provides improved water delivery infrastructure for future 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 \$ 4,248,649 during the year to \$ 26,407,912.

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 31.30% during the year as the District used prior period unrestricted net assets to complete construction projects for the system.

The unrestricted net position \$ 4,921,147 is available for recurring operating expenses or other capital investments.

**CASH SPECIAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2023**

**FINANCIAL ANALYSIS OF THE DISTRICT (Continued)**

The following Table A-1 presents condensed financial information on the District's Net Position for comparative purposes:

District's Net Position			Table A-1
	2023	2022	Total Percentage Change 2022 - 2023
<b>Assets</b>			
Cash and Cash Equivalents	\$ 257,033	\$ 93,444	175.07%
Other Assets	957,412	1,053,529	-9.12%
Restricted Assets	5,096,690	8,564,219	-40.49%
Capital Assets, net of depreciation	24,716,115	20,469,043	20.75%
Non-Current Assets	87,946	39,467	122.83%
<b>Total Assets</b>	<b>\$ 31,115,196</b>	<b>\$ 30,219,702</b>	<b>2.96%</b>
<b>Liabilities</b>			
Current Liabilities	\$ 2,700,673	\$ 5,009,760	-46.09%
Long-term Liabilities	1,998,550	3,030,526	-34.05%
<b>Total Liabilities</b>	<b>\$ 4,699,223</b>	<b>\$ 8,040,286</b>	<b>-41.55%</b>
Deferred Inflows of Resources	\$ 8,061	\$ 20,153	-60.00%
<b>Net Position</b>			
Net Investment in Capital Assets	\$ 21,486,765	\$ 16,364,043	31.30%
Unrestricted	4,921,147	5,795,220	-15.08%
<b>Total Net Position</b>	<b>\$ 26,407,912</b>	<b>\$ 22,159,263</b>	<b>19.17%</b>

**Statement of Revenues Expenses and Changes in Fund Net Position**

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 \$ 4,248,649 from the prior year due to better than anticipated revenues as well as managed costs. Contributions from developers and customers also contributed to the annual increase.

Operating revenues totaled \$ 7,975,718. This represents a decrease of \$ 315,060 from the prior year operating revenues of \$ 8,290,778 or 3.80%.

Operating expenses totaled \$ 6,643,381. This represents an increase of \$ 238,812 from the prior year expenses of \$ 6,404,569. The change represents costs related to increased service connections in addition to the general increase of costs related to the operations of the District including water purchase costs and payroll and related 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 \$ 21,040 from the prior year amount.

**CASH SPECIAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2023**

The following Table A-2 presents condensed financial information on the District's Changes in Net Position for comparative purposes:

Changes in the District's Net Position			Table A-2
	2023	2022	Total Percentage Change 2022 - 2023
Operating Revenues:			
Charges for Services	\$ 7,975,718	\$ 8,290,778	-3.80%
Total Operating Revenues	\$ 7,975,718	\$ 8,290,778	-3.80%
Operating Expenses:			
Water Utilities	\$ 6,643,381	\$ 6,404,569	3.73%
Total Operating Expenses	\$ 6,643,381	\$ 6,404,569	3.73%
Non-operating Revenues (Expenses):			
Tower Rental Income	\$ 58,644	\$ 5,153	1038.06%
Interest Income	318,517	71,683	344.34%
Interest Expense	(95,211)	(116,251)	-18.10%
Gain (Loss) on Disposal of Fixed Assets	5,042	-	100.00%
Customer/Developer Contributions	2,629,320	816,570	222.00%
Total Non-operating Revenues (Expenses)	\$ 2,916,312	\$ 777,155	275.25%
Increase (Decrease) in Net Position	\$ 4,248,649	\$ 2,663,364	59.52%
Net Position - Beginning	\$ 22,159,263	\$ 19,451,609	13.92%
Prior Period Adjustment	-	44,290	-100.00%
Net Position, Beginning, as restated	\$ 22,159,263	\$ 19,495,899	13.66%
Net Position - Ending	\$ 26,407,912	\$ 22,159,263	19.17%

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The District had invested \$ 42,390,365 in a broad range of capital assets, including land, water distribution systems, buildings, equipment, and vehicles.

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
	2023	2022	Total Percentage Change 2022 - 2023
Land and Improvements	\$ 500,868	\$ 500,868	0.00%
Construction in Progress	2,290,686	629,701	263.77%
Buildings and Improvements	715,600	715,600	0.00%
Water Distribution System	37,414,490	33,622,870	11.28%
Vehicles and Equipment	1,366,902	1,303,299	4.88%
Office Equipment	101,819	116,565	-12.65%
Totals at Historical Cost	\$ 42,390,365	\$ 36,888,903	14.91%
Total Accumulated Depreciation	(17,674,250)	(16,419,860)	7.64%
Net Capital Assets	\$ 24,716,115	\$ 20,469,043	20.75%

**CASH SPECIAL UTILITY DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2023**

**Long Term Debt**

The District had \$ 3,090,000 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
	2023	2022	Total Percentage Change 2022 - 2023
Bonds Payable	\$ 3,090,000	\$ 4,105,000	-24.73%
Total Debt Payable	<u>\$ 3,090,000</u>	<u>\$ 4,105,000</u>	-24.73%

**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 2024. Rates will be reviewed for adjustment as has been completed in the past. Water purchasing costs continue to escalate as in prior years and the District has calculated increased water revenue in 2024 budget.

The service area of the District continues to present opportunities for development of residential housing as well as commercial properties. The outlook for the area located in northeast Texas is for continued real estate development. The District continues to work with its water supply sources to ensure an uninterrupted supply which requires the continued evaluation, planning and overview of the infrastructure in place.

**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, 2023**

		Enterprise Fund
		Water Utilities
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$	257,033
Accounts Receivable		587,280
Prepaid Expenses - Supplies and Materials		308,740
Prepaid Expenses - Other		61,392
Total Current Assets	\$	1,214,445
Restricted Assets:		
Cash and Cash Equivalents - Debt Service	\$	650,996
Cash and Cash Equivalents - Construction		3,047,313
Cash and Cash Equivalents - Developer Capacity Fee		36,954
Cash and Cash Equivalents - Customer Deposits		1,361,427
Total Restricted Assets	\$	5,096,690
Capital Assets, Net	\$	24,716,115
Non Current Assets:		
Tower Rental Receivable	\$	87,946
Total Non Current Assets	\$	87,946
<b>Total Assets</b>	<b>\$</b>	<b>31,115,196</b>

The accompanying notes are an integral part of this statement.

**CASH SPECIAL UTILITY DISTRICT**  
**STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS**  
**DECEMBER 31, 2023**

	Enterprise Fund
	Water Utilities
<b>LIABILITIES</b>	
Current Liabilities:	
Accrued Wages Payable	\$ 29,520
Payroll Liabilities Payable	1,737
Accounts Payable	75,268
TCEQ Assessment Payable	32,473
Total Current Liabilities	\$ 138,998
Current Liabilities (Payable from Restricted Assets):	
Construction Retainage Payable	\$ 129,665
Accrued Interest Payable	29,914
Bonds Payable (Current Portion)	1,035,000
Customer Deposits	1,335,099
Developer Capacity Fee Escrow	31,997
Total Current Liabilities (Payable from Restricted Assets)	\$ 2,561,675
Non-Current Liabilities:	
Bonds Payable	\$ 2,055,000
Bond Issue Discounts	(56,450)
Total Non-Current Liabilities	\$ 1,998,550
<b>Total Liabilities</b>	<b>\$ 4,699,223</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	
Gain on Refunding	\$ 8,061
<b>Total Deferred Inflow of Resources</b>	<b>\$ 8,061</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	\$ 21,486,765
Unrestricted	4,921,147
<b>Total Net Position</b>	<b>\$ 26,407,912</b>

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, 2023**

		Enterprise Fund
		Water Utilities
<b>OPERATING REVENUES</b>		
Water/Sales	\$	7,085,134
Customer Charges/Fees		890,584
		<hr/>
Total Operating Revenues	\$	7,975,718
<b>OPERATING EXPENSES</b>		
Payroll and Benefits	\$	1,733,602
Water Purchases		1,499,276
Repairs and Maintenance		487,313
Supplies		764,641
Professional and Legal Fees		18,279
Insurance		338,752
Other Operating Costs		401,084
Amortization and Depreciation		1,400,434
		<hr/>
Total Operating Expenses	\$	6,643,381
Net Operating Revenue (Expenses)	\$	1,332,337
<b>NON-OPERATING REVENUE (EXPENSES)</b>		
Tower Rental Income	\$	58,644
Interest Income		318,517
Interest Expense		(95,211)
Gain (Loss) on Disposal of Fixed Assets		5,042
Customer/Developer Contributions		2,629,320
		<hr/>
<b>Net Non-Operating Revenue (Expenses)</b>	<b>\$</b>	<b>2,916,312</b>
<b>Change in Net Position</b>	<b>\$</b>	<b>4,248,649</b>
Total Net Position - Beginning (January 1)		22,159,263
		<hr/>
<b>Total Net Position - Ending (December 31)</b>	<b>\$</b>	<b>26,407,912</b>
		<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, 2023**

		Enterprise Fund
		Water Utilities
<b>Cash Flows Provided by (Used for) Operating Activities:</b>		
Cash Received from Customers	\$	7,982,728
Cash Payments for Goods and Services		(3,438,072)
Cash Payments to Employees		(1,735,436)
Change in Customer Deposits		44,952
		<hr/>
Net Cash Provided by (Used for) Operating Activities	\$	2,854,172
		<hr/>
<b>Cash Flows Provided by (Used for) Capital and Other Related Financing Activities:</b>		
Principal Paid on Bonds	\$	(1,015,000)
Interest Paid on Bonds		(102,389)
Acquisition and Construction of Capital Assets		(5,521,867)
		<hr/>
Net Cash Provided by (Used for) Capital and Other Related Financing Activities	\$	(6,639,256)
		<hr/>
<b>Net Cash Provided by (Used for) Noncapital Financing Activities</b>		
Developer Capacity Fee Escrow	\$	(2,476,858)
Customer/Developer Contributions		2,629,320
		<hr/>
Net Cash Provided by (Used for) Noncapital Financing Activities	\$	152,462
		<hr/>
<b>Cash Flows Provided by (Used for) Investing Activities:</b>		
Interest Received	\$	318,517
Tower Rental Receipts		10,165
		<hr/>
Net Cash Provided by (Used for) Investing Activities	\$	328,682
		<hr/>
Net Increase (Decrease) in Cash and Cash Equivalents	\$	(3,303,940)
Cash and Cash Equivalents - Beginning (January 1)		8,657,663
		<hr/>
<b>Cash and Cash Equivalents - Ending (December 31)</b>	<b>\$</b>	<b>5,353,723</b>
		<hr/> <hr/>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position</b>		
Cash and Cash Equivalents in Current Assets	\$	257,033
Restricted Cash and Cash Equivalents		5,096,690
		<hr/>
<b>Total Cash and Cash Equivalents</b>	<b>\$</b>	<b>5,353,723</b>
		<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, 2023**

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

Net Operating Revenue (Expenses)	\$	1,332,337
Adjustments to Reconcile Operating Income to Net Cash		
Provided by (Used for) Operating Activities:		
Amortization and Depreciation		1,400,434
Change in Customer Deposit		44,952
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivables		7,010
(Increase) Decrease in Prepaid Expenses, Supplies and Materials		89,107
Increase (Decrease) in Accounts Payable		(18,922)
Increase (Decrease) in Accrued Wages Payable		(1,901)
Increase (Decrease) in Payroll Liabilities		67
Increase (Decrease) in TCEQ Assessment Payable		1,088
		1,088
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$</b>	<b>2,854,172</b>

The accompanying notes are an integral part of this statement.

**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

A. Summary of Significant Accounting Policies

Cash Special Utility District (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 proprietary fund types utilized by the District is described below:

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, 2023**

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. Right of Use Assets and Liabilities

GASB Statement 87, *Leases* created new financial statement accounts "Right of Use" assets and similar offsetting liabilities. A "right of use" asset accounts for the net present value of future payments attached to a leased asset. Common examples of "Right of Use" assets are copiers, printers, and other types of equipment that the District does not take ownership of but use under the lease agreement. The asset value will be amortized over the life of the lease using a straight-line method. The liability offsetting the "Right of Use" asset is presented as lease payable.

GASB Statement 87 also impacts the District's rental agreements (leases) related to property and equipment. Rental agreements that extend beyond a twelve (12) month period are recognized as earned when executed with an offsetting long term receivable. Future collection are offset against the receivable.

7. Prepaid Expenses - Supplies and Materials

Prepaid expenses – supplies and materials consist of items 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.

8. Prepaid Expenses

Prepaid expenses consist of services or fees paid for in the correct period that relate to use in the following period. Typical prepayments include annual licensing fees as well as future travel events requiring advance payment.

9. 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.

10. 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.

**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

A. Summary of Significant Accounting Policies (Continued)

11. 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.

12. Subscription-Based Information Technology Arrangements (SBITA)

GASB Statement 96, *Subscription-Based Information Technology Arrangements* created new financial statement assets and offsetting liabilities. A SBITA asset accounts for the net present value of future payments required for right of use subscription assets. To the extent relevant, the standards for SBITA's are based on the standards established by GASB Statement 87, *Leases*. A SBITA is defined as a contract that conveys control of the right of use of another party's information technology (software) as specified in the contract for a period of time in an exchange or exchange-like transaction. The asset will be amortized over the life of the contract allowing the use of the information technology over a straight line method. The asset is included in the financial statement caption right of use asset with the offsetting liability identified as SBITA payable.

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	629,701	5,043,311	3,382,326	2,290,686
Water Distribution System	33,622,870	3,794,210	2,590	37,414,490
Buildings and Improvements	715,600	-	-	715,600
Vehicles and Equipment	1,303,299	214,268	150,665	1,366,902
Office Equipment	116,565	-	14,746	101,819
<b>Totals at Historical Cost</b>	<b>\$ 36,888,903</b>	<b>\$ 9,051,789</b>	<b>\$ 3,550,327</b>	<b>\$ 42,390,365</b>
Less Accumulated Depreciation for:				
Water Distribution System	\$ 15,211,362	\$ 1,250,393	\$ 2,591	\$ 16,459,164
Buildings and Improvements	329,764	21,766	-	351,530
Vehicles and Equipment	803,826	122,168	128,707	797,287
Office Equipment	74,908	6,107	14,746	66,269
<b>Total Accumulated Depreciation</b>	<b>\$ 16,419,860</b>	<b>\$ 1,400,434</b>	<b>\$ 146,044</b>	<b>\$ 17,674,250</b>
<b>Net Capital Assets</b>	<b>\$ 20,469,043</b>	<b>\$ 7,651,355</b>	<b>\$ 3,404,283</b>	<b>\$ 24,716,115</b>

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 year end, 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.

**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

**C. Deposits, Securities, and Investments (Continue)**

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.

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	Interest Rate	Fair Value
TexSTAR	AAAM	3.97%	\$ 4,858,467
Edward Jones	AAA	.01 - 6.50%	238,223
Total			\$ 5,096,690

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.

**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

**C. Deposits, Securities, and Investments (Continue)**

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.

**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	\$ 4,105,000	\$ -	\$ 1,015,000	\$ 3,090,000	\$ 1,035,000
Unamortized Discount	(59,475)	-	(3,025)	(56,450)	-
<b>Totals</b>	<b>\$ 4,045,525</b>	<b>\$ -</b>	<b>\$ 1,011,975</b>	<b>\$ 3,033,550</b>	<b>\$ 1,035,000</b>

**Bonds**

The District issued revenue and refunding bonds in prior years to finance infrastructure improvements and expansions. These bonds mature annually with semiannual interest payments. The bonds will fully mature in the 2042 fiscal year. Bonds incur various rate of interest over the life of the debt. As revenue bonds, the District is required to generate debt retirement funds from the revenues of the system.

The following schedule presents outstanding bonded debt at year end:

Description	Maturity Date	Interest Rate	Outstanding Amount
Revenue Refunding Bonds, Series 2014	9/1/2024	2.13%	\$ 955,000
Revenue Bonds, Series 2018	9/1/2042	4.21%	2,135,000
<b>Totals</b>			<b>\$ 3,090,000</b>

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

Year Ending December 31	Principal	Interest	Total Requirements
2024	\$ 1,035,000	\$ 89,742	\$ 1,124,742
2025	85,000	66,999	151,999
2026	85,000	64,449	149,449
2027	90,000	61,900	151,900
2028	90,000	59,200	149,200
2029-2033	510,000	252,819	762,819
2034-2038	610,000	165,688	775,688
2039-2042	585,000	52,325	637,325
<b>Totals</b>	<b>\$ 3,090,000</b>	<b>\$ 813,122</b>	<b>\$ 3,903,122</b>



**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

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 \$ 1,335,099.

F. Litigation

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

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 2023, 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 12, 2024, 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 \$ 92,048 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.

**CASH SPECIAL UTILITY DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2023**

K. Change in Accounting Principle

The Governmental Accounting Standards Board (GASB) issued Statement 96, *Subscription-Based Information Technology Arrangements (SBITA)*, with an effective date of fiscal year beginning after June 15, 2022. This required the District to implement the provisions of the Statement during the year. The Statement requires the recognition of longer than 12 month agreements to utilize other types of subscription based technology. As such, there are new financial statement captions on the financial statements. The net present value of the future payments is recognized as an expense in the initial year of the agreement with subsequent payments represented as debt retirement payments. The Statement requires retroactive restatement of assets and liabilities with the difference modifying the beginning net position. The District identified no agreements classified as SBITA's in the current year.

TEXAS SUPPLEMENTARY INFORMATION (TSI)  
(Other Supplementary Information)

**CASH SPECIAL UTILITY DISTRICT  
SUPPLEMENTARY SCHEDULES INCLUDED WITHIN THIS REPORT  
YEAR ENDED DECEMBER 31, 2023**

Exhibit ID	Exhibit Title	Page
	Budgetary Comparison – Enterprise Fund	29
TSI-1	Services and Rates	30
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, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>OPERATING REVENUES</b>				
Water/Sales	\$ 6,883,455	\$ 6,883,455	\$ 7,085,134	\$ 201,679
Customer Charges/Fees	730,000	730,000	890,584	160,584
<b>Total Operating Revenues</b>	<b>\$ 7,613,455</b>	<b>\$ 7,613,455</b>	<b>\$ 7,975,718</b>	<b>\$ 362,263</b>
<b>OPERATING EXPENSES</b>				
Payroll and Benefits	\$ 1,949,050	\$ 1,949,050	\$ 1,733,602	\$ 215,448
Water Purchased	1,510,000	1,600,000	1,499,276	100,724
Repairs and Maintenance	585,000	650,000	487,313	162,687
Supplies	620,000	670,000	764,641	(94,641)
Professional and Legal Fees	60,000	60,000	18,279	41,721
Insurance	425,000	425,000	338,752	86,248
Other Operating Costs	430,000	430,000	401,084	28,916
Amortization and Depreciation	1,400,000	1,400,000	1,400,434	(434)
<b>Total Operating Expenses</b>	<b>\$ 6,979,050</b>	<b>\$ 7,184,050</b>	<b>\$ 6,643,381</b>	<b>\$ 540,669</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Tower Rental Income	\$ 10,000	\$ 10,000	\$ 58,644	\$ 48,644
Interest Income	10,000	10,000	318,517	308,517
Interest Expense	(132,340)	(132,340)	(95,211)	37,129
Gain (Loss) on Disposal of Capital Asset	-	-	5,042	5,042
Developer / Customer Contributions	150,000	150,000	2,629,320	2,479,320
<b>Net Nonoperating Revenues (Expenses)</b>	<b>\$ 37,660</b>	<b>\$ 37,660</b>	<b>\$ 2,916,312</b>	<b>\$ 2,878,652</b>
<b>Change in Net Position</b>	<b>\$ 672,065</b>	<b>\$ 467,065</b>	<b>\$ 4,248,649</b>	<b>\$ 3,781,584</b>
<b>Net Position - Beginning (January 1)</b>	<b>22,159,263</b>	<b>22,159,263</b>	<b>22,159,263</b>	<b>-</b>
<b>Net Position - Ending (December 31)</b>	<b>\$ 22,831,328</b>	<b>\$ 22,626,328</b>	<b>\$ 26,407,912</b>	<b>\$ 3,781,584</b>
<b>OTHER ITEMS:</b>				
Capital Construction Transfers	\$ 672,065	\$ 557,065	\$ -	\$ 557,065

**CASH SPECIAL UTILITY DISTRICT  
SERVICES AND RATES  
YEAR ENDED DECEMBER 31, 2023**

1. Services provided by the District:

- |              |  |              |                      |             |            |
|--------------|--|--------------|----------------------|-------------|------------|
| <u>  X  </u> | Retail Water   | <u>  X  </u> | Wholesale Water      | <u>    </u> | Drainage   |
| <u>    </u>  | Retail Wastewater  | <u>    </u>  | Wholesale Wastewater | <u>    </u> | Irrigation |
| <u>    </u>  | Parks/Recreation   | <u>    </u>  | Fire Protection      | <u>    </u> | Security   |
| <u>    </u>  | Solid Waste/Garbage  | <u>    </u>  | Flood Control        | <u>    </u> | Roads      |
| <u>    </u>  | Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |              |                      |             |            |
| <u>    </u>  | 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 in Gallons
WATER:	\$ 37.09	0	N	4.72	0 to 10,000
				5.90	10,001 to 20,000
				7.38	20,001 to 30,000
				9.22	30,001 to unlimited

District employs winter averaging for wastewater usage. Yes      No   X  

Total charges per 10,000 gallons usage: Water \$   84.29   Wastewater \$   N/A  

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unbilled	<u>  0  </u>	<u>  0  </u>	x 1.0	<u>  0  </u>
≤ 3/4"	<u>  1  </u>	<u>  1  </u>	x 1.0	<u>  1  </u>
1"	<u>  41  </u>	<u>  39  </u>	x 2.5	<u>  98  </u>
5/8"	<u> 7,980  </u>	<u> 7,492  </u>	x 1.0	<u> 7,492  </u>
1 1/2"	<u>  0  </u>	<u>  0  </u>	x 5.0	<u>  0  </u>
2"	<u>  41  </u>	<u>  39  </u>	x 8.0	<u> 312  </u>
3"	<u>  6  </u>	<u>  5  </u>	x 15.0	<u>  75  </u>
4"	<u>  4  </u>	<u>  4  </u>	x 25.0	<u> 100  </u>
12"	<u>  1  </u>	<u>  1  </u>	x 115.0	<u> 115  </u>
Total Water	<u> 8,074  </u>	<u> 7,581  </u>		<u> 8,193  </u>

**CASH SPECIAL UTILITY DISTRICT  
SERVICES AND RATES  
YEAR ENDED DECEMBER 31, 2023**

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

Gallons pumped into system: 870,605,000

Gallons billed to customers: 727,651,000

Water Accountability %: 83.6%

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 X

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

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

Is the District located within a city's extra territorial jurisdiction (ETJ)?  
Entirely \_\_\_ Partly X 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 X

If Yes, by whom? n/a

**CASH SPECIAL UTILITY DISTRICT  
ENTERPRISE FUND EXPENSES  
YEAR ENDED DECEMBER 31, 2023**

Payroll and Benefits	\$	1,733,602
Professional and Legal Fees		18,279
Water Purchased		1,499,276
Repairs and Maintenance		487,313
Supplies		764,641
Other Operating Costs		401,084
Insurance		338,752
Amortization and Depreciation		1,400,434
Interest Expense		95,211
Total Expenses	\$	6,738,592

Number of persons employed by the District:

Full Time	24
Part Time	0



**CASH SPECIAL UTILITY DISTRICT  
TEMPORARY INVESTMENTS  
YEAR ENDED DECEMBER 31, 2023**

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	3.97%	Monthly	\$ 154,459	-
TexSTAR Investments *	1160010400	3.97%	Monthly	3,047,313	-
TexSTAR Investments *	1160015660	3.97%	Monthly	34,023	-
TexSTAR Investments *	1160022990	3.97%	Monthly	1,126,135	-
TexSTAR Investments *	1160030000	3.97%	Monthly	496,537	-
Edward Jones *	MMA	0.01%	Monthly	189	-
Edward Jones *	MMA	0.01%	Monthly	11,058	-
Edward Jones *	535705	6.50%	2/1/2031	615	-
Edward Jones *	687399	6.00%	12/1/2032	980	-
Edward Jones *	684199	6.00%	1/1/2033	339	-
Edward Jones *	555667	5.50%	7/1/2033	809	-
Edward Jones *	003094	6.00%	6/20/2031	843	-
Edward Jones *	003052	6.00%	3/20/2031	2,323	-
Edward Jones *	303826	6.00%	3/1/2026	683	-
Edward Jones *	555000	6.00%	10/1/2032	944	-
Edward Jones *	C01491	6.00%	2/1/2033	2,038	-
Edward Jones *	604245	5.50%	4/15/2033	2,757	-
Edward Jones *	256552	5.50%	1/1/2037	3,212	-
Edward Jones *	003865	6.00%	6/20/2036	2,288	-
Edward Jones *	004559	5.00%	10/20/2039	4,215	-
Edward Jones *	004680	5.50%	4/20/2040	4,295	-
Edward Jones *	004802	5.00%	9/20/2040	4,919	-
Edward Jones *	004924	5.00%	1/20/2041	5,671	-
Edward Jones *	005234	4.50%	11/20/2041	8,453	-
Edward Jones *	MA1224	3.50%	8/20/2043	16,578	-
Edward Jones *	MA1223	3.00%	8/20/2043	17,949	-
Edward Jones *	MA0154	3.50%	6/20/2042	13,685	-
Edward Jones *	MA1676	3.00%	2/20/2044	17,326	-
Edward Jones *	MA2446	4.00%	12/20/2044	9,020	-
Edward Jones *	MA2892	3.50%	6/20/2045	10,483	-
Edward Jones *	G13596	4.00%	7/1/2024	219	-
Edward Jones *	MA3037	5.00%	8/20/2045	14,392	-
Edward Jones *	AS4582	4.00%	3/1/2045	28,020	-
Edward Jones *	MA4452	4.00%	5/20/2047	13,926	-
Edward Jones *	MA1600	3.50%	10/1/2043	24,944	-
Edward Jones *	MA5019	3.50%	2/20/2048	15,050	-
Total				\$ 5,096,690	\$ -

\*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, 2023**

Year Ending December 31	Principal	Interest	Total Requirements
2024	\$ 955,000	\$ 20,342	\$ 975,342
Totals	\$ 955,000	\$ 20,342	\$ 975,342

**CASH SPECIAL UTILITY DISTRICT  
LONG-TERM DEBT SERVICE REQUIREMENTS  
SERIES 2018 - BY YEAR  
YEAR ENDED DECEMBER 31, 2023**

Year Ending December 31	Principal	Interest	Total Requirements
2024	\$ 80,000	\$ 69,400	\$ 149,400
2025	85,000	66,999	151,999
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	40,930	155,930
2035	120,000	37,194	157,194
2036	120,000	33,294	153,294
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>\$ 2,135,000</u>	<u>\$ 792,780</u>	<u>\$ 2,927,780</u>



**CASH SPECIAL UTILITY DISTRICT  
COMPARATIVE STATEMENT OF REVENUES AND EXPENSES  
ALL PROPRIETARY FUND TYPES  
FIVE YEARS ENDED DECEMBER 31, 2023**

	AMOUNTS					PERCENT OF FUND TOTAL REVENUE				
	2023	2022	2021	2020	2019	2023	2022	2021	2020	2019
<b>OPERATING REVENUE</b>										
Water Sales	\$ 7,085,134	\$ 7,135,137	\$ 5,700,893	\$ 5,805,788	\$ 5,270,177	88.83%	86.06%	86.77%	88.55%	87.51%
Customer Charges/Fees	890,584	1,155,641	868,997	750,727	751,964	11.17%	13.94%	13.23%	11.45%	12.49%
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 7,975,718</b>	<b>\$ 8,290,778</b>	<b>\$ 6,569,890</b>	<b>\$ 6,556,515</b>	<b>\$ 6,022,141</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>OPERATING EXPENSES</b>										
Payroll and Benefits	\$ 1,733,602	\$ 1,751,200	\$ 1,514,220	\$ 1,405,762	\$ 1,343,216	21.74%	21.12%	23.05%	21.44%	22.30%
Water Purchased	1,499,276	1,407,642	1,228,188	1,187,299	1,151,390	18.80%	16.98%	18.69%	18.11%	19.12%
Repairs and Maintenance	487,313	769,465	419,573	523,048	511,432	6.11%	9.28%	6.39%	7.98%	8.49%
Supplies	764,641	426,954	428,122	212,823	216,978	9.59%	5.15%	6.52%	3.25%	3.60%
Professional Fees	18,279	66,022	62,324	68,162	36,727	0.23%	0.80%	0.95%	1.04%	0.61%
Insurance	338,752	309,955	321,451	246,668	274,040	4.25%	3.74%	4.89%	3.76%	4.55%
Other Operating Costs	401,084	372,663	313,306	520,551	502,584	5.03%	4.49%	4.77%	7.94%	8.35%
Amortization and Depreciation	1,400,434	1,300,668	1,229,240	1,285,727	1,088,909	17.56%	15.69%	18.71%	19.61%	18.08%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 6,643,381</b>	<b>\$ 6,404,569</b>	<b>\$ 5,516,424</b>	<b>\$ 5,450,040</b>	<b>\$ 5,125,276</b>	<b>83.30%</b>	<b>77.25%</b>	<b>83.97%</b>	<b>83.12%</b>	<b>85.11%</b>
<b>NET OPERATING REVENUE (EXPENSES)</b>	<b>\$ 1,332,337</b>	<b>\$ 1,886,209</b>	<b>\$ 1,053,466</b>	<b>\$ 1,106,475</b>	<b>\$ 896,865</b>	<b>16.70%</b>	<b>22.75%</b>	<b>16.03%</b>	<b>16.88%</b>	<b>14.89%</b>
<b>NONOPERATING REVENUE (EXPENSES)</b>										
Gain (Loss) on Disposal of Capital Assets	\$ 5,042	\$ -	\$ (1,441)	\$ -	\$ -	0.06%	0.00%	-0.02%	0.00%	0.00%
Interest Income	318,517	71,683	(3,100)	65,189	136,701	3.99%	0.86%	-0.05%	0.99%	2.27%
Interest Expense	(95,211)	(116,251)	(137,981)	(159,832)	(180,154)	-1.19%	-1.40%	-2.10%	-2.44%	-2.99%
Tower Rental Income	58,644	5,153	9,977	-	-	0.74%	0.06%	0.15%	0.00%	0.00%
Customer/Developer Contributions	2,629,320	816,570	649,760	295,706	297,099	32.97%	9.85%	9.89%	4.51%	4.93%
<b>NET NONOPERATING REVENUE (EXPENSES)</b>	<b>\$ 2,916,312</b>	<b>\$ 777,155</b>	<b>\$ 517,215</b>	<b>\$ 201,063</b>	<b>\$ 253,646</b>	<b>36.56%</b>	<b>9.37%</b>	<b>7.87%</b>	<b>3.07%</b>	<b>4.21%</b>
<b>NET REVENUE (EXPENSES)</b>	<b>\$ 4,248,649</b>	<b>\$ 2,663,364</b>	<b>\$ 1,570,681</b>	<b>\$ 1,307,538</b>	<b>\$ 1,150,511</b>	<b>53.27%</b>	<b>32.12%</b>	<b>23.91%</b>	<b>19.94%</b>	<b>19.10%</b>

**CASH SPECIAL UTILITY DISTRICT  
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS  
YEAR ENDED DECEMBER 31, 2023**

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: 5/31/2023

	Term of Office (Elected or Appointed or Date Hired)	Fees of Office Paid 12/31/2023	Expense Reimbursements 12/31/2023	Title at Year End
<b>Board Members:</b>				
Staley Cash	2021-2024	\$ 550	\$ -	President
Gary Pendergrass	2023-2026	\$ 500	\$ -	Vice-President
Bill Watkins	2021-2024	\$ 500	\$ -	Sec/Tres
David Lindsey	2023-2026	\$ 550	\$ -	Director
Craig Driggers	2022-2025	\$ 400	\$ -	Director
Bryan Delgado	2022-2025	\$ 500	\$ -	Director
Norris Mayberry	2021-2024	\$ 350	\$ -	Director
Micah Fry	2022-2025	\$ 400	\$ -	Director
Dee Hart	2023-2026	\$ 550	\$ -	Director
<b>Key Administrative Personnel:</b>				
Clay Hodges		\$ 187,746	\$ 1,809	General Manager
<b>Consultants:</b>				
McLean & Howard, LLP		\$ 1,860		Attorney
Rutherford, Taylor & Company, P.C.		\$ 15,400		Auditor
Velvin & Weeks, P.C.		\$ 47,275		Engineer
Modrall Sperling Lawyers		\$ 100		Attorney