



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDING SEPTEMBER 30, 2025



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CITY OF BASTROP, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended September 30, 2025

Officials Issuing Report:

Judy Sandroussi
Finance Director

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INTRODUCTORY SECTION





City of Bastrop
1311 Chestnut Street
Bastrop, Texas 78602

March 19, 2026

The Honorable Mayor, Members of City Council, and Citizens of the City of Bastrop

Dear Honorable Mayor, Members of City Council, and Citizens of Bastrop:

Section 103.003 of the Local Government Code requires that municipalities have their financial records audited annually and produce an annual financial statement based on the audit. The City of Bastrop's Finance Department respectfully submits the Annual Comprehensive Financial Report for the fiscal year ended September 30, 2025. This report is published to fulfill that requirement.

Provided herein is a complete set of financial statements in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

The purpose of this report is to provide council, management, staff, the public and other interested parties with detailed information regarding the City's financial condition. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ending September 30, 2025.

This report consists of management's representations concerning the finances of the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and reports in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

To provide a reasonable basis for making the representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City assets from loss, theft, or misuse, and to compile sufficient, reliable information for the preparation of the City financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The City financial records have been audited by Crowe, LLP Certified Public Accountants, as required by the City Charter and Financial Management Policies adopted by City Council. This Annual Comprehensive Financial Report has been prepared based on those audited records. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2025, are free of material misstatement. This independent audit involved examining, on a test-basis, evidence supporting the amounts and disclosures in the financial statements, assessing the

accounting principles used, significant estimates made by management and evaluating the overall financial statement presentation.

Cowe, LLP Certified Public Accountants have stated that the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bastrop, Texas, for the fiscal year ended September 30, 2025. The independent auditor's report is located at the front of the financial section. Management's discussion and analysis (MD&A) immediately follow the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF BASTROP

The City of Bastrop is nestled on the Colorado River and located at the junction of TX Highways 71, 21 and 95, just 30 minutes from Austin, 90 minutes from San Antonio and less than 2 hours from Houston. It currently occupies 11 square miles and serves a population of approximately 12,010. The City of Bastrop serves as the county seat of Bastrop County. The City has developed into a commercial center which daily serves up to an estimated 25,000 businesspersons, shoppers, and visitors.

Bastrop, Texas is known as the most historic small town in Texas. Bastrop was a frontier settlement founded by Stephen F. Austin in 1832 and incorporated in 1837. The City is the second-oldest incorporated town in Texas and was considered an alternate capital of the Republic. The City is situated along El Camino Real National Historic Trail and boasts more than 130 renovated historic homes and sites, designated on the National Register of Historic Places by the Texas Historical Commission.

PROFILE OF THE GOVERNMENT

The City operates under a council-manager form of government. The City Council is comprised of a Mayor and five council members. All members are elected at-large on a staggered and non-partisan basis. They are responsible for enacting local legislation, providing policy and annually adopting the operating budget. They appoint the City Manager, City Attorney, Judge of the Municipal Court and members of various boards and commissions. The City Manager under the oversight of the City Council is responsible for the proper administration of the operations of the City.

The City provides a full range of municipal services including general government, public safety, public works, parks and recreation, planning and development, code enforcement, animal services, and water, sewer and electric utilities. Sanitation services are provided by the City but are privately contracted.

The Bastrop Economic Development Corporation (BEDC) is included in the financial statements as a discrete component unit. Its purpose is to aid, promote and further economic development within the City. The BEDC is funded with sales tax revenues and is discussed more fully in the notes to the financial statements.

The annual budget of the City serves as the foundation for its financial plan and control. The budget is proposed by the City Manager and adopted by the City Council in accordance with policies and procedures established by the City Charter, ordinances, and state law. The budget process begins each year with the development of priority issues established by City Council. Departments submit their annual departmental budget requests to the City Manager for review. A proposed budget is prepared for presentation to the City Council. The City Council reviews the budget in subsequent work sessions, and a final budget is prepared and made available to the public for review. Prior to official adoption of the budget by council, any required public hearings on the proposed budget are held to allow for public input and any required notices are published in the City's newspaper.

The City Manager must submit a proposed annual budget to the City Council at least 60 days prior to the beginning of the fiscal year (October 1st), and the City Council is required to adopt a final budget no later than the end of the fiscal year (September 30th). This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by funds and departments (e.g., General Fund - Police Department). All funds are included in this submission and appropriated annually.

PROFILE OF EDUCATION

Area students are served by Bastrop Independent School District, which has an enrollment of over 13,373, and is projected to have approximately 18,096 in the district by school year 2035/36. One of the largest geographically in the state of Texas, Bastrop ISD's boundary covers an area of nearly 450 square miles and includes the communities of Bastrop, Cedar Creek, Red Rock, Rockne, Paige, and vast rural areas of Bastrop County. Area private and charter schools include Calvary Episcopal School serving children from Pre-K through 6 grade, Good Shepherd Lutheran School offering a faith-based education up to 4th grade, Founders Classical Academy and Compass Rose Harvest serving K through 12th grade.

Six colleges and universities are within an hour's drive of Bastrop: Austin Community College, University of Texas, St. Edward's University, Concordia University, Texas A&M, and Texas State University.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

The City of Bastrop is identified as the county seat for Bastrop County. With this designation comes commercial growth not typically seen for a population of approximately 12,010 residents. Major industries located within the government's boundaries, or close proximity, include small industries, retail stores, several financial institutions, restaurants and insurance companies. The school district has significant economic presence, employing in total more than 1,183 teachers, professionals, and support staff.

As part of a greater metro area of more than 2 million people, Bastrop is continuing to experience tremendous economic growth and is poised for future growth and development. Major area employers include Bastrop Independent School District, Bastrop County, Ascension Seton, Walmart, Hyatt Regency Lost Pines Resort, Bluebonnet Electric Co-op, the US Post Office, and MD Anderson Cancer Center.

Over the past ten years, the City has experienced significant economic growth and investment. Commercial development has been active since 2014 as evidenced by the increase in the tax base. Several development projects are underway or planned in Bastrop, Texas. These include residential, commercial, and infrastructure projects. Notable developments include the Sendero mixed-use project, the expansion of the Fairview Cemetery, and the upcoming Sprouts Farmers Market.

Here is a list of current and future developments for Bastrop:

Single Family Developments:

- West Bastrop Village – Empire Homes and David Weekly
- Valverde – DR Horton
- Valverde Amenity Center – DHI
- River Terrace – Chesser Homes

Mixed-Use Developments:

- **Sendero:** (aka Pearl River): A 75-acre mixed-use development with hospitality, residential, and retail/restaurant space is planned at the intersection of SH-71 and FM 969.
- **Burleson Crossing East:** This 20-acre development will be home to the new Bastrop Sprouts as well as other popular retail and restaurants.

Multi-Family Developments:

- **Alta Trails:** The first phase of the Alta Trails multifamily apartment complex has been completed within a larger 75-acre mixed-use development.

- **Ironwood Subdivision**: A 290-acre housing development that will include at least 50 acres of public parkland.
- **Valverde South Casitas - DHI**: 84 Duplex Buildings with a total of 168 units located on the south side of the Valverde Subdivision.
- **Valverde North Casitas - DHI**: 41 Duplex Buildings with a total of 82 units located on the north side of the Valverde Subdivision.

Retail and Restaurants:

- **H-E-B plus! Expansion**: The existing location on Hasler Boulevard is expanding to include an additional 18,000 square feet for expansion of curbside pick-up and True Texas BBQ restaurant, completion of project should be end of 2025.
- **Sprouts Farmers Market**: In Burleson Crossing East and is part of the first phase of the project; expected to open in mid-2026.
- **Longhorn Steakhouse**: Is scheduled to open in Burleson Crossing East in 2026.
- **PetSmart**: The pet store is planning to open in Burleson Crossing East in late 2026.
- **Firehouse Subs**: Firehouse Subs is doing a tenant finish out, located at 797 Hwy 71 in the Burleson Crossing West shopping center in 2026.
- **Smokey Mo's BBQ**: Slated to open in Burleson Crossing West by the end of 2025.
- **Palm Beach Tan**: The 2,400-square-foot tanning salon will be located near the Jeremiah's Italian Ice and Chipotle, in the Burleson Crossing West Shopping Center, end of 2025.
- **Jeremiah's Italian Ice**: Opened in Burleson Crossing West located at 707 State Hwy 71.
- **Tropical Smoothie Café**: 1300 sq. ft. tenant finish out, located in Burleson Crossing West shopping center; end of 2025.
- **Chipotle Mexican Grill**: Opened at 707 SH-71 in Burleson Crossing West.
- **Carter's OshKosh B'gosh**: The children's clothing store opened in May 2025 in the former Rue21 location in Burleson Crossing West.
- **Volcano Sushi and Ramen**: 2350 sq. ft tenant finish out, located at 717 W SH 71 in Burleson Crossing West has already opened.
- **Burleson Crossing East (Shops 1)**: 11,000 sq. ft. building for future tenant finish out. – completion is early 2026.
- **Burleson Crossing East (Shops 2)**: 13,500 sq. ft. building for future tenant finish out. - completion is early 2026.
- **Aspen Dental**: 3500 sq. ft tenant finish out, located in Burleson Crossing East shopping center in 2026
- **Chuy's Tex-Mex**: Slated to open in 2026 in the Sendero development.
- **Texas Roadhouse**: Part of the Sendero development, expected to open in 2026.
- **Einstein Bros. Bagels**: Plans a tenant finish out to open a new Bastrop location in the Sendero development in 2026.
- **Jersey Mike's Subs**: Plans for a tenant finish out to open a new Bastrop location in the Sendero development.
- **Scooter's Coffee**: Will be opening a new building in the Sendero development in 2026.
- **McDonald's**: The second McDonald's in Bastrop will be located within the Sendero mixed-use development at 917 Hwy 71 W. and could be open as soon as March 2026.
- **Sendero Shell Buildings**: – (2) 32,000 sq. ft. buildings for future tenant finish out. Completion in 2026
- **Shipley Do-Nuts**: The 1,660-square-foot tenant finish out. They are scheduled to open in late summer at 460 Hwy 71 near Popeye's.
- **Numero 28 Bastrop**: Certificate of Occupancy for an Italian restaurant in existing building Downtown Bastrop has already opened.
- **Jasper Retail**: Proposed 6000 sq. ft. retail located 1661 E SH 71.
- **Austin Retina**: 6000 sq. ft. new construction medical office building has already opened.
- **Domino's Pizza**: 1132 sq. ft. tenant finish out located at 1670 E SH 71 has already opened.

General Commercial Projects:

- **The Learning Experience**: Located at 199 SH 304, Bastrop, the daycare and preschool offers programs for infants through kindergartners. Construction began in August 2025, with completion expected by early 2027.
- **Westlake Dermatology**: The dermatology and cosmetic surgery center offers a variety of services and will be located in the Sendero center.
- **Liberty Dance Studio**: 5,000 sq. ft. building with office, studio, and private retreat.
- **Aqua Water Supply**: Office building and meeting room.
- **Frontier Bank of Texas**: Commercial remodel in existing building in downtown Bastrop.
- **Victory Tickets**: 1400 sq. ft remodel for office at 907 College Street.

Bastrop Business and Industrial Park Projects:

- **LS Electric**: opened their first North American production facility in April 2025. The 58,925-square-foot facility employs 50 workers and operates as a technical center supporting the company's growing U.S. operations. Over the next five years, the company plans to invest \$240 million in the facility and expand its local workforce.
- **Coltzin LLC**: broke ground on a 60,000-square-foot tortilla chip manufacturing facility in May 2025. The factory should be completed by the fall of 2026.
- **Acutronic**: has acquired 13.84 acres of land in the City of Bastrop, where it will build the only jet engine manufacturing facility in the State of Texas and one of the only micro-turbine manufacturing plants in the country. The facility will generate at least 50 new high-skill and high-wage jobs. Acutronic will invest upwards of \$4 million in its construction.
- **TA Adhesives**: 26000 sq ft manufacturing industrial strength adhesives.

Hotel:

- **Courtyard by Marriott**: Located at 1631 Texas 71, the four-story hotel, 110 rooms is expected to be completed in late 2026.
- **Days Inn**: Located at 600 Agnes Street, three story hotel, 50 rooms.
- **Motel 6**: Located at 225 Hasler with 110 rooms.
- **Home 2 Suites**: Located at 114 Orr Street, four story hotel with 114 rooms. (Open)
- **Everhome Suites**: Located at 630 Agnes Street, four story hotel with 114 rooms. (Open)
- **Bastrop Grove Hotel (Candlewood)**: Four story hotel with 107 rooms.
- **Wood Spring Hotel**: Located at 521 Agnes Street, four story hotel with 98 rooms.

Bastrop Independent School District:

- Bastrop Police & Operations (Lovers Lane) – New building for Police Operations
- Bastrop High School – Remodel and Addition
- Mina Elementary School – Demo, new classroom remodel
- Adelton Elementary School – New Building
- Bastrop Middle School – Remodel and addition
- Riverside Middle School – Remodel and addition
- Cedar Creek High School Renovation - Remodel and addition

Additional Developments of Interest:

- **Bastrop County Emergency Food Pantry**: The Food Pantry is undergoing a significant expansion. Located at 1201 Pine Street, the new 9,200-square-foot facility will essentially double the pantry's food storage capacity to over one million pounds and will also improve the distribution process.
 - **806 Fayette Street** - The existing pantry building will be renovated into a nutrition and education center.
- **Bastrop Opera House**: Remodel of existing space and adjacent building recently purchased for expansion.
- **Community Care Pediatric Expansion**: Expansion of existing medical facility into adjacent lease space.
- **The Hill RV Park**: 31 spaces, Clubhouse and swimming pool.
- **Bastrop County Development Services**: Located at 203 Jackson Street, 13,500 sq. ft office building.

Infrastructure and Public Projects:

- **Old Iron Bridge**: Plans are underway to repair and reopen Bastrop's historic Old Iron Bridge.
- **Fairview Cemetery Expansion**: The cemetery is undergoing a 622-lot expansion, including a new columbarium.
- **Agnes Street Expansion**: The roadway will be expanded from two lanes to four and provide access from Home Depot to Walmart.
- **Bastrop County Development Services**: Bastrop County will be breaking ground soon on a new Development Services department at 203 Jackson St. The new building will include services such as permitting, land division, and floodplain management.
- **TxDOT SH-71 Project**: The project will replace traffic lights at the Tucker Hill Lane intersection with an overpass and add new one-way frontage roads and is scheduled to break ground in late 2025. It is part of an \$183 million state package aimed at improving travel and safety on SH-71.

Infrastructure and Public Projects:

- **SpaceX/Starlink**: The company is expanding its Bastrop facility by over 1 million square feet, with an expected creation of 400 jobs and an investment of over \$280 million.
- **Line 204 Texas**: is building the first ground-up, purpose-built studio lot in Texas. The 546-acre project along the Colorado River is set to break ground by September 1, 2025.
- **Wyldwood Studios**: Actor Zachary Levi is developing a 75-acre master-planned community, with film studios, a hotel, restaurants, and two hillside amphitheatres. The first sound stages are slated to open in 2027.
- **Bastrop Independent School District (BISD)**: Bastrop ISD is currently constructing two new elementary schools, and two existing intermediate schools are being converted into middle schools. These projects are part of a larger bond program aimed at expanding and improving facilities to accommodate the district's growth, with a focus on safety, security, and instructional capacity.
- **Data Center**: A \$1.4 billion data center campus will be starting construction soon at the northeast corner of FM 535 and Wolf Lane in Cedar Creek. The first of four buildings on the campus are scheduled to be completed in June 2026.

Our sound financial position is made possible in part by our conservative budgeting practices, as evidenced by our healthy fund balance numbers.

Assessed Ad Valorem Taxes and General Fund Sales Tax Receipts

Existing assessed valuations had continued to represent an increase for the City of Bastrop but in fiscal year 2025 – local appraisal data reflects that average home values in Bastrop (and surrounding parts of Bastrop County) have stabilized or even declined compared with previous years after years of rapid growth. Also, new state law created a “circuit breaker” limitation on appraisal increases for many properties starting with the 2024 tax year (for taxable values in 2024). Under this rule, non-homestead properties valued under \$5 million could only be increased by up to 20% over the prior year, regardless of market conditions. This cap reduced the taxable value increases (and in some cases made assessed values appear lower) compared with what they otherwise would have been based on market value. In addition to this, homestead exemptions and existing appraisal limitations (like the 10% cap on how much a homestead’s taxable value can increase each year) continued to restrict assessments on many owner-occupied homes. These exemptions effectively hold assessed values lower than full market values. And one last item to mention, in 2024, thousands of Bastrop County property owners protested their appraisals, and many were successful in lowering their assessed values through informal and formal hearings. Even with all these factors, with the increasing demand for developments in Bastrop, we are not anticipating that this decrease should continue in the forthcoming years. The City consistently shows an increase in Sales Tax revenue even when other areas of the state do not. This was no different for FY2025, where the actual revenue exceeded the prior year’s revenue by 2.73%.

The Certified Assessed Valuation of Property Taxes and collection of Sales Taxes from fiscal year 2012 through 2025 are identified in the table below - the percentages compare current year versus the prior year:

Fiscal Year	Ad Valorem Taxes Certified			General Fund	
	Assessed Valuation	% Change		Sales Tax Receipts	% Change
2012	\$ 627,256,816	3.32%	\$	3,194,452	17.34%
2013	\$ 635,808,461	1.36%	\$	3,322,116	3.99%
2014	\$ 670,721,248	5.49%	\$	3,544,649	6.70%
2015	\$ 737,922,965	10.02%	\$	4,016,828	13.32%
2016	\$ 782,928,050	6.09%	\$	4,313,718	7.39%
2017	\$ 825,822,058	5.47%	\$	4,437,843	2.87%
2018	\$ 863,072,037	4.51%	\$	4,828,513	8.80%
2019	\$ 897,823,408	4.03%	\$	5,087,945	5.37%
2020	\$ 967,932,907	7.81%	\$	5,471,298	7.53%
2021	\$ 967,902,273	0.00%	\$	6,636,458	21.30%
2022	\$ 1,094,737,605	13.10%	\$	7,549,355	13.75%
2023	\$ 1,229,805,444	12.34%	\$	8,169,033	8.20%
2024	\$ 1,876,702,297	52.60%	\$	8,423,360	3.11%
2025	\$ 1,784,123,235	-4.93%	\$	8,653,304	2.73%

Construction Permits

Fiscal year 2025 continued to be a year of planning and preparing for future construction. Permits have been pulled for both residential and commercial development that will begin in FY2025. During FY2025 the Development Services Department issued 392 building permits. This is up from 268 building permits issued in FY2024 – a 46.27% increase over prior year.

This is the breakout of building permits for FY2024 and FY2025:

	FY2024	FY2025
New Residential Permits	242	287
New Commercial Permits	26	105
Total	268	392

As growth continues both inside and outside the city limits, these developments are anticipated to generate additional sales tax and utility revenues for the city.

Tourism

Bastrop is a welcoming city in Texas and the county seat of Bastrop County. Located just southeast of Austin, it is part of the Greater Austin metropolitan area and offers an easy escape from the bustle of the city. Visitors to Bastrop can enjoy a variety of experiences, from scenic outdoor adventures and historic landmarks to family-friendly attractions and delicious local dining. With its small-town charm and wide range of activities, Bastrop offers something for everyone.

Bastrop State Park spans approximately 2,000 acres of scenic pine woodland in central Texas, offering visitors a peaceful natural escape. The park features an 8.5-mile trail that loops through its distinctive forest landscape, making it ideal for hiking, biking, and nature exploration. Visitors can enjoy a unique 18-hole golf course set among the trees, and during the summer months, the park's swimming pool provides a refreshing way to cool off. Bastrop State Park is also home to the largest known breeding site of the endangered Houston toad. To help protect this species, certain areas of the park are seasonally closed to visitors during the spring. Wildlife sightings are common throughout the park, with squirrels, armadillos, white-tailed deer, and rabbits frequently seen. A variety of amenities and facilities are available to ensure a comfortable and enjoyable visit. Popular activities include swimming, fishing, hiking, geocaching, biking, camping, scenic drives, and participation in ranger-led nature programs.

The Bastrop County Museum and Visitor Center is a nonprofit organization dedicated to preserving and sharing the rich history of the region. Established in 1952, the museum has grown over the decades through the development of an extensive collection of historical artifacts. Since 2012, the museum has been housed in a beautifully renovated historic city hall building. Visitors can explore exhibits spanning more than 200 years of local history, including artifacts from Native American cultures, early European settlers of the 1800s, and a wide range of historic documents and photographs. The museum presents its stories through engaging chronological dioramas and distinctive exhibits highlighting coal mining, farming, and other key industries that shaped Bastrop County, making it an informative and enjoyable stop for history enthusiasts of all ages.

The Lost Pines Art Center features more than 12,000 square feet of indoor and outdoor space housed within the historic, 100-year-old Powell Cottonseed Mill and Silos. The center showcases a diverse collection of artwork created by artists from across Texas and around the world. Visitors can watch artists at work in on-site studios and enjoy guided tours of the studios and adjoining commercial galleries. The art center also offers a variety of creative programs for both children and adults, including classes in painting, drawing, and glassblowing. The facility serves as the home of the Lost Pines Art League, which has grown to approximately 150 members. Founded in 1998 as the Bastrop Fine Arts Guild, the organization has experienced significant growth and continues to play a vital role in Bastrop's thriving arts community.

Lake Bastrop North Shore Park is a must-visit destination for anyone spending time in Bastrop, offering a wide variety of outdoor activities in a scenic lakeside setting. The park is perfect for camping under the stars and creating memorable moments with family and friends. Spanning 182 acres, the park features excellent facilities for picnicking, RV and tent camping, biking, hiking, barbecuing, and more. Couples can enjoy a romantic getaway by staying in one of the park's cozy cabins or safari-style tents, providing a comfortable way to embrace nature while still enjoying modern amenities.

Bob Bryant Park is a wonderful place to spend time with friends and family and is one of Bastrop's largest community parks. Established in 2004, the park offers easy access to the Colorado River along with beautiful scenery and plenty of photo-worthy views—perfect for capturing memorable moments. Covering 22.8 acres, the park features a wide range of amenities, including a canoe dock and fishing pier, picnic tables, a sand volleyball court, tennis court, basketball court, and a multi-purpose field with soccer space and a backstop. Visitors can also enjoy a covered pavilion, shaded playground area, benches, recycling stations, and a nature trail approximately 0.5 miles long. With its variety of recreational options and convenient facilities, Bob Bryant Park is an ideal weekend destination and a must-add to any list of fun things to do in Bastrop.

The Bastrop Opera House has been a cornerstone of the city's cultural scene since 1889 and is widely known for hosting engaging live shows and performances. Today, the venue continues to present musical productions, theatrical plays featuring both professional and local actors, and special events that celebrate artistic achievement. Rich in history, the beautifully preserved building is listed on the National Register of Historic Places and remains a striking architectural landmark in Bastrop. Despite its age, the opera house has retained much of its original character and charm. For visitors who appreciate history, live entertainment, and historic architecture, the Bastrop Opera House is a must-see attraction and should be high on any list of fun things to do in Bastrop.

Fisherman Park is a beautiful riverside park in Bastrop, perfect for launching a kayak or canoe. Visitors can also enjoy a popular river trip from Fisherman Park to Bastrop County Park, offering scenic views along the way. The park features ample benches, picnic tables, a playscape, swings, restrooms, and convenient parking, making it an ideal spot for families, friends, or solo visitors seeking a peaceful connection with nature. Whether you're looking to relax by the river, explore the waterways, or enjoy quality time outdoors, Fisherman Park is a must-visit destination while vacationing in Bastrop.

The Bastrop County Museum & Visitor Center, located in the heart of historic downtown at 904 Main Street, is a true gem of the community. The museum offers a fascinating look into Bastrop County's history, from its earliest Native American inhabitants and pioneering settlers to the events and resilience that have shaped the area over the centuries. Visitors can explore carefully preserved artifacts, engaging exhibits, and stories that bring the past vividly to life. At the same time, the center serves as the official visitor hub, providing expert local knowledge, maps, event schedules, and recommendations to help plan the perfect Bastrop experience. Combining historical insight with practical guidance, it's a must-visit destination for both first-time visitors and longtime Bastrop enthusiasts.

Bastrop's downtown district is a vibrant destination that draws visitors from near and far. The area has retained its historic charm, with brick storefronts lining the streets, local artisans showcasing handcrafted goods, and chefs serving up Southern favorites like perfectly fried chicken and catfish. Weekends come alive with local bands, creating a lively atmosphere for strolling, shopping, and dining. From engaging history and unique boutiques to sophisticated restaurants and lively entertainment, downtown Bastrop offers a little something for everyone, making it a delightful escape from the everyday.

Bastrop boasts over 100 landmarks on the National Register of Historic Places. Visitors to Bastrop can visit and enjoy Bastrop's history.

In addition to all the places to explore, Bastrop plays host to numerous events, such as the Big Bang/Pet & Pal Parade, Bastrop Homecoming & Rodeo, Easter in the Park, Juneteenth Celebration, Boo Bash, Heroes & Hotrods Veteran's Day Car Show, Corvette Invasion, Bastrop Music Festival, Juneteenth Celebration, and Lost Pines Christmas – tree lighting ceremony, Wassail Fest, Merry on Main, a lighted Christmas parade, River of Lights, Movies in the Park, Farm Street Opry, Springfest, Bastrop Art Fest, National Night Out, and historic home tours.

Employment

As of recent data, unemployment in Bastrop, Texas has shown gradual improvement after the economic disruptions caused by the COVID-19 pandemic. The job market in the area has been stabilizing thanks to growth in industries such as construction, manufacturing, retail, and public services. Bastrop's proximity to Austin has also helped, as more residents find employment opportunities in the increasingly strong Central Texas economy. According to the Texas Workforce Commission, the unemployment rate in Bastrop County has been trending slightly downward over the past year, aligning with state and national patterns of recovery. While some challenges remain, particularly in sectors dependent on tourism and small business, the overall trend suggests that unemployment in Bastrop is getting better, with steady job growth and improving labor force participation. At the end of September 2025, the unemployment rate for Bastrop, Texas went up slightly to 3.9% over the prior year rate of rate of 3.6%.

Long-term Financial Planning

The current comprehensive plan was adopted by City Council on November 22, 2016. This document is used as a planning tool and provides priorities based on City Council's focus areas. The current plan was to fund an update in FY2022. This update has been carried over to FY2024.

The City does maintain five-year financial forecasts for all the major funds including General Fund, Utility Funds, General Debt Service, Bastrop Economic Development Corporation, and Hotel Occupancy Tax Fund.

The General Fund is projected to be structurally balanced for each of the next five years, which means recurring revenues exceed recurring expenses for each of those years. The General Fund is also projected to meet the 25% fund balance reserve requirement for each of those years.

Relevant Financial Policies

The City of Bastrop, Texas has adopted a comprehensive set of financial policies. Annually the Finance Department reviews and provides suggested revisions to the City Manager. Each year the City Manager brings to the City Council all financial policies for review and approval as part of the budget process. These policies are as follows:

- **Financial Management Policy** – The overriding goal of the Financial Management Policy is to enable the city to achieve a long-term stable and positive financial condition while conducting its operations consistent with the Council-Manager form of government established in the City Charter. The watchwords of the city's financial management include integrity, prudent stewardship, planning, accountability, and full disclosure.
- **Investment Policy** – The purpose of this policy is to set forth specific investment policy and strategic guidelines for the City of Bastrop to achieve the goals of safety, liquidity, yield, and public trust for all investment activity.
- **Purchasing Policy** – It is the policy of the City of Bastrop that all purchasing shall be conducted strictly based on economic and business merit. This policy is intended to promote the best interest of the citizens of the City of Bastrop.

Major Initiatives

This fiscal year's budget process started with citizen engagement meetings to receive community input on the budget. These meetings were in-person.

The theme of the FY 2025 budget was to continue to improve our standing as an employer of choice, which means we ensure the competitiveness of the compensation package, aggressively recruit towards a diverse candidate pool, and are thoughtful about how we use in-house vs. contracted resources. We are still seeing position vacancies due to employees leaving for better opportunities. At the time of this budget, there were 12 vacancies. This budget addresses some of the roadblocks to recruitment, including retirement plans and wage levels. There is a 3.3% COLA and a 2.5% merit (STEP) increase included. In FY 2023, the City contributed a large one-time payment to Texas Municipal Retirement System (TMRS) to move the City closer to a plan change from 6% to 7% employee contribution with a 2:1 employer contribution. The FY 2024 budget included an increase in retirement contributions, taking the employer contribution percentage to 14%. The proposed FY2025 budget includes a change from a 25-year retirement plan to a 20-year retirement plan to match surrounding cities. This will help with recruiting and retention of employees. Additionally, the emphasis on public safety continues with 2 additional officers added to the overall compliment.

This budget is a change in the fiscal environment and is reflected in minimal projects or new initiatives planned. Increasing interest rates and market volatility have slowed commercial development significantly. As a result, Ad Valorem and Sales Tax increases combined, show an overall increase of \$562,335, and are not indicative of the explosive growth felt in Bastrop County or Central Texas. These are the changes in Revenues and Expenditures:

Revenues:

\$260,865 Ad Valorem
\$301,770 Sales Tax

Expenditures:

\$170,302 Police Department - 2 additional officers
\$25,800 Parks & Recreation - 1 recreation assistant
\$501,675 Cost of Living Adjustment (COLA)

Although minimal, the Ad Valorem tax revenue has increased in this budget, at a 0.62% decrease over the no new revenue rate and is a function of increased valuations as opposed to an increase in the City's tax rate.

Lastly, sticking to basics, the budget also puts emphasis on streets and drainage. The residents recently voted to reduce the 1/2 cent sales tax allocated to the Bastrop Economic Development Corporation to 1/8th of a cent. The remaining 3/8th of a cent has been allocated to the maintenance of existing streets. This amounts to \$3.3M of revenue now solely dedicated to existing to that.

Bond Issuance

There was one issuance of debt approved by Bastrop City Council for fiscal year 2025 that resulted in the creation of a Public Improvement District. Valverde is a master-planned community developed by Continental Homes of Texas, a subsidiary of D.R. Horton. Public Improvement Districts allow cities to finance infrastructure in new developments by levying special assessments on properties within the district, with bond proceeds repaid by property owners through those assessments. The funding will support public improvements such as streets, water infrastructure, parks and drainage systems. Once complete, the development is expected to include approximately 1,399 single-family homes and 250 townhome rental units.

Bond Ratings

In the current fiscal year, there were no changes to the City of Bastrop's bond ratings. In August 2024, Standard and Poor's affirmed the City's bond rating of AA citing economic growth, strong reserve levels and liquidity supported by a strong framework of financial management with regular budget monitoring, and utilization of planning tools as justification for the rating. Also in August 2024, Fitch upgraded the City of Bastrop's rating from 'AA-' to 'AA' citing ample level of budgetary flexibility and assumed maintenance of unrestricted General Fund reserves equal to 7.5% of spending.

ACKNOWLEDGEMENTS

Acknowledgments

This report reflects the collective effort, skill, and dedication of many individuals.

We are deeply grateful to the entire Finance Department staff for their hard work and commitment throughout this process.

Our sincere thanks also go to the City of Bastrop Directors and their departments, whose cooperation and willingness to provide essential data made this report possible. Their ongoing dedication and teamwork are what keep our City running every day

We also extend our heartfelt appreciation to the City Manager, Mayor, and City Council for their continued support and for fostering a culture that values professionalism and excellence in the stewardship of the City's finances.

Respectfully submitted,

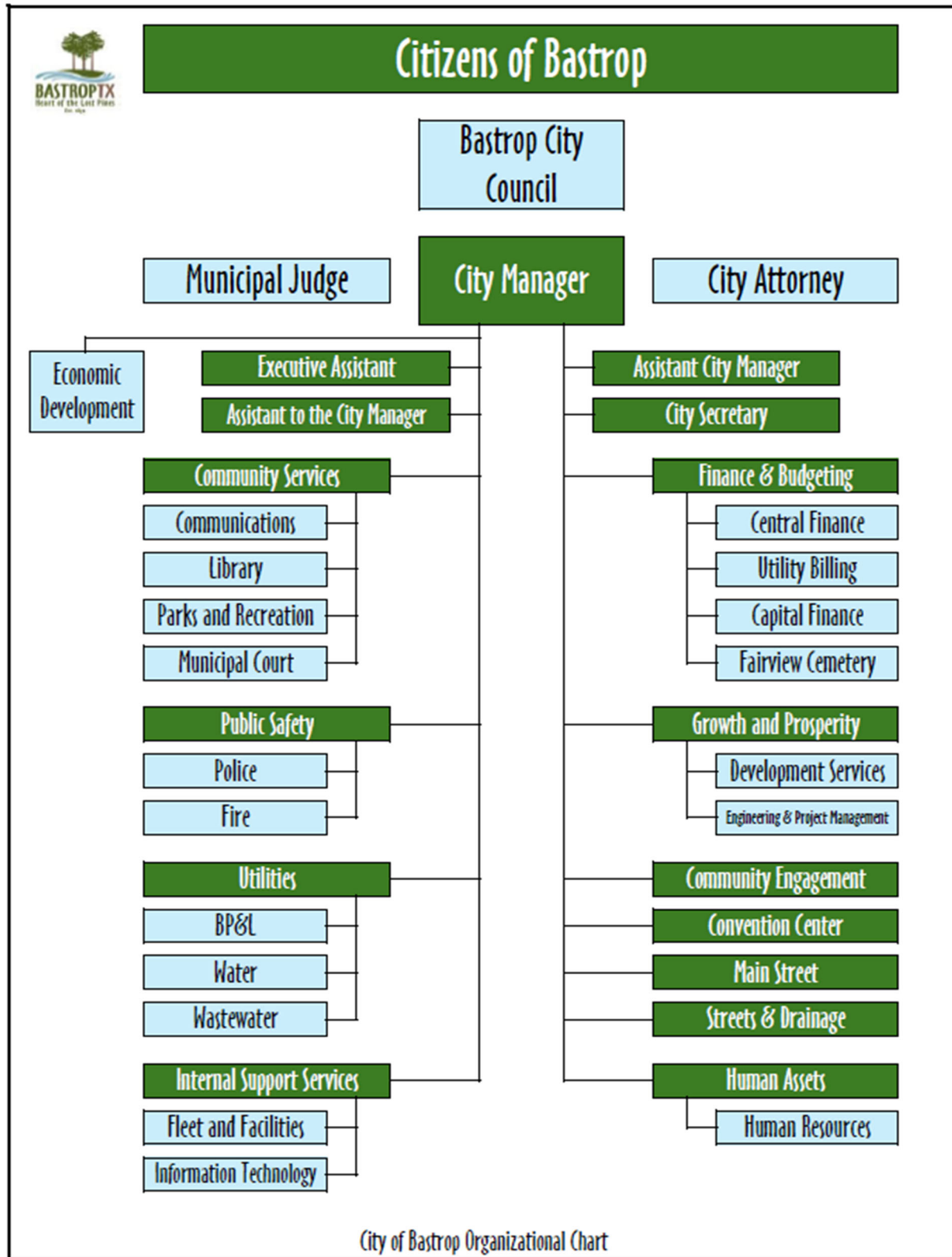


Sylvia Carrillo-Trevino, ICMA-CM, CPM
City Manager



Judy Sandroussi
Finance Director

CITY OF BASTROP, TEXAS
 ORGANIZATIONAL CHART
 September 30, 2025



City of Bastrop Organizational Chart

CITY OF BASTROP, TEXAS
PRINCIPAL OFFICIALS
For year ended September 30, 2025

City Officials

Ishmael Harris

John Kirkland

Perry Lowe

Cynthia Meyer

Kevin Plunkett

Kerri Fossler

Key Staff

Sylvia Carrillo

Andres Rosales

Vicki Steffanic

Michael Muscarello

Judy Sandroussi

Tanya Cantrell

Elective Position

Mayor

Mayor Pro-Tem, Council Member, Place 5

Council Member, Place 1

Council Member, Place 2

Council Member, Place 3

Council Member, Place 4

Position

City Manager

Assistant City Manager and Interim Fire Chief

Police Chief

City Secretary

Finance Director

Human Resources Director

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bastrop, Texas (the "City") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibility of Management for the Financial Statements

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

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

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Additional Information

Management is responsible for the accompanying introductory and statistical sections (the "additional information"), which is presented for purposes of additional analysis and is not a required part of the basic financial statements. Our opinion on the financial statements does not cover the additional information, and we do not express an opinion or any form of assurance thereon.

We read the additional information and considered whether a material inconsistency existed between the additional information and the financial statements, or the additional information otherwise appeared to be materially misstated. If, based on the work performed, we had concluded that an uncorrected material misstatement of the additional information existed, we would have described it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Crowe LLP
Crowe LLP

Houston, Texas
March 19, 2026

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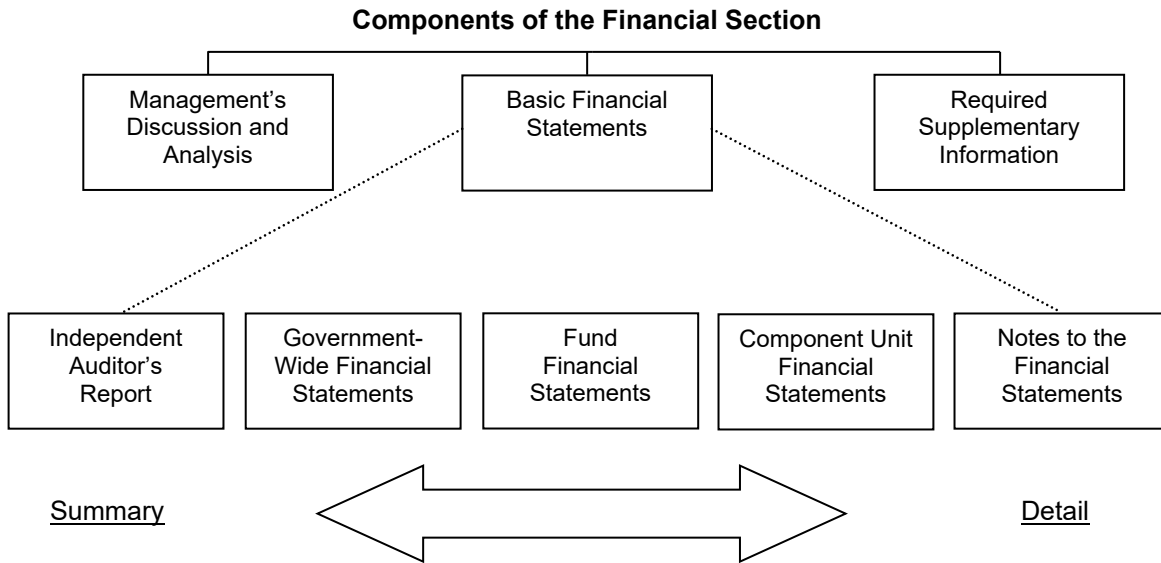
MANAGEMENT'S DISCUSSION AND ANALYSIS



CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

The purpose of the Management's Discussion and Analysis ("MD&A") is to give the readers an objective and easily readable analysis of the financial activities of the City of Bastrop, Texas (the "City") for the year ending September 30, 2025. The analysis is based on currently known facts, decisions, or economic conditions. It presents short and long-term analysis of the City's activities, compares current year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Please read the MD&A in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

THE STRUCTURE OF OUR ANNUAL REPORT



The City's basic financial statements include (1) government-wide financial statements, (2) individual fund financial statements, and (3) notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-Wide Statements

The government-wide statements report information for the City as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the City as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the City's financial statements, report information on the City's activities that enable the reader to understand the financial condition of the City. These statements are prepared using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the City's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other nonfinancial factors, such as the City's property tax base and the condition of the City's infrastructure, need to be considered in order to assess the overall health of the City.

(Continued)

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

The Statement of Activities presents information showing how the City's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

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

1. *Governmental Activities* – Most of the City's basic services are reported here including general government, public safety (police and fire protection), community services, and economic development. Interest payments on the City's debt are also reported here. Property tax, sales tax, hotel/motel tax, and franchise fees finance most of these activities.
2. *Business-Type Activities* – Services involving a fee for those services are reported here. These services include the City's water and wastewater services, electrical utility, and community impact fees.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate component unit, the Bastrop Economic Development Corporation (BEDC) for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The public improvement district ("PID"), although also legally separate, functions for all practical purposes as a department of the City and, therefore, has been included as an integral part of the primary government.

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

FUND FINANCIAL STATEMENTS

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

(Continued)

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

The City maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, hotel/motel tax fund, and the 2023 bond fund which are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, debt service fund, and the hotel/motel tax fund. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with these budgets.

Proprietary Funds

The City maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater system, electrical utility, and community impact fees. The proprietary fund financial statements provide separate information for the water and wastewater, electrical utility, and community impact fees. The basic proprietary fund financial statements can be found in the basic financial statements of this report.

The City also uses an internal service fund to account for its vehicle and equipment replacement. The internal service fund had been included within governmental activities in the government-wide financial statements.

Fiduciary Fund

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains one type of fiduciary funds. The private-purpose trust fund is used to report resources held in trust for contributions and payments made on behalf of the Valverde Public Improvement District (the "Valverde PID"). The fiduciary fund financial statements can be found in the basic financial statements of this report.

Notes to Financial Statements

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

Other Information

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

(Continued)

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve overtime as a useful indicator of the City's financial position. Assets and deferred outflows of resources exceed liabilities and deferred inflows by \$108,285,748 as of September 30, 2025. The largest portion of the City's net position, 83%, reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress, and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

**Table 1
Statement of Net Position**

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
ASSETS						
Current and other assets	\$ 42,721,814	\$ 43,201,089	\$ 21,521,871	\$ 41,575,919	\$ 64,243,685	\$ 84,777,008
Noncurrent assets	2,688,616	2,350,983	-	-	2,688,616	2,350,983
Capital assets, net	<u>59,243,227</u>	<u>53,579,122</u>	<u>164,077,820</u>	<u>145,438,112</u>	<u>223,321,047</u>	<u>199,017,234</u>
Total assets	<u>104,653,657</u>	<u>99,131,194</u>	<u>185,599,691</u>	<u>187,014,031</u>	<u>290,253,348</u>	<u>286,145,225</u>
Deferred outflow s on resources	<u>1,516,766</u>	<u>1,869,919</u>	<u>196,240</u>	<u>300,901</u>	<u>1,713,006</u>	<u>2,170,820</u>
LIABILITIES						
Liabilities due w ithin one year	13,662,404	8,935,840	9,878,040	12,537,979	23,540,444	21,473,819
Long-term liabilities	<u>31,883,738</u>	<u>35,370,318</u>	<u>126,544,746</u>	<u>130,117,274</u>	<u>158,428,484</u>	<u>165,487,592</u>
Total liabilities	45,546,142	44,306,158	136,422,786	142,655,253	181,968,928	186,961,411
Deferred inflow s on resources	<u>1,286,031</u>	<u>824,020</u>	<u>425,647</u>	<u>233,627</u>	<u>1,711,678</u>	<u>1,057,647</u>
NET POSITION						
Net investment in capital assets	38,911,544	34,049,122	51,191,192	28,557,693	90,102,736	62,606,815
Restricted	13,826,803	23,734,192	4,784,776	252,482	18,611,579	23,986,674
Unrestricted	<u>6,599,903</u>	<u>(1,912,379)</u>	<u>(7,028,470)</u>	<u>15,615,877</u>	<u>(428,567)</u>	<u>13,703,498</u>
Total net position	<u>\$ 59,338,250</u>	<u>\$ 55,870,935</u>	<u>\$ 48,947,498</u>	<u>\$ 44,426,052</u>	<u>\$ 108,285,748</u>	<u>\$ 100,296,987</u>

A portion of the City's net position, \$18,611,579, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position, \$-428,567 or 0%, may be used to meet the City's ongoing obligation to citizens and creditors.

The City's total net position increased by \$7,988,761 during the current fiscal year, an increase of 8% in comparison to the prior year. Total assets increased by \$4,108,123 due to an increase in capital assets due to business-type construction in progress water and sewer projects and governmental construction in progress street extensions. Total deferred outflows of resources decreased by \$457,814 from the prior year due to the net difference between projected and actual investment earnings on pension plan liabilities. Liabilities due within one year decreased \$-2,066,625 due to the decrease in payables related to various capital projects. Long-term liabilities experienced a decrease by \$7,059,108 primarily as a result of payments to existing debt and a decrease in the pension liability. Total deferred inflows of resources increased by \$654,031 mainly due to the change in deferred inflows from changes in actuarial assumptions.

(Continued)

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

Table 2
Statement of Activities

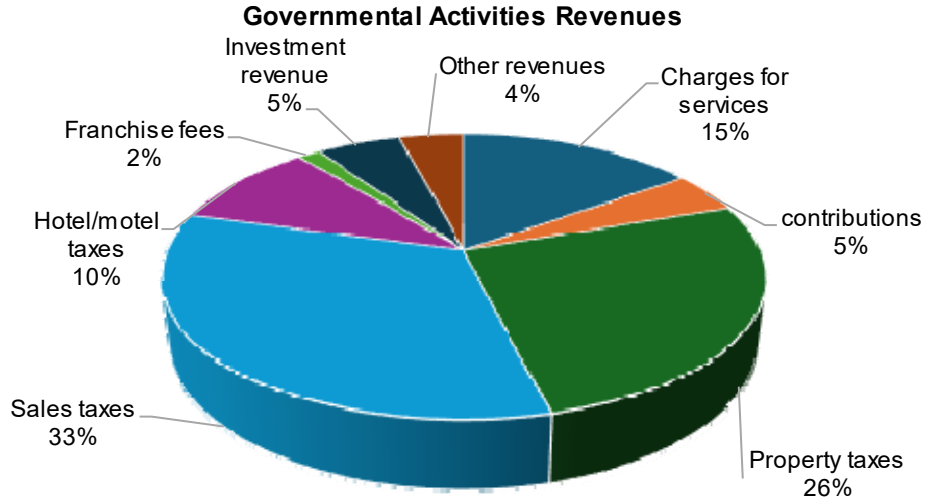
The following table provides a summary of the City's changes in net position:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenues						
Program revenues						
Charges for services	\$ 5,582,653	\$ 5,634,274	\$ 21,709,733	\$ 19,128,498	\$ 27,292,386	\$ 24,762,772
Operating grants and contributions	1,672,916	426,547	-	-	1,672,916	426,547
General revenues						
Property taxes	9,624,702	9,304,146	-	-	9,624,702	9,304,146
Sales taxes	12,142,061	10,579,414	-	-	12,142,061	10,579,414
Hotel/motel taxes	3,601,541	3,533,130	-	-	3,601,541	3,533,130
Franchise fees	518,672	608,766	-	-	518,672	608,766
Investment revenue	1,983,570	2,342,004	1,159,434	1,578,277	3,143,004	3,920,281
Gain/(loss) on sale of assets	-	173,285	1,741	-	1,741	173,285
Other revenues	1,499,234	1,872,375	688,175	187,231	2,187,409	2,059,606
Total revenues	<u>36,625,349</u>	<u>34,473,941</u>	<u>23,559,083</u>	<u>20,894,006</u>	<u>60,184,432</u>	<u>55,367,947</u>
Expenses						
General government	11,530,569	11,831,859	-	-	11,530,569	11,831,859
Public safety	8,656,664	7,241,062	-	-	8,656,664	7,241,062
Development services	1,222,199	2,770,506	-	-	1,222,199	2,770,506
Community services	4,312,683	3,725,550	-	-	4,312,683	3,725,550
Economic development	5,545,407	3,356,720	-	-	5,545,407	3,356,720
Public works	1,949,128	-	-	-	1,949,128	-
Interest and fiscal agent fees	1,407,204	1,028,426	-	-	1,407,204	1,028,426
Water and wastewater	-	-	9,640,189	10,618,391	9,640,189	10,618,391
Bastrop Power and Light	-	-	7,906,073	7,430,447	7,906,073	7,430,447
Community impact fees	-	-	25,555	1,164,256	25,555	1,164,256
Total expenses	<u>34,623,854</u>	<u>29,954,123</u>	<u>17,571,817</u>	<u>19,213,094</u>	<u>52,195,671</u>	<u>49,167,217</u>
Increase in net position before transfers	<u>2,001,495</u>	<u>4,519,818</u>	<u>5,987,266</u>	<u>1,680,912</u>	<u>7,988,761</u>	<u>6,200,730</u>
Transfers in (out)	<u>1,465,820</u>	<u>1,793,923</u>	<u>(1,465,820)</u>	<u>(1,793,923)</u>	<u>-</u>	<u>-</u>
Change in net position	<u>3,467,315</u>	<u>6,313,741</u>	<u>4,521,446</u>	<u>(113,011)</u>	<u>7,988,761</u>	<u>6,200,730</u>
Net position - beginning of year	<u>55,870,935</u>	<u>49,557,194</u>	<u>44,426,052</u>	<u>44,539,063</u>	<u>100,296,987</u>	<u>94,096,257</u>
Net position - end of year	<u>\$ 59,338,250</u>	<u>\$ 55,870,935</u>	<u>\$ 48,947,498</u>	<u>\$ 44,426,052</u>	<u>\$ 108,285,748</u>	<u>\$ 100,296,987</u>

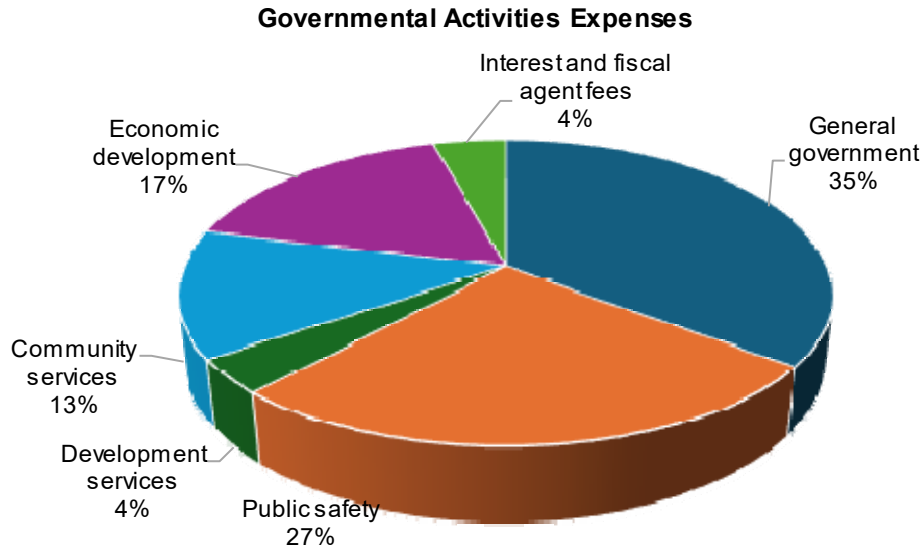
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CITY OF BASTROP, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the year ended September 30, 2025

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



For the year ended September 30, 2025, revenues from governmental activities totaled \$36,625,349. Property taxes and sales taxes payments are the City's largest revenue sources at \$21,766,763 or 59% of total revenues. Total revenues increased by \$2,151,408 from last year due to an increase in sales taxes related to an increase in economic activity within the City, and an increase in grant revenue.



For the year ended September 30, 2025, expenses for governmental activities totaled \$34,623,854. Overall governmental expenses increased by \$4,669,731 due to increases in development services related to additional positions and related salaries and benefits for those positions.

(Continued)

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

Business-type activities change in net position was \$5,987,266 before transfers out of \$1,465,820. Revenues increased \$2,665,077 compared to the prior year due to an increase in charges for services related to increase in water and wastewater revenue. The business-type activities expenses also decreased by \$1,641,277 which was primarily due to decreases in maintenance expense as well as increases in costs of sales.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the year.

The City's governmental funds reflect a combined fund balance of \$29,940,041. Of this, \$664,043 is nonspendable, \$25,018,240 is restricted for various purposes, and \$57,965 is assigned for various projects. The remaining balance of \$4,199,793 is unassigned as of September 30, 2025.

The general fund is the chief operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$4,199,793, while total fund balance reached \$4,314,425. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Total ending fund balance represents 21% of total general fund expenditures. The general fund demonstrated an overall increase of \$3,017,312, primarily related to an issuance of new debt in the current year.

The debt service fund has a total fund balance of \$1,239,003, all of which is restricted for the payment of debt service. The net increase in fund balance during the year was \$417,711. This increase was primarily due to property tax revenues exceeding principal and interest payments on long-term debt.

The hotel/motel tax fund has a total fund balance of \$3,627,365, all of which is restricted for economic development. The net decrease in fund balance during the year was \$238,388. This decrease was primarily related to economic development expenditures exceeding hotel/motel tax revenues.

The 2023 bond fund has a total fund balance of \$11,409,391, all of which is restricted for capital projects. The net decrease in fund balance during the year was \$1,452,565. This decrease was primarily related to more capital outlay expenditures than investment interest earned during the year.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

There had been a planned decrease in budgeted fund balance in the amount of \$1,416,988 in the general fund while realizing an actual net decrease in general fund balance of \$3,017,312 resulting in a negative variance of \$1,600,324 from budgeted as amended over actual. Actual general fund revenues were more than amended budgeted revenues by \$385,215 due to more other revenue, charges for services and fines and forfeitures than anticipated. Actual expenditures were more than budgeted amounts by \$568,865 for the fiscal year primarily related to negative variances in the general government and development services departments.

(Continued)

CAPITAL ASSETS

At the end of the current fiscal year, the City's governmental and business-type activities had invested \$223,321,047 in a variety of capital assets and infrastructure (net of accumulated depreciation). This represents a net increase of \$24,303,813. More detailed information about the City's capital assets is presented in Note 3 to the financial statements.

LONG-TERM DEBT

At the end of the current fiscal year, the City had total notes, bonds, certificates of obligation, and leases outstanding related to its governmental activities of \$29,966,384 and business-type activities of \$123,900,753. More detailed information about the City's long-term liabilities is presented in Note 3 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The budget was based on the following assumptions:

- A reduced tax rate less than the New Revenue rate of \$0.5040.
- 2.2% increase in Sales Tax
- 10% increase in Hotel Occupancy Taxes
- Personnel additions in Human Resources, Fleet and Facilities, Finance, and Water & Wastewater departments
- Debt reductions from overcollection in FY 25 of \$540,000. This will close out approximately four (4) smaller notes offering the ability for the bridge rehabilitation and other recreation improvements with a small reduction in the overall debt rate.
- All of the assumptions are based on historical trends we have experienced thus far.

Financial Outlook:

The financial outlook for the City is bright. The pent-up demand for the development and growth in the area is beginning to pick up speed. Additional reductions in the interest rate by the Federal Reserve are expected in the fall and to continue into next year. Many developers have been sidelined waiting for rates to drop before breaking ground. Additionally, the second section of the Valverde subdivision will begin during this fiscal year with an expected additional 100 plus homes to come online.

Past 2026, the expectation that Valverde will be 75% built out and Ironwood will be coming online means more commercial spaces open for operation. The adage that rooftops bring retail is certainly true in Bastrop.

Challenges & Opportunities:

Challenges are certainly many, but the list is relatively short for Bastrop. It includes:

- Labor shortages: in a strong economy, City's often can't compete with private sector pay.
- Funding for all the projects the residents would like to see completed.
- Keeping the tax rate low is of primary concern. We continue to live within our means and strive once again for no change to the tax rate and living with only the new revenue that has been generated.

Infrastructure Water

Water pressure will be a concern in the coming year as we move towards the planning and funding of a two-million-gallon elevated water storage tank which can run up to \$20 million dollars.

Wastewater

The payment of an additional two million wastewater treatment plant with an expansion to a total of eight million, will also cost in excess of \$60 million. We will aim to monetize the plant by selling effluent, selling the biosolids, receiving biosolids from other companies, share this cost with CORIX, a neighboring utility provider, as well as municipal utility districts in the area. This is an attempt to keep rates steady and low.

Streets

The long-awaited repair of Water, Farm, and Linden is included in this budget with no further borrow required. Outsourcing large portions of street repair and rehabilitation will allow us to gain economies of scale and continue to repair streets long neglected in years past.

Priorities & Strategic Consideration

The residents are demanding a recreation center. A simple recreation center could cost as much as \$5 million dollars; however, this does not address the community desires for an indoor pool.

The direction of the Bastrop Economic Development Corporation is a council workshop that is planned in the post budget adoption process. The Council will decide whether to keep an economic development tax, allow the voters to create a public safety tax, or focus on other community minded uses such as a parking garage to fuel further downtown expansion.

As interest rates are set to drop in the later part of the year, we expect development to increase at an even faster rate. Additionally, sales tax is conservative but will show strong improvement as the new retail comes online in the fiscal year.

Lastly, the Hotel Occupancy Tax finished this fiscal in strong position, with additional fund balance created from the Visit Bastrop consolidation.

Local Economy

The City of Bastrop is identified as the county seat for Bastrop County. With this designation comes commercial growth not typically seen for a population of approximately 12,010 residents. Major industries located within the government's boundaries, or close proximity, include small industries, retail stores, several financial institutions, restaurants and insurance companies. The school district has significant economic presence, employing in total more than 1,183 teachers, professionals, and support staff.

As part of a greater metro area of more than 2 million people, Bastrop is continuing to experience tremendous economic growth and is poised for future growth and development. Major area employers include Bastrop Independent School District, Bastrop County, Ascension Seton, Walmart, Hyatt Regency Lost Pines Resort, Bluebonnet Electric Co-op, the US Post Office, and MD Anderson Cancer Center.

Over the past ten years, the City has experienced significant economic growth and investment. Commercial development has been active since 2014 as evidenced by the increase in the tax base.

CITY OF BASTROP, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended September 30, 2025

Several development projects are underway or planned in Bastrop, Texas. These include residential, commercial, and infrastructure projects. Notable developments include the Sendero mixed-use project, the expansion of the Fairview Cemetery, and the upcoming Sprouts Farmers Market.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Judy Sandroussi, Finance Director, P.O. Box 427, Bastrop, Texas 78602.

BASIC FINANCIAL STATEMENTS



CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bastrop Economic Development
ASSETS				
Cash, cash equivalents, and investments	\$ 34,739,942	\$ 15,596,310	\$ 50,336,252	\$ 12,706,015
Receivables, net	6,164,442	2,387,670	8,552,112	191,335
Loan receivable	-	-	-	600,000
Lease receivable	-	-	-	155,039
Due from primary government	313,488	-	313,488	-
Due from component unit	1,209,979	-	1,209,979	-
Due from other governments	179,331	-	179,331	106,208
Prepays and other assets	106,351	-	106,351	970
Inventories	8,281	831,894	840,175	-
Restricted assets				
Cash and cash equivalents	-	2,705,997	2,705,997	-
	<u>42,721,814</u>	<u>21,521,871</u>	<u>64,243,685</u>	<u>13,759,567</u>
Note receivable	2,688,616	-	2,688,616	8,035
Capital assets				
Nondepreciable capital assets	16,338,868	18,891,250	35,230,118	416,323
Depreciable/amortizable capital assets, net	<u>42,904,359</u>	<u>145,186,570</u>	<u>188,090,929</u>	<u>44,941</u>
Total capital assets	<u>59,243,227</u>	<u>164,077,820</u>	<u>223,321,047</u>	<u>461,264</u>
Total assets	<u>104,653,657</u>	<u>185,599,691</u>	<u>290,253,348</u>	<u>14,228,866</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred outflows - pension	1,156,169	182,027	1,338,196	68,623
Deferred outflows - OPEB (TMRS)	15,691	7,094	22,785	1,994
Deferred outflows - OPEB (health)	15,745	7,119	22,864	2,001
Deferred loss on refunding	<u>329,161</u>	-	<u>329,161</u>	<u>39,857</u>
Total deferred outflows of resources	<u>1,516,766</u>	<u>196,240</u>	<u>1,713,006</u>	<u>112,475</u>

(Continued)

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Bastrop Economic Development
LIABILITIES				
Accounts payable and accrued liabilities	\$ 6,304,662	\$ 4,962,645	\$ 11,267,307	\$ 65,300
Accrued interest payable	353,183	1,493,396	1,846,579	14,295
Due to primary government	313,488	-	313,488	1,389,310
Unearned revenue	2,288,070	110,228	2,398,298	-
Customer deposits	104,250	-	104,250	-
Noncurrent liabilities				
Portion due within one year				
Compensated absences	1,170,851	365,612	1,536,463	45,899
Leases payable	416,247	-	416,247	-
Bonds and notes payable	2,698,402	2,940,167	5,638,569	240,000
OPEB liability - health	7,234	3,271	10,505	919
OPEB liability - TMRS	6,017	2,721	8,738	765
Portion due in more than one year				
Compensated absences	130,094	40,623	170,717	5,100
Leases payable	307,275	-	307,275	-
Bonds and notes payable, net	28,219,404	126,192,047	154,411,451	1,720,000
Net pension liability	2,511,928	84,247	2,596,175	169,705
OPEB liability - health	441,961	133,707	575,668	23,452
OPEB liability - TMRS	273,076	94,122	367,198	6,425
Total liabilities	<u>45,546,142</u>	<u>136,422,786</u>	<u>181,968,928</u>	<u>3,681,170</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on refunding	-	107,731	107,731	-
Deferred inflows - leases	-	-	-	142,251
Deferred inflows - pension	964,951	288,566	1,253,517	95,958
Deferred inflows - OPEB (TMRS)	97,923	1,211	99,134	9,610
Deferred inflows - OPEB (Health)	223,157	28,139	251,296	15,863
Total deferred inflows of resources	<u>1,286,031</u>	<u>425,647</u>	<u>1,711,678</u>	<u>263,682</u>
NET POSITION				
Net investment in capital assets	38,911,544	51,191,192	90,102,736	461,264
Restricted for				
Nonexpendable perpetual care cemetery	549,411	-	549,411	-
Expendable				
Debt service	885,820	-	885,820	-
Cemetery	92,302	-	92,302	-
Public safety	151,472	-	151,472	-
Parks	89,494	-	89,494	-
Traffic safety	382,912	-	382,912	-
PEG fees	178,369	-	178,369	-
Economic development	3,711,210	-	3,711,210	759,477
Capital projects	7,532,431	4,784,776	12,317,207	-
Grants	253,382	-	253,382	-
Unrestricted	<u>6,599,903</u>	<u>(7,028,470)</u>	<u>(428,567)</u>	<u>9,175,748</u>
Total net position	<u>\$ 59,338,250</u>	<u>\$ 48,947,498</u>	<u>\$ 108,285,748</u>	<u>\$ 10,396,489</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF ACTIVITIES
For the year ended September 30, 2025

Functions/Programs	Expenses	Program Revenues		Net Revenue (Expense) and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Primary Government			
				Government Activities	Business-Type Activities	Total	Bastrop Economic Development
Primary Government							
Governmental activities							
General administration	\$ 11,530,569	\$ 2,490,433	\$ -	\$ (9,040,136)	\$ -	\$ (9,040,136)	\$ -
Public safety	8,656,664	489,225	1,672,916	(6,494,523)	-	(6,494,523)	-
Development services	1,222,199	2,203,293	-	981,094	-	981,094	-
Community services	4,312,683	110,905	-	(4,201,778)	-	(4,201,778)	-
Economic development	5,545,407	288,797	-	(5,256,610)	-	(5,256,610)	-
Public works	1,949,128	-	-	(1,949,128)	-	(1,949,128)	-
Interest	1,407,204	-	-	(1,407,204)	-	(1,407,204)	-
Total governmental activities	<u>34,623,854</u>	<u>5,582,653</u>	<u>1,672,916</u>	<u>(27,368,285)</u>	<u>-</u>	<u>(27,368,285)</u>	<u>-</u>
Business-type activities							
Water and wastewater	9,640,189	9,681,032	-	-	40,843	40,843	-
Bastrop Power and Light	7,906,073	8,529,125	-	-	623,052	623,052	-
Community impact fees	25,555	3,499,576	-	-	3,474,021	3,474,021	-
Total business-type activities	<u>17,571,817</u>	<u>21,709,733</u>	<u>-</u>	<u>-</u>	<u>4,137,916</u>	<u>4,137,916</u>	<u>-</u>
Total primary government	<u>\$ 52,195,671</u>	<u>\$ 27,292,386</u>	<u>\$ 1,672,916</u>	<u>(27,368,285)</u>	<u>4,137,916</u>	<u>(23,230,369)</u>	<u>-</u>
Component Unit							
Bastrop Economic Development Corporation							
	<u>\$ 2,749,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,749,922)</u>
General revenues							
Property taxes				9,624,702	-	9,624,702	-
Sales taxes				12,142,061	-	12,142,061	1,041,733
Hotel/motel taxes				3,601,541	-	3,601,541	-
Franchise fees				518,672	-	518,672	-
Investment revenue				1,983,570	1,159,434	3,143,004	560,904
Other revenues				1,499,234	688,175	2,187,409	47,445
Gain on sale of capital assets				-	1,741	1,741	-
Transfers				1,465,820	(1,465,820)	-	-
Total general revenues and transfers				<u>30,835,600</u>	<u>383,530</u>	<u>31,219,130</u>	<u>1,650,082</u>
Change in net position				<u>3,467,315</u>	<u>4,521,446</u>	<u>7,988,761</u>	<u>(1,099,840)</u>
Beginning net position				<u>55,870,935</u>	<u>44,426,052</u>	<u>100,296,987</u>	<u>11,496,329</u>
Ending net position				<u>\$ 59,338,250</u>	<u>\$ 48,947,498</u>	<u>\$ 108,285,748</u>	<u>\$ 10,396,489</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2025

	<u>General</u>	<u>Debt Service</u>	<u>Hotel/Motel Tax</u>	<u>2023 Bond</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash, cash equivalents, and investments	\$ 646,615	\$ 1,239,863	\$ 3,507,130	\$ 11,724,749	\$ 15,211,370	\$ 32,329,727
Receivables, net	5,011,064	170,287	248,460	-	734,631	6,164,442
Due from other funds	128,526	-	-	-	184,962	313,488
Due from component unit	1,209,979	-	-	-	-	1,209,979
Due from other governments	-	-	-	-	179,331	179,331
Prepaid items	106,351	-	-	-	-	106,351
Inventory	8,281	-	-	-	-	8,281
Total assets	<u>\$ 7,110,816</u>	<u>\$ 1,410,150</u>	<u>\$ 3,755,590</u>	<u>\$ 11,724,749</u>	<u>\$ 16,310,294</u>	<u>\$ 40,311,599</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 1,518,299	\$ 860	\$ 79,253	\$ 315,358	\$ 4,390,178	\$ 6,303,948
Due to other funds	184,962	-	-	-	128,526	313,488
Deposits payable	-	-	48,972	-	55,278	104,250
Unearned revenue	-	-	-	-	2,288,070	2,288,070
Total liabilities	<u>1,703,261</u>	<u>860</u>	<u>128,225</u>	<u>315,358</u>	<u>6,862,052</u>	<u>9,009,756</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	<u>1,093,130</u>	<u>170,287</u>	<u>-</u>	<u>-</u>	<u>98,385</u>	<u>1,361,802</u>
FUND BALANCES						
Nonspendable						
Inventories	8,281	-	-	-	-	8,281
Prepaid items	106,351	-	-	-	-	106,351
Perpetual care	-	-	-	-	549,411	549,411
Restricted for						
Debt service	-	1,239,003	-	-	-	1,239,003
Cemetery	-	-	-	-	92,302	92,302
Public safety	-	-	-	-	151,472	151,472
Parks	-	-	-	-	89,494	89,494
Traffic safety	-	-	-	-	382,912	382,912
PEG files	-	-	-	-	178,369	178,369
Economic development	-	-	3,627,365	-	83,845	3,711,210
Capital projects	-	-	-	11,409,391	7,510,705	18,920,096
Grants	-	-	-	-	253,382	253,382
Assigned to						
Library	-	-	-	-	57,965	57,965
Unassigned	<u>4,199,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,199,793</u>
Total fund balances	<u>4,314,425</u>	<u>1,239,003</u>	<u>3,627,365</u>	<u>11,409,391</u>	<u>9,349,857</u>	<u>29,940,041</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,110,816</u>	<u>\$ 1,410,150</u>	<u>\$ 3,755,590</u>	<u>\$ 11,724,749</u>	<u>\$ 16,310,294</u>	<u>\$ 40,311,599</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
September 30, 2025

Total fund balances for governmental funds	\$ 29,940,041
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.	
Capital assets - nondepreciable	16,338,868
Capital assets - net depreciable/amortizable	37,557,918
Long-term receivables related to economic development are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
	2,688,616
Long-term liabilities and deferred outflows and deferred inflows related to pensions and other postemployment benefits (OPEB) are not due and payable in the current period, and therefore, are not reported in the funds.	
Net pension liability	(2,511,926)
Total OPEB liability - OPEB (health)	(449,195)
Total OPEB liability - OPEB (TMRS)	(279,093)
Deferred outflows - pensions	1,156,169
Deferred outflows - OPEB (health)	15,745
Deferred outflows - OPEB (TMRS)	15,691
Deferred inflows - pensions	(964,951)
Deferred inflows - OPEB (health)	(223,157)
Deferred inflows - OPEB (TMRS)	(97,923)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.	
Property taxes	1,361,802
The internal service fund is used by management to charge the costs of certain capital assets and maintenance to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the Statement of Net Position.	
Cash and equity in pooled cash and investments	2,410,215
Net depreciable/amortizable capital assets	5,346,441
Accounts payable and accrued liabilities	(714)
Lease payable	(717,795)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Lease payable	(5,728)
Accrued interest payable	(353,184)
Compensated absences	(1,300,945)
Bonds payable (net of deferred charges)	(30,917,806)
Deferred loss on refunding	329,161
Net position of governmental activities	\$ 59,338,250

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES GOVERNMENTAL FUNDS
For the year ended September 30, 2025

	General	Debt Service	Hotel/Motel Tax	2023 Bond	Nonmajor Governmental	Total Governmental Funds
Revenues						
Property taxes	\$ 5,533,659	\$ 3,550,625	\$ -	\$ -	\$ 502,894	\$ 9,587,178
Sales taxes	8,843,968	-	-	-	3,298,093	12,142,061
Hotel/motel taxes	-	-	3,601,541	-	-	3,601,541
Franchise fees	503,889	-	-	-	14,783	518,672
Licenses and permits	12,322	-	675	-	-	12,997
Fines and forfeitures	455,270	-	-	-	33,955	489,225
Charges for services	1,094,165	-	288,122	-	2,301,876	3,684,163
Intergovernmental	46,511	-	57,200	-	1,569,205	1,672,916
Investment revenue	233,238	123,519	168,792	490,941	480,234	1,496,724
Other revenue	737,534	286,747	57,755	-	417,198	1,499,234
Total revenues	<u>17,460,556</u>	<u>3,960,891</u>	<u>4,174,085</u>	<u>490,941</u>	<u>8,618,238</u>	<u>34,704,711</u>
Expenditures						
Current						
General government	8,361,663	-	-	3,154	-	8,364,817
Public safety	7,895,271	-	-	-	65,505	7,960,776
Development services	1,175,484	-	-	-	-	1,175,484
Community services	3,394,628	-	-	-	245,916	3,640,544
Economic development	-	-	3,412,346	-	2,107,135	5,519,481
Public works	-	-	-	-	1,949,128	1,949,128
Capital outlay	126,128	-	188,123	1,940,352	4,994,798	7,249,401
Debt service						
Principal	8,076	2,616,630	-	-	-	2,624,706
Interest and fiscal charges	113	1,519,050	-	-	-	1,519,163
Total expenditures	<u>20,961,363</u>	<u>4,135,680</u>	<u>3,600,469</u>	<u>1,943,506</u>	<u>9,362,482</u>	<u>40,003,500</u>
Excess (deficiency) of revenues over (under) expenditures	(3,500,807)	(174,789)	573,616	(1,452,565)	(744,244)	(5,298,789)
Other financing sources (uses)						
Issuance on long-term debt	600,000	-	-	-	-	600,000
Transfers in	2,549,819	592,500	-	-	1,759,866	4,902,185
Transfers (out)	(2,666,324)	-	(812,004)	-	(446,953)	(3,925,281)
Total other financing sources (uses)	<u>483,495</u>	<u>592,500</u>	<u>(812,004)</u>	<u>-</u>	<u>1,312,913</u>	<u>1,576,904</u>
Net change in fund balances	(3,017,312)	417,711	(238,388)	(1,452,565)	568,669	(3,721,885)
Beginning fund balances	<u>7,331,737</u>	<u>821,292</u>	<u>3,865,753</u>	<u>12,861,956</u>	<u>8,781,188</u>	<u>33,661,926</u>
Ending fund balances	<u>\$ 4,314,425</u>	<u>\$ 1,239,003</u>	<u>\$ 3,627,365</u>	<u>\$ 11,409,391</u>	<u>\$ 9,349,857</u>	<u>\$ 29,940,041</u>

(Continued)

CITY OF BASTROP, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the year ended September 30, 2025

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

Net changes in fund balances - total governmental funds	\$ (3,721,885)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.</p>	
Capital outlay additions, net of disposals	6,680,229
Depreciation/amortization expense	(2,230,562)
<p>The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.</p>	
Principal payments	2,616,630
Debt issued	(600,000)
Accrued interest	21,393
Principal paid on leases	8,076
Amortization of deferred amounts	(75,651)
Amortization of premiums on long-term debt	190,782
Compensated absences	(927,932)
Deferred outflows - pensions	(234,723)
Deferred outflows - health OPEB	(20,211)
Deferred outflows - TMRS OPEB	(22,567)
Deferred inflows - pension	(479,057)
Deferred inflows - health OPEB	2,145
Deferred inflows - TMRS OPEB	14,902
Net pension liability	893,627
OPEB liability - health	5,660
OPEB liability - TMRS	(3,064)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	37,524
Revenue that provides current financial resources only is not reported on Statement of Activities.	
Net Position - this amount reflects note receivable principal received.	337,633
An internal service fund is used by management to charge the cost of certain capital assets and maintenance to individual funds. The net revenue (expense) is reported with governmental activities.	974,366
Change in net position of governmental activities	<u>\$ 3,467,315</u>

(Continued)

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025

	Business-Type Activities			Total	Governmental
	Water and Wastewater	Bastrop Power & Light	Community Impact Fee		Internal Service
ASSETS					
Current assets					
Cash, cash equivalents, and investments	\$ 4,714,159	\$ 6,014,288	\$ 4,867,863	\$ 15,596,310	\$ 2,410,215
Accounts receivable (net of allowance for uncollectable)	1,496,491	823,465	67,714	2,387,670	-
Inventory	270,348	561,546	-	831,894	-
Restricted cash, and equity in pooled cash and investments	<u>2,705,997</u>	<u>-</u>	<u>-</u>	<u>2,705,997</u>	<u>-</u>
Total current assets	<u>9,186,995</u>	<u>7,399,299</u>	<u>4,935,577</u>	<u>21,521,871</u>	<u>2,410,215</u>
Noncurrent assets					
Capital assets					
Nondepreciable	18,759,414	131,836	-	18,891,250	-
Depreciable/amortizable	<u>140,999,877</u>	<u>4,186,693</u>	<u>-</u>	<u>145,186,570</u>	<u>5,346,441</u>
Total capital assets (net)	<u>159,759,291</u>	<u>4,318,529</u>	<u>-</u>	<u>164,077,820</u>	<u>5,346,441</u>
Total noncurrent assets	<u>159,759,291</u>	<u>4,318,529</u>	<u>-</u>	<u>164,077,820</u>	<u>5,346,441</u>
Total assets	<u>168,946,286</u>	<u>11,717,828</u>	<u>4,935,577</u>	<u>185,599,691</u>	<u>7,756,656</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflow s - pensions	163,621	18,406	-	182,027	-
Deferred outflow s - OPEB (TMRS)	2,893	4,201	-	7,094	-
Deferred outflow s - OPEB (health)	<u>2,903</u>	<u>4,216</u>	<u>-</u>	<u>7,119</u>	<u>-</u>
Total deferred outflow s of resources	<u>169,417</u>	<u>26,823</u>	<u>-</u>	<u>196,240</u>	<u>-</u>

(Continued)

CITY OF BASTROP, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2025

	Business-Type Activities				Governmental
	Water and Wastewater	Bastrop Power & Light	Community Impact Fee	Total	Activities
					Internal Service
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	\$ 4,026,628	\$ 936,017	\$ -	\$ 4,962,645	\$ 714
Lease payable	-	-	-	-	717,795
Accrued interest payable	1,483,565	9,831	-	1,493,396	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	42,513	67,715	110,228	-
Customer deposits	-	-	-	-	-
Compensated absences	182,772	182,840	-	365,612	-
Bonds payable - current	2,802,967	137,200	-	2,940,167	-
OPEB liability - health	1,334	1,937	-	3,271	-
OPEB liability - TMRS	1,110	1,611	-	2,721	-
Total current liabilities	<u>8,498,376</u>	<u>1,311,949</u>	<u>67,715</u>	<u>9,878,040</u>	<u>718,509</u>
Noncurrent liabilities					
Compensated absences	20,308	20,315	-	40,623	-
Bonds payable, net of deferred charges	125,376,714	815,333	-	126,192,047	-
Net pension liability	3,572	80,675	-	84,247	-
OPEB liability - health	94,241	39,466	-	133,707	-
OPEB liability - TMRS	62,251	31,871	-	94,122	-
Total noncurrent liabilities	<u>125,557,086</u>	<u>987,660</u>	<u>-</u>	<u>126,544,746</u>	<u>-</u>
Total liabilities	<u>134,055,462</u>	<u>2,299,609</u>	<u>67,715</u>	<u>136,422,786</u>	<u>718,509</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred gain on refunding	107,731	-	-	107,731	-
Deferred inflows - pensions	103,050	185,516	-	288,566	-
Deferred inflows - OPEB (TMRS)	272	939	-	1,211	-
Deferred inflows - OPEB (health)	5,376	22,763	-	28,139	-
Total deferred inflows of resources	<u>216,429</u>	<u>209,218</u>	<u>-</u>	<u>425,647</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	47,825,196	3,365,996	-	51,191,192	4,628,646
Restricted for					
Capital projects	4,784,776	-	-	4,784,776	-
Unrestricted	<u>(17,766,160)</u>	<u>5,869,828</u>	<u>4,867,862</u>	<u>(7,028,470)</u>	<u>2,409,501</u>
Total net position	<u>\$ 34,843,812</u>	<u>\$ 9,235,824</u>	<u>\$ 4,867,862</u>	<u>\$ 48,947,498</u>	<u>\$ 7,038,147</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION PROPRIETARY FUNDS
For the year ended September 30, 2025

	Business-Type Activities			Total	Governmental Activities
	Water and Wastewater	Bastrop Power & Light	Community Impact Fee		Internal Service
Operating revenues					
Charges for services	\$ 9,681,032	\$ 8,529,125	\$ 3,499,576	\$ 21,709,733	\$ 1,396,268
Other revenue	-	688,175	-	688,175	-
Total operating revenues	<u>9,681,032</u>	<u>9,217,300</u>	<u>3,499,576</u>	<u>22,397,908</u>	<u>1,396,268</u>
Operating expenses					
Personnel services	2,282,126	1,160,167	-	3,442,293	-
Supplies and maintenance	2,327,280	441,604	10,750	2,779,634	4,662
Service and other	198,641	6,094,375	14,805	6,307,821	-
Depreciation/amortization	1,220,144	184,529	-	1,404,673	1,105,539
Total operating expenses	<u>6,028,191</u>	<u>7,880,675</u>	<u>25,555</u>	<u>13,934,421</u>	<u>1,110,201</u>
Operating income (loss)	<u>3,652,841</u>	<u>1,336,625</u>	<u>3,474,021</u>	<u>8,463,487</u>	<u>286,067</u>
Nonoperating revenues (expenses)					
Gain on sale of capital assets	-	1,741	-	1,741	74,735
Investment revenue	621,401	304,431	233,602	1,159,434	149,213
Interest and fiscal agent fees	(3,611,998)	(25,398)	-	(3,637,396)	(24,565)
Total nonoperating revenues	<u>(2,990,597)</u>	<u>280,774</u>	<u>233,602</u>	<u>(2,476,221)</u>	<u>199,383</u>
Income (loss) before transfers	<u>662,244</u>	<u>1,617,399</u>	<u>3,707,623</u>	<u>5,987,266</u>	<u>485,450</u>
Transfers					
Transfers in	3,210,158	181,084	83,598	3,474,840	670,000
Transfers (out)	(841,953)	(1,191,707)	(2,907,000)	(4,940,660)	(181,084)
Total transfers	<u>2,368,205</u>	<u>(1,010,623)</u>	<u>(2,823,402)</u>	<u>(1,465,820)</u>	<u>488,916</u>
Change in net position	<u>3,030,449</u>	<u>606,776</u>	<u>884,221</u>	<u>4,521,446</u>	<u>974,366</u>
Beginning net position	<u>31,813,363</u>	<u>8,629,048</u>	<u>3,983,641</u>	<u>44,426,052</u>	<u>6,063,781</u>
Ending net position	<u>\$ 34,843,812</u>	<u>\$ 9,235,824</u>	<u>\$ 4,867,862</u>	<u>\$ 48,947,498</u>	<u>\$ 7,038,147</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2025

	Business-Type Activities				Governmental Activities
	Water and Wastewater	Bastrop Power & Light	Community Impact Fee	Total	Internal Service
Cash flows from operating activities					
Receipts from customers and users	\$ 9,022,306	\$ 9,115,473	\$ 3,499,576	\$ 21,637,355	\$ -
Receipts from interfund services provided	-	-	-	-	1,396,268
Payments to suppliers	(5,408,518)	(6,523,752)	(45,554)	(11,977,824)	(28,601)
Payments to employees	(2,207,778)	(1,070,662)	-	(3,278,440)	-
Net cash provided by operating activities	<u>1,406,010</u>	<u>1,521,059</u>	<u>3,454,022</u>	<u>6,381,091</u>	<u>1,367,667</u>
Cash flows from noncapital financing activities					
Transfers from other funds	3,210,158	181,084	83,598	3,474,840	670,000
Transfer to other funds	(841,953)	(1,191,707)	(2,907,000)	(4,940,660)	(181,084)
Net cash provided by noncapital financing activities	<u>2,368,205</u>	<u>(1,010,623)</u>	<u>(2,823,402)</u>	<u>(1,465,820)</u>	<u>488,916</u>
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	(19,748,407)	(295,972)	-	(20,044,379)	(2,367,514)
Proceeds from issuance of bonds	-	-	-	-	-
Interest and fiscal agent fees paid	(3,858,796)	(32,261)	-	(3,891,057)	(24,565)
Principal paid on capital debt	(2,944,988)	(135,750)	-	(3,080,738)	(412,205)
Proceeds from the sale of capital assets	-	-	-	-	122,272
Net cash provided (used) by capital and related financing activities	<u>(26,552,191)</u>	<u>(463,983)</u>	<u>-</u>	<u>(27,016,174)</u>	<u>(2,682,012)</u>
Cash flows from investing activities					
Interest on investments	621,401	304,431	233,602	1,159,434	149,213
Net cash provided by investing activities	<u>621,401</u>	<u>304,431</u>	<u>233,602</u>	<u>1,159,434</u>	<u>149,213</u>
Net Increase in cash and cash equivalents	(22,156,575)	350,884	864,222	(20,941,469)	(676,216)
Beginning cash and cash equivalents	<u>29,576,731</u>	<u>5,663,404</u>	<u>4,003,641</u>	<u>39,243,776</u>	<u>3,086,431</u>
Ending cash and cash equivalents	<u>\$ 7,420,156</u>	<u>\$ 6,014,288</u>	<u>\$ 4,867,863</u>	<u>\$ 18,302,307</u>	<u>\$ 2,410,215</u>
Ending cash and cash equivalents					
Unrestricted cash and equity in pooled cash and investments	\$ 4,714,159	\$ 6,014,288	\$ 4,867,863	\$ 15,596,310	\$ 2,410,215
Restricted cash and equity in pooled cash investments	2,705,997	-	-	2,705,997	-
	<u>\$ 7,420,156</u>	<u>\$ 6,014,288</u>	<u>\$ 4,867,863</u>	<u>\$ 18,302,307</u>	<u>\$ 2,410,215</u>

(Continued)

CITY OF BASTROP, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2025

	Business-Type Activities			Governmental Activities	
	<u>Water and Wastewater</u>	<u>Bastrop Power & Light</u>	<u>Community Impact Fee</u>	<u>Total</u>	<u>Internal Service</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating income (loss)	\$ 3,652,841	\$ 1,336,625	\$ 3,474,021	\$ 8,463,487	\$ 286,067
Adjustments to reconcile operating income to net cash provided (used in) by operating activities					
Depreciation/amortization	1,220,144	184,529	-	1,404,673	1,105,539
Changes in operating assets and liabilities					
(Increase) decrease in assets					
Accounts receivable	(658,726)	(101,827)	-	(760,553)	-
Advances/due to/from funds	20,000	-	-	20,000	-
Inventories	29,797	(158,464)	-	(128,667)	-
Prepaid items	-	1,798	-	1,798	-
Deferred outflows of resources	47,478	57,183	-	104,661	-
Increase (decrease) in liabilities					
Accounts payable and accrued liabilities	(2,864,794)	168,893	(19,999)	(2,715,900)	(23,939)
Customer deposits	(67,600)	-	-	(67,600)	-
Compensated absences	123,796	148,585	-	272,381	-
Deferred inflows of resources	68,312	123,708	-	192,020	-
Net pension liability	(164,760)	(239,277)	-	(404,037)	-
Total OPEB liability - health	(1,043)	(1,515)	-	(2,558)	-
Total OPEB liability - TMRS	565	821	-	1,386	-
Net cash provided by (used in) operating activities	<u>\$ 1,406,010</u>	<u>\$ 1,521,059</u>	<u>\$ 3,454,022</u>	<u>\$ 6,381,091</u>	<u>\$ 1,367,667</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
September 30, 2025

	<u>Private- Purpose Trust</u>
ASSETS	
Current assets	
Cash	\$ 11,390,250
Total assets	<u>11,390,250</u>
NET POSITION	
Restricted for debt service	<u>11,390,250</u>
Total net position	<u>\$ 11,390,250</u>

See notes to financial statements.

CITY OF BASTROP, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
For the Year Ended September 30, 2025

	Private- Purpose Trust
Additions	
Contributions	\$ 12,303,000
Investment earnings	191,031
Total additions	12,494,031
Deductions	
Payment to fiscal agents	11,831
Issuance costs	1,091,950
Total deductions	1,103,781
Net decrease in fiduciary net position	11,390,250
Beginning net position	-
Ending net position	\$ 11,390,250

See notes to financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The City of Bastrop, Texas (the “City”) was incorporated on December 18, 1837 and adopted the “Home Rule Charter” on May 7, 2002, pursuant to the laws of the State of Texas (the “State”), which provide for a Council-Manager form of government.

The City Council is the principal legislative body of the City. With few exceptions, all powers of the City are vested in an elective council, which enacts legislation, adopts budgets, determines policies, and appoints the City Attorney and the Municipal Court Judge. The Council also appoints the City Manager, who executes the laws and administers the government of the City. The City Manager is responsible for the appointment and removal of department directors and employees, supervision and control of all City departments, and preparation of the annual budget. The City provides the following services: public safety; street maintenance; sanitation services; recreation programs; municipal court; community development; public improvements; water; sewer and electrical services; and general administrative services.

The City is an independent political subdivision of the State governed by an elected council and a mayor and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the City’s financial reporting entity. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. The City Council also serves as the governing body for all its blended component units. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. No other entities, organizations, or functions have been included as part of the City’s reporting entity. Additionally, as the City is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

Blended Component Units

Hunters Crossing Public Improvement District: The Hunters Crossing Local Government Corporation (the “Corporation”) was established to administer the service plan of the Hunters Crossing Public Improvement District (“PID”). The PID was established on September 11, 2001 by resolution of the City Council. That resolution was later amended on November 11, 2003. The purpose for creation of the PID was to provide for the construction of certain public improvements and a mechanism for the payment of the costs of such construction and the costs of such improvements through the levy of assessments against owners of respective parcels in the PID. The assessment and bond issuance authorizations are approved by the City Council and the City is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The Corporation is reported as a blended component unit of the City. Separate financial statements for the Corporation can be obtained from the City’s Finance Department.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit

Bastrop Economic Development Corporation: The Bastrop Economic Development Corporation (BEDC) was established in 1995, after the citizens of the City voted to pass a one-half cent sales tax dedicated to economic development.

The BEDC's primary purpose is to assist in bringing meaningful and rewarding employment opportunities to citizens in the area through funding assistance provided to businesses to relocate or expand in Bastrop. A separate governing board oversees the BEDC, which is appointed by the City Council, and consists of individuals from the community and related governmental entities in the area. City employees also manage the operations of the BEDC. The BEDC has been reported as a discretely presented component unit because the governing board is not identical to the governing body of the City, the BEDC does not solely serve the City, and the City has the ability to impose its will on the BEDC. Separate financial statements for the BEDC can be obtained from the City's Finance Department.

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

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

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

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

The City reports the following governmental funds:

General Fund: The *general fund* is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, sales taxes, hotel/motel tax, and franchise fees. Expenditures include general government, public safety, community services, development services, and economic development. The general fund is always considered a major fund for reporting purposes.

Debt Service Fund: The *debt service fund* is used to account for the payment of interest and principal on all general obligation bonds and other long-term debt of the City. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds: The *special revenue funds* are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. All of the special revenue funds are considered nonmajor funds for reporting purposes, with the exceptions of the hotel/motel tax fund which is considered a major fund.

Capital Projects Funds: The *capital projects funds* are used to account for the expenditures of resources accumulated from grants, sale of bonds, and related interest earnings for capital improvement projects. All of the capital projects funds are considered nonmajor funds for reporting purposes, with the exception of the 2023 bond fund which is considered a major fund.

Permanent Funds: The *permanent funds* are governmental funds that are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. The Fairview Cemetery fund is considered a nonmajor fund for reporting purposes. The City is permanent trustee for the perpetual care trust fund that is used to support the maintenance, repair, and care of all places in the cemetery. Net appreciation on investments can be spent for this purpose as authorized by the Council. The City classifies the amount that can be authorized for expenditure by the Council as restricted expendable net position, and the policy for authorizing and spending investment income is the total-return policy.

The City reports the following proprietary funds:

Enterprise Funds: The *enterprise funds* are used to account for the operations that provide water and wastewater services, electrical utility services, and community impact fees. The services are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis will be financed or recovered primarily through user charges.

The *water and wastewater fund* is utilized to account for the financial activities related to the provision of water and wastewater services to residents of the City.

The *Bastrop Power & Light fund* is utilized to account for the financial activities related to the provision of electricity services to residents of the City.

The *community impact fee fund* is utilized to account for the financial activities related to the impact fees generated as part of development.

Internal Service Fund: The *internal service fund* accounts for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis. The internal service fund is used for the replacement of vehicles and equipment.

Additionally, the City reports the following fiduciary fund:

Private-Purpose Trust Fund: The private-purpose trust fund accounts for contributions and payments made on behalf of the Valverde Public Improvement District (the "Valverde PID").

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

- Obligations of the U.S. the State, or their agencies and instruments
- Money market mutual funds that meet certain criteria
- Statewide investment pools
- Certificates of deposit that meet certain criteria

Inventories and Prepaid Items: Inventories are recorded in the general and enterprise funds, and are stated at cost using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The consumption method is used to recognize expenditures.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

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

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB Statement No. 34, infrastructure has been capitalized retroactively. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of four years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings	20 to 50 years
Improvements	4 to 50 years
Equipment	4 to 10 years
Water and sewer system	20 to 30 years
Infrastructure	40 to 50 years
Right-to-use assets	Lease term

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

Deferred outflows/inflows of resources are amortized as follows:

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

At the fund level, the City has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Employee Absences: It is the City's policy to permit employees to accumulate earned but unused vacation, sick time, and compensatory time. A liability for these obligations, which are collectively referred to as compensated absences, is calculated and reported in the government wide and proprietary fund financial statements as incurred following the provisions of GASB Statement No. 101, *Compensated Absences*. A liability for compensated absences is recognized when leave time: 1) has been earned for services previously rendered by employees, 2) accumulates and may be carried over into subsequent years, and 3) is more likely than not to be used as time off or settled (for example, paid in cash to the employee) during employment or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable.

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

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

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

Leases:

Lessee - The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible, right-to-use lease asset (the "lease asset") in the government-wide financial statements.

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

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Lessor - The BEDC is a lessor for a noncancellable lease of a building. The BEDC recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

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

- The BEDC uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

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

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

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

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

By resolution, the Council has also authorized the City Manager and Finance Director as the officials authorized to assign fund balance to a specific purpose as approved by the City's fund balance policy. Assignments of fund balance by the City Manager and/or the Finance Director do not require formal action by the City Council.

The City strives to maintain an unassigned fund balance of not less than 25 percent for the budgeted operational expenditures in all City funds, with the exception of proprietary funds, which the target is 35 percent. The purpose of the unassigned balance is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of services to citizens. Should unassigned fund balance fall below the goal or have a deficiency, the City will seek to reduce expenditures prior to increasing revenues to replenish fund balance within a reasonable timeframe.

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

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

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Postemployment Benefits:

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

Retiree Health Insurance. For purposes of measuring the total OPEB liability, deferred outflows and inflows of resources, and OPEB expense, benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Contributions are not required but are measured as payments by the City for benefits due and payable that are not reimbursed by plan assets. Information regarding the City's total OPEB liability is obtained from a report prepared by a consulting actuary.

Revenues and Expenditures/Expenses:

Program Revenues: Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes: The City levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. Taxes are delinquent if not paid by February 1 of the following calendar year. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

Proprietary Funds Operating and Nonoperating Revenues and Expenses: Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(Continued)

CITY OF BASTROP, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Accounting Pronouncements:

GASB Statement No. 101, *Compensated Absences*, updates the recognition and measurement guidance for compensated absences and associated salary-related payments by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this statement are effective for fiscal year beginning after December 15, 2023, and all reporting periods thereafter. Management implemented this pronouncement for fiscal year ended June 30, 2025. The impact on the financial statements as a result of implementation of this standard was immaterial. The footnotes to the financial statements have been amended in accordance with the standard.

GASB Statement No. 102, *Certain Risk Disclosures*, requires a government to assess and disclose information regarding certain concentrations or constraints and related events that may have a substantial impact and negatively affect the level of service a government provides. The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The adoption of the standard has no impact on the City's financial statements.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, except the capital projects funds, which adopt project-length budgets. The original budget is adopted by the City Council prior to the beginning of the year. The legal level of control as defined by the charter in the approved budget is the department level. The City Manager may transfer appropriations within a department without seeking the approval of City Council. Appropriations lapse at the end of the year, excluding capital project budgets. Supplemental budget appropriations were made for the year ended September 30, 2025.

Expenditures in Excess of Appropriations: For the year ended September 30, 2025, expenditures exceeded appropriations at the following legal level of control:

General fund	
General government	
City council	\$ 4,010
Organizational	458,168
Finance	259,844
Information technology	42,711
Development services	
Engineering and development	633,817
Principal	8,076
Interest	113
Hotel/Motel tax fund	
Hotel tax expense	825,378
Cultural arts commission	22,804
Rodeo arena	2,116
Debt service fund	
Interest and fiscal agent fees	147,667
Fairview cemetery fund	
Capital outlay	8,228
Development services fund	
Building inspection	1,283

(Continued)

NOTE 3 - DETAILED NOTES ON ALL FUNDS

Deposits and Investments: At September 30, 2025, the carrying amount of the City's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$46,716,658 and the bank balance was \$57,484,070. The City's cash deposits at September 30, 2025, were entirely covered by FDIC insurance or by pledged collateral held by the City's agent bank in the City's name.

Chapter 2256 of the Texas Government Code, the Public Funds Investment Act (the "Act") authorizes the City to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal, availability of liquidity to meet the City's obligations, and market rate of return. The Investment Policy defines what constitutes the legal list of investments allowed, which excludes certain investment instruments allowed under the Act. The City's deposits and investments are invested pursuant to the Investment Policy. The Investment Policy includes a list of authorized investment instruments and a maximum allowable stated maturity of any individual investment. In addition, it includes an investment strategy that specifically addresses limitations on instruments, diversification, and maturity scheduling.

In compliance with the Act, the City has adopted a deposit and investment policy. That policy addresses the following risks:

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

Credit risk. The City's investment policy requires that investment pools must be rated no lower than 'AAA' or 'AAA-m'. Bankers' acceptances must be issued in the United States and carry a rating of 'A1'/P1' as provided by two of the top nationally recognized rating agencies. As of September 30, 2025, the City's investments in investment pools were rated 'AAAm' by Standard & Poor's. All other investments are guaranteed (either express or implied) by the full faith and credit of the United States Government or the issuing U.S. agency. More specifically, the U.S. agency securities held by the City as of September 30, 2025 include a variety of bonds and discount notes issued by the Federal Home Loan Bank, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation. These investments were rated not less than 'Aa1' by Moody's and Standard & Poor's.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of September 30, 2025, market values were entirely secured by FDIC insurance and pledged securities.

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

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

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

Texas Term - The Texas Term Local Government Investment ("TexasTerm") is a local government investment pool organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. TexasTerm was created in 1981 by contract among its participating governmental units and is governed by a board of directors. PFM Fund Distributors and PFM Asset Management (PFM) act as co-administrators, providing investment management services, participant services, and marketing. PFM provides custodial, transfer agency, fund accounting, and depository services.

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

Fair Value Measurements: The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value establishing a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities:

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

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

Details regarding investment by type are as follows:

<u>Investment Type</u>	<u>Reported Value</u>	<u>Weighted Average Maturity in Years</u>	<u>Fair Value Measurement Using</u>	<u>% of Total</u>	<u>Rating</u>
City					
Certificates of Deposit	\$ 7,314,265	0.46	Level 2	25%	AA+
Municipal Bonds	447,078	0.42	Level 2	2%	AA-/Aa1
TexPool	118,713	0.11	n/a	0%	AAAm
Texas CLASS	13,851,148	0.12	n/a	48%	AAAm
TexasTerm	7,346,943	0.13	n/a	<u>25%</u>	AAAmmf
	<u>\$ 29,078,147</u>	0.23		<u>100%</u>	
BEDC					
Certificates of Deposit	\$ 983,000	0.65	Level 2	10%	AA+
TexPool	445,200	0.11	n/a	5%	AAAm
Texas CLASS	8,212,674	0.12	n/a	<u>85%</u>	AAAm
	<u>\$ 9,640,874</u>	0.17		<u>100%</u>	

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Receivables: The following comprise receivable balances at year end:

	Discrete Component Unit	Governmental Funds				
	Bastrop Economic Development	General	Debt Service	Hotel/Motel Tax	Nonmajor	Total
Property taxes	\$ -	\$ 285,848	\$ 179,250	\$ -	\$ 6,226	\$ 471,324
Sales taxes	174,735	1,397,876	-	-	524,204	1,922,080
Hotel/motel tax	-	-	-	248,460	-	248,460
Intergovernmental	-	-	-	-	181,592	181,592
Other receivables	16,600	3,075,193	-	-	22,920	3,098,113
Court fines and fees	-	722,823	-	-	-	722,823
Less allowance	-	(470,676)	(8,963)	-	(311)	(479,950)
Total	\$ 191,335	\$ 5,011,064	\$ 170,287	\$ 248,460	\$ 734,631	\$ 6,164,442

	Proprietary Funds			
	Water and Sewer	Bastrop Power & Light	Community Impact Fee	Total Enterprise Funds
Accounts receivable	\$ 1,501,556	\$ 843,386	\$ 67,714	\$ 2,412,656
Less allowance	(5,065)	(19,921)	-	(24,986)
Total	\$ 1,496,491	\$ 823,465	\$ 67,714	\$ 2,387,670

Lease Receivable: On October 1, 2022, the BEDC entered into a 149-month lease as lessor for the use of Land Lease - Communications Tower Site. As of September 30, 2025, the value of the lease receivable is \$155,039. The lessee is required to make monthly fixed payments of \$1,323. The lease has an interest rate of 1.755%. The value of the deferred inflow of resources as of September 30, 2025 was \$142,251. The lease revenue for fiscal year 2025 was \$24,910. The lessee has 2 extension options, each for 60 months. The City had a termination period of 1 month as of the lease commencement.

The future payments the receivable and deferred inflow of resources are as follows:

Fiscal Year	Lease Receivable			Amortization of Deferred Inflows
	Principal	Interest	Total	
2026	\$ 15,655	\$ 2,595	\$ 18,250	\$ 16,812
2027	15,932	2,318	18,250	16,812
2028	16,214	2,037	18,251	16,812
2029	18,105	1,743	19,848	16,812
2030	19,581	1,407	20,988	16,812
2031-2035	69,552	2,157	71,709	58,191
	\$ 155,039	\$ 12,257	\$ 167,296	\$ 142,251

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets: The following is a summary of changes in capital assets for governmental activities for the year:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>(Decreases)/ Reclassifications</u>	<u>Ending Balance</u>
<u>Governmental activities</u>				
Capital assets not being depreciated/amortized				
Land	\$ 6,413,126	\$ 167,080	\$ -	\$ 6,580,206
Construction in progress	<u>3,095,308</u>	<u>6,808,131</u>	<u>(144,777)</u>	<u>9,758,662</u>
Total capital assets not being depreciated/amortized	<u>9,508,434</u>	<u>6,975,211</u>	<u>(144,777)</u>	<u>16,338,868</u>
Capital assets, being depreciated/amortized				
Buildings	15,277,638	58,000	-	15,335,638
Land Infrastructure	882,288	-	-	882,288
Improvements other than buildings	39,156,136	276,975	-	39,433,111
Right-to-use assets - equipment	1,792,271	-	-	1,792,271
Machinery and equipment	<u>14,057,537</u>	<u>2,473,255</u>	<u>(828,751)</u>	<u>15,702,041</u>
Total Capital assets, being depreciated/amortized	<u>71,165,870</u>	<u>2,808,230</u>	<u>(828,751)</u>	<u>73,145,349</u>
Less accumulated depreciation/amortization for				
Buildings	(5,833,147)	(335,683)	-	(6,168,830)
Land Infrastructure	(167,600)	(36,400)	-	(204,000)
Improvements other than buildings	(12,959,197)	(2,012,458)	-	(14,971,655)
Right-to-use assets - equipment	(640,645)	(432,403)	-	(1,073,048)
Machinery and equipment	<u>(7,494,593)</u>	<u>(1,006,528)</u>	<u>677,664</u>	<u>(7,823,457)</u>
Total accumulated depreciation/amortization	<u>(27,095,182)</u>	<u>(3,823,472)</u>	<u>677,664</u>	<u>(30,240,990)</u>
Capital assets, being depreciated/amortized, net	<u>44,070,688</u>	<u>(1,015,242)</u>	<u>(151,087)</u>	<u>42,904,359</u>
Governmental activities capital assets, net	<u>\$ 53,579,122</u>	<u>\$ 5,959,969</u>	<u>\$ (295,864)</u>	<u>59,243,227</u>
			Plus unspent bond proceeds	11,387,665
			Less construction and retainage payables	(407,181)
			Plus deferred gain on refunding	329,161
			Less associated debt	<u>(31,641,328)</u>
			Net investment in capital assets	<u>\$ 38,911,544</u>

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation/amortization was charged to governmental functions as follows:

General government	\$ 1,758,696
Public safety	440,730
Development services	25,926
Community services	466,655
Economic development	25,926
Internal service fund	<u>1,105,539</u>
Total governmental activities depreciation expense	<u><u>\$ 3,823,472</u></u>

The following is a summary of changes in capital assets for business-type activities for the year end:

	Beginning <u>Balance</u>	Increases	(Decreases)/ <u>Reclassifications</u>	Ending <u>Balance</u>
<u>Business-type activities</u>				
Capital assets not being depreciated/amortized				
Land	\$ 4,769,618	\$ 2,156,180	\$ -	\$ 6,925,798
Water rights	3,933,620	3,902,954	-	7,836,574
Construction in progress	<u>96,021,479</u>	<u>13,804,163</u>	<u>(105,696,764)</u>	<u>4,128,878</u>
Total capital assets not being depreciated/amortized	<u>104,724,717</u>	<u>19,863,297</u>	<u>(105,696,764)</u>	<u>18,891,250</u>
Capital assets, being depreciated/amortized				
Machinery and equipment	2,983,183	181,084	(53,449)	3,110,818
Buildings	739,428	-	-	739,428
Infrastructure	<u>58,109,581</u>	<u>105,696,764</u>	<u>-</u>	<u>163,806,345</u>
Total Capital assets, being depreciated/amortized	<u>61,832,192</u>	<u>105,877,848</u>	<u>(53,449)</u>	<u>167,656,591</u>
Less accumulated depreciation/amortization for				
Machinery and equipment	(2,835,208)	(5,857)	53,449	(2,787,616)
Buildings	(336,691)	(31,454)	-	(368,145)
Infrastructure	<u>(17,946,898)</u>	<u>(1,367,362)</u>	<u>-</u>	<u>(19,314,260)</u>
Total accumulated depreciation/amortization	<u>(21,118,797)</u>	<u>(1,404,673)</u>	<u>53,449</u>	<u>(22,470,021)</u>
Capital assets, being depreciated/amortized, net	<u>40,713,395</u>	<u>104,473,175</u>	<u>-</u>	<u>145,186,570</u>
Business-type activities capital assets, net	<u>\$145,438,112</u>	<u>\$124,336,472</u>	<u>\$ (105,696,764)</u>	<u>164,077,820</u>
		Plus unspent bond proceeds		19,878,298
		Less construction and retainage payables		(3,524,980)
		Less deferred gain on refunding		(107,731)
		Less associated debt		<u>(129,132,215)</u>
		Net investment in capital assets		<u>\$ 51,191,192</u>

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation/amortization was charged to business-type functions as follows:

Water and wastewater	\$ 1,220,144
Power and light	184,529
	Total business-type activities depreciation expense
	\$ 1,404,673

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

	Beginning Balance	Increases	(Decreases)/ Reclassifications	Ending Balance
<u>BEDC</u>				
Capital assets not being depreciated/amortized				
Land	\$ 416,323	\$ -	\$ -	\$ 416,323
Total capital assets not being depreciated/amortized	416,323	-	-	416,323
Other capital assets				
Machinery and equipment	8,301	44,941	-	53,242
Total other capital assets	8,301	44,941	-	53,242
Less accumulated depreciation/amortization for				
Machinery and equipment	(8,301)	-	-	(8,301)
Total accumulated depreciation/amortization	(8,301)	-	-	(8,301)
Other capital assets, net	-	44,941	-	44,941
BEDC capital assets, net	\$ 416,323	\$ 44,941	\$ -	461,264
			Net investment in capital assets	\$ 461,264

Long-Term Debt: The City issues general obligation bonds, certificates of obligation, and tax and revenue bonds to provide funds for the acquisition and construction of major capital facilities and improvement projects. Long-term debt of this nature has been issued for both governmental and business-type activities. These debt instruments are direct obligations and pledge the full faith and credit of the City. General obligation bonds and certificates of obligation generally are issued with repayment scheduled to occur as equal amounts of principal maturing each year with maturities that range from 3 to 30 years. The City issues maintenance tax notes or obtains regular notes payable financing arrangements from banks to provide funds for the acquisition of equipment or minor capital projects. Tax notes and regular notes payable are direct obligations and pledge the full faith and credit of the government. These debt instructions are generally repaid in equal installments of principal and interest over a period of 3 to 10 years.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

The following is a summary of changes in the City's long-term liabilities for the year end:

	<u>Beginning</u> <u>Balances</u>	<u>Additions</u>	<u>(Reductions)</u>	<u>Ending</u> <u>Balances</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<u>Governmental activities</u>					
Bonds, notes, and other payables					
General obligation bonds	\$ 9,395,000	\$ -	\$ (1,165,000)	\$ 8,230,000 *	\$ 1,185,000
Certificates of obligation	20,330,000	-	(815,000)	19,515,000 *	1,040,000
Direct borrow ings/private placement					
Certificates of obligation	78,509	-	(29,262)	49,247 *	29,833
General obligation bonds	1,305,000	-	(585,000)	720,000 *	415,000
Notes payable	150,983	600,000	(22,368)	728,615 *	28,569
Leases payable	1,143,804	-	(420,282)	723,522 *	416,247
Total bonds, notes, and other payables	<u>32,403,296</u>	<u>600,000</u>	<u>(3,036,912)</u>	<u>29,966,384</u>	<u>3,114,649</u>
Deferred amounts					
For issuance discounts/premiums	1,865,726	-	(190,782)	1,674,944 *	-
Other liabilities					
Compensated absences	373,013	927,932	-	1,300,945	1,170,851
Net pension liability	3,405,555	-	(893,627)	2,511,928	-
OPEB liability - health	454,855	-	(5,660)	449,195	7,234
OPEB liability - TMRS	276,029	3,064	-	279,093	6,017
Total governmental activities	<u>\$ 38,778,474</u>	<u>\$ 1,530,996</u>	<u>\$ (4,126,981)</u>	<u>\$ 36,182,489</u>	<u>\$ 4,298,751</u>
				<u>\$ 31,883,738</u>	
				<u>\$ 31,641,328</u>	

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balances	Additions	(Reductions)	Ending Balances	Amounts Due Within One Year
<u>Business-type activities</u>					
Bonds, notes, and other payables					
General obligation bonds	\$ 7,185,000	\$ -	\$ (650,000)	\$ 6,535,000 *	\$ 665,000
Certificates of obligation	98,480,000	-	(1,895,000)	96,585,000 *	1,725,000
Direct borrowings/private placement					
Certificates of obligation	486,491	-	(165,738)	320,753 *	170,167
Revenue bonds	20,830,000	-	(370,000)	20,460,000 *	380,000
Total bonds, notes, and other payables	<u>126,981,491</u>	<u>-</u>	<u>(3,080,738)</u>	<u>123,900,753</u>	<u>2,940,167</u>
Deferred amounts					
For issuance discounts/premiums	5,485,123	-	(253,661)	5,231,462 *	-
Other liabilities					
Compensated absences	133,854	272,381	-	406,235	365,612
Net pension liability	488,284	-	(404,037)	84,247	-
OPEB liability - health	139,536	-	(2,558)	136,978	3,271
OPEB liability - TMRS	95,457	1,386	-	96,843	2,721
Total business-type activities	<u>\$ 133,323,745</u>	<u>\$ 273,767</u>	<u>\$ (3,740,994)</u>	<u>\$ 129,856,518</u>	<u>\$ 3,311,771</u>
				<u>\$ 126,544,747</u>	
				<u>\$ 129,132,215</u>	

	Beginning Balances	Additions	(Reductions)	Ending Balances	Amounts Due Within One Year
<u>BEDC</u>					
Note to City	\$ 2,200,000	\$ -	\$ (240,000)	\$ 1,960,000	\$ 240,000
Total notes payable	<u>2,200,000</u>	<u>-</u>	<u>(240,000)</u>	<u>1,960,000</u>	<u>240,000</u>
Other liabilities					
Compensated absences	11,720	39,279	-	50,999	45,899
Net pension liability	283,274	-	(113,569)	169,705	-
OPEB liability - health	25,091	-	(719)	24,372	919
OPEB liability - TMRS	6,800	-	390	7,190	765
Total business-type activities	<u>\$ 2,526,885</u>	<u>\$ 39,279</u>	<u>\$ (353,898)</u>	<u>\$ 2,212,266</u>	<u>\$ 287,583</u>
				<u>\$ 1,924,683</u>	

Change in the compensated absences liability is presented as a net change.

Long-term liabilities of the City's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. The general fund liquidates the governmental activities portion of the compensated absences liability, the net pension liability, and the OPEB liabilities.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Long-term debt at year end was comprised of the following debt issues:

<u>Description</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance</u>
Governmental activities			
Bonds Payable			
Gen. Oblig. Bonds, Series 2006	4.24%	\$ 345,000	25,000
Certificates of Oblig., Series 2006 (31.4%)	4.19%	\$ 227,650	10,990
Gen. Oblig. Bonds, Series 2007	4.08%	\$ 1,220,000	175,000
Certificates of Obligation, Series 2007 (11.42%)	4.04%	\$ 264,944	38,257
GO Refunding, Series 2014 (74.53%)	2.00 - 4.00%	\$ 1,695,558	1,370,000
GO Refunding, Series 2016 (58%)	2.00 - 4.00%	\$ 1,440,000	445,000
GO Refunding, Series 2017 (83%)	2.00 - 4.00%	\$ 3,745,000	1,820,000
Combination Tax & Rev., Cert. of Oblig., Series 2018	3.75 - 4.00%	\$ 4,605,000	2,975,000
Limited Tax Note, Series 2019	1.78%	\$ 465,000	90,000
Combination Tax & Rev., Cert. of Oblig, Series 2020	2.00 - 4.00%	\$ 2,615,000	1,555,000
Limited Tax Note, Series 2020	1.21%	\$ 1,000,000	430,000
Certificates of Oblig., Series 2021	2.00 - 5.00%	\$ 580,000	440,000
Gen. Oblig. Refunding Bonds, Series 2021A	0.30% - 2.18%	\$ 5,650,000	4,595,000
Combination Tax & Rev., Cert. of Oblig, Series 2022	3.00 - 4.00%	\$ 3,235,000	2,410,000
Combination Tax & Rev., Cert. of Oblig, Series 2023	4.00 - 5.00%	\$ 12,135,000	12,135,000
Total bonds payable			<u>28,514,247</u>
Notes payable			
Notes Payable - Texas Capital Fund - Art Foundry	0.00%	\$ 447,351	128,615
Notes Payable - BEDC	4.00%	\$ 600,000	600,000
Total notes payable			<u>728,615</u>
Total governmental activities			<u>\$ 29,242,862</u>
Business-type activities			
Bonds Payable			
Certificates of Oblig., Series 2006 (68.6%)	4.19%	\$ 497,350	\$ 24,010
Certificates of Oblig., Series 2007 (88.58%)	4.04%	\$ 2,055,056	296,743
Combination Tax & Rev., Cert. of Oblig., Series 2014	2.00 - 3.50%	\$ 5,985,000	1,905,000
GO Refunding., Series 2016 (42%)	2.00 - 4.00%	\$ 1,085,000	355,000
GO Refunding, Series 2017 (12.7%)	2.00 - 3.50%	\$ 610,000	370,000
Utility System Revenue Bonds, Series 2019	2.00 - 4.00%	\$ 1,900,000	1,475,000
Utility System Revenue Bonds, Series 2020	2.00 - 5.00%	\$ 20,065,000	18,985,000
Certificates of Obligation, Series 2021	2.00 - 5.00%	\$ 33,990,000	32,460,000
Gen. Oblig. Refunding Bonds, Series 2021	2.00 - 4.00%	\$ 2,780,000	1,690,000
Gen. Oblig. Refunding Bonds, Series 2021A	0.30 - 2.18%	\$ 4,410,000	4,120,000
Combination Tax & Rev., Cert. of Oblig, Series 2023	4.00 - 5.00%	\$ 26,910,000	26,910,000
Combination Tax & Rev., Cert. of Oblig, Series 2024	4.00 - 5.00%	\$ 36,320,000	35,310,000
Total bonds payable			<u>123,900,753</u>
Total business-type activities			<u>\$ 123,900,753</u>

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

<u>Description</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance</u>
BEDC			
Notes to City			
Due to City of Bastrop - 13.4% GO Refunding, Series 2017	0.00%		\$ 305,000
Due to City of Bastrop - 31.93% GO Refunding, Series 2021A	0.00%		<u>1,655,000</u>
Total notes payable			<u>1,960,000</u>
Total BEDC			<u>\$ 1,960,000</u>

The annual requirements to amortize bond and notes outstanding at year end were as follows:

Governmental Activities:

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>			<u>Certificates of Obligation</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,185,000	\$ 227,912	\$ 1,412,912	\$ 1,040,000	\$ 800,338	\$ 1,840,338
2027	1,260,000	195,542	1,455,542	1,385,000	761,288	2,146,288
2028	1,340,000	157,642	1,497,642	1,440,000	703,388	2,143,388
2029	1,145,000	117,085	1,262,085	1,500,000	647,188	2,147,188
2030	1,070,000	83,755	1,153,755	1,555,000	589,538	2,144,538
2031-2035	2,230,000	94,595	2,324,595	5,495,000	2,140,613	7,635,613
2036-2040	-	-	-	5,120,000	996,613	6,116,613
2041-2043	-	-	-	1,980,000	119,600	2,099,600
Total	<u>\$ 8,230,000</u>	<u>\$ 876,531</u>	<u>\$ 9,106,531</u>	<u>\$ 19,515,000</u>	<u>\$ 6,758,566</u>	<u>\$ 26,273,566</u>

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>			<u>Certificates of Obligation</u>			<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 415,000	\$ 12,864	\$ 427,864	\$ 29,833	\$ 1,445	\$ 31,278	\$ 28,569	\$ 2,000	\$ 30,569
2027	305,000	4,444	309,444	19,414	392	19,806	98,415	22,368	120,783
2028	-	-	-	-	-	-	101,513	19,270	120,783
2029	-	-	-	-	-	-	104,738	16,045	120,783
2030	-	-	-	-	-	-	108,094	12,689	120,783
2031-2032	-	-	-	-	-	-	287,286	9,196	296,482
Total	<u>\$ 720,000</u>	<u>\$ 17,308</u>	<u>\$ 737,308</u>	<u>\$ 49,247</u>	<u>\$ 1,837</u>	<u>\$ 51,084</u>	<u>\$ 728,615</u>	<u>\$ 81,568</u>	<u>\$ 810,183</u>

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Business-type Activities:

Fiscal Year	General Obligation Bonds			Certificates of Obligation			Notes Payable		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 665,000	\$ 167,298	\$ 832,298	\$ 1,725,000	\$ 3,638,557	\$ 5,363,557	\$ 380,000	\$ 596,613	\$ 976,613
2027	685,000	153,353	838,353	2,100,000	3,559,507	5,659,507	420,000	578,413	998,413
2028	740,000	136,828	876,828	2,200,000	3,461,905	5,661,905	565,000	558,263	1,123,263
2029	640,000	114,043	754,043	2,330,000	3,362,657	5,692,657	685,000	530,863	1,215,863
2030	560,000	95,001	655,001	2,435,000	3,253,955	5,688,955	720,000	498,413	1,218,413
2031-2035	3,245,000	169,572	3,414,572	12,775,000	14,675,321	27,450,321	3,930,000	2,155,463	6,085,463
2036-2040	-	-	-	16,475,000	11,763,919	28,238,919	4,365,000	1,619,763	5,984,763
2041-2045	-	-	-	22,920,000	8,470,704	31,390,704	4,360,000	1,071,338	5,431,338
2046-2050	-	-	-	27,185,000	3,907,387	31,092,387	5,035,000	399,050	5,434,050
2051-2054	-	-	-	6,440,000	330,939	6,770,939	-	-	-
Total	<u>\$ 6,535,000</u>	<u>\$ 836,095</u>	<u>\$ 7,371,095</u>	<u>\$ 96,585,000</u>	<u>\$ 56,424,851</u>	<u>\$ 153,009,851</u>	<u>\$ 20,460,000</u>	<u>\$ 8,008,179</u>	<u>\$ 28,468,179</u>

Direct Borrowings/Private Placements

Fiscal Year	Certificates of Obligation		
	Principal	Interest	Total
2026	\$ 170,167	\$ 9,647	\$ 179,814
2027	150,586	3,042	153,628
Total	<u>\$ 320,753</u>	<u>\$ 12,689</u>	<u>\$ 333,442</u>

BEDC:

Direct Borrowings/Private Placements

Fiscal Year	Notes Payable		
	Principal	Interest	Total
2026	\$ 240,000	\$ 42,417	\$ 282,417
2027	255,000	37,747	292,747
2028	280,000	32,046	312,046
2029	290,000	25,547	315,547
2030	215,000	18,462	233,462
2031-2034	680,000	29,195	709,195
Total	<u>\$ 1,960,000</u>	<u>\$ 185,414</u>	<u>\$ 2,145,414</u>

The City established the Valverde PID under Texas Local Government Code Chapter 372 to finance authorized public improvements within the district. On April 1, 2025, the PID issued Special Assessment Revenue Bonds, Series 2025 (the "Bond"), to fund eligible improvements and related costs. The Bond is a special, limited obligations payable solely from pledged special assessment revenues and other funds held under the related bond indenture. Assessment revenues are collected by the City and deposited with the Trustee in accordance with the indenture and are restricted to debt service, reserve, and other authorized Valverde PID purposes. The bonds do not constitute a debt of the City and are not secured by or payable from the City's general revenues, full faith and credit, or taxing power. The City has no legal or moral obligation to make payments on the bonds. Accordingly, the Bond is not reported as a liability of the City.

(Continued)

CITY OF BASTROP, TEXAS
 NOTES TO FINANCIAL STATEMENTS
 September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

New Debt: In April 2025, the City entered into an interlocal agreement with BEDC to provide financing for infrastructure improvements associated with the Burleson Crossing East Retail Development. BEDC agreed to grant a loan to the City in the amount of \$600,000 with a 4% interest rate with payments beginning in 2026 and ending in 2033.

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

Lease Liability: The City is a lessee to various lease agreements for copiers and office equipment, as well as vehicles. As of September 30, 2025, the value of the lease liability was \$723,522. The leases have principal and interest payments ranging from \$187 to \$25,760 and interest rates that range from 0.529% to 3.511%. The terms of the leases range from 48 to 60 months. The value of the right-to-use assets as of the end of the current fiscal year was \$1,792,271 and had accumulated amortization of \$1,073,048.

The future principal and interest payments on the lease liabilities as of September 30, 2025, are as follows:

<u>Fiscal Year</u>	Governmental Activities		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 416,247	\$ 13,751	\$ 429,998
2027	208,017	5,089	213,106
2028	80,449	1,374	81,823
2029	18,809	198	19,007
Total	\$ 723,522	\$ 20,412	\$ 743,934

Interfund Transactions: The composition of interfund balances as of year end is as follows:

<u>Due from</u>	<u>Due To</u>	<u>Amounts</u>
General	Nonmajor	\$ 128,526
Nonmajor	General	184,962
		\$ 313,488

Amounts recorded as due to/from are considered to be temporary loans and will generally be repaid during the following year.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amounts</u>
General	Bastrop Power & Light	\$ 1,191,707
General	Hotel/motel tax	294,404
General	Water and wastewater	791,953
General	Nonmajor	271,755
Debt service	Hotel/motel tax	517,600
Debt service	Nonmajor	74,900
Nonmajor	General	1,759,866
Water and wastewater	General	286,458
Water and wastewater	Nonmajor	16,700
Water and wastewater	Community impact	2,907,000
Community impact	Nonmajor	83,598
Internal service	General	620,000
Bastrop Power & Light	Internal service	181,084
Internal service	Water and wastewater	50,000
		<u>\$ 9,047,025</u>

Amounts transferred between funds relate to the following activities:

- Transfers to the general fund were made by the Bastrop power and light fund, hotel/motel tax fund, water and wastewater fund, and the nonmajor funds as contributions to the general fund for various governmental expenditures.
- Transfer to the debt service fund were annual transfers for debt service-related expenditures.
- The general fund transferred to nonmajor funds for current and future capital outlay.
- Transfer to the water and wastewater fund were annual funding transfers from the community impact fund, general, and nonmajor fund.
- Transfer to the internal service fund were made by the general fund, Bastrop power and light fund, and the water and wastewater fund as annual funding for various projects.

NOTE 4 - OTHER INFORMATION

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

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

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

Construction and other Significant Commitments: Construction in progress and remaining commitments under related construction contracts for governmental activities at year end are as follows:

	<u>Spent To Date</u>	<u>Remaining Commitment</u>
<u>Governmental Activities</u>		
Cemetery	\$ 747,906	\$ 69,677
Old Iron Bridge	2,490,207	9,277,605
Street extensions	4,594,961	9,273,089
South St to Lovers Lane - Design & Construction	60,196	2,889,804
Street improvements	74,984	4,280,522
 <u>Business-Type Activities</u>		
WWTP#1 and #2	32,000	2,576,000
WWTP#3 Construction	32,087,594	293,000
SWPP - FM 969 Off-Site WWL	3,165,127	47,231
XS Water Line and Water Plant	73,327,933	5,144,470
Transmission line to Willow	634,661	6,885,839
4th Feeder	43,063	1,363,611
Miscellaneous construction projects	254,030	404,781
Total commitments	\$ 117,512,662	\$ 42,505,629

Pension Plan:

Texas Municipal Retirement System

Plan Description: The City and the BEDC participates as one of 938 plans in the defined benefit cash-balance plan administered by TMRS. TMRS is a statewide public retirement plan created by the State and administered in accordance with the Texas Government Code, Title 8, Subtitle G (the "TMRS Act") as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees (the "Board"); however, TMRS is not fiscally dependent on the State. TMRS issues a publicly available annual comprehensive financial report that can be obtained at www.tmr.com.

All eligible employees of the City and the BEDC are required to participate in TMRS.

Benefits Provided: TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

At retirement, the member's benefit is calculated based on the sum of the member's contributions, with interest, and the City-financed monetary credits, with interest, and their age at retirement and other actuarial factors. The retiring member may select one of seven monthly payment options. Members may also choose to receive a portion of their benefit as a lump sum distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the total member contributions and interest.

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

	2025	2024
Employee deposit rate	7.00%	7.00%
Matching ratio (City to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service requirement eligibility (expressed as age/yrs of service)	60/5, 0/20	60/5, 0/20
Updated service credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity increase (to retirees)	70% of CPI	70% of CPI

Employees Covered by Benefit Terms: At the December 31, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

	<u>City</u>	<u>BEDC</u>
Inactive employees or beneficiaries currently receiving benefits	72	6
Inactive employees entitled to but not yet receiving benefits	123	11
Active employees	163	14
Total	358	31

Contributions: Member contribution rates in TMRS are either 5%, 6%, or 7% of the member's total compensation, and the City-matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal actuarial cost method. The City's contribution rate is based on the liabilities created from the benefit plan options selected by the City and any changes in benefits or actual experience over time.

Employees for the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 13.59% and 14.47% in calendar years 2024 and 2025, respectively. The City's contributions to TMRS for the fiscal year ended September 30, 2025 were \$1,870,855, which were equal to the required contributions.

Net Pension Liability: The City's Net Pension Liability (NPL) was measured as of December 31, 2024, and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions: The TPL in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

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

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-Distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for active members, healthy retirees, and beneficiaries are projected on a fully generational basis by Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied for males and females, respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale MP-2021 to account for future mortality improvements subject to the 3% floor.

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

The long-term expected rate of return on pension plan investments was determined by best estimate ranges of expected returns for each major asset class. The long-term expected rate of return is determined by weighting the expected return for each major asset class by the respective target asset allocation percentage. The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2025 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return (Arithmetic)</u>
Global public equity	35.0%	7.1%
Core fixed income	6.0%	5.0%
Non-core fixed income	6.0%	6.8%
Hedge funds	5.0%	6.4%
Private equity	13.0%	8.5%
Private debt	13.0%	8.2%
Real estate	12.0%	6.7%
Infrastructure	6.0%	6.0%
Other private markets	<u>4.0%</u>	7.3%
Total	<u>100.0%</u>	

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

Changes in the NPL:

	City		
	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<u>Changes for the year</u>			
Service cost	\$ 2,016,447	\$ -	\$ 2,016,447
Interest	2,137,990	-	2,137,990
Change in benefit terms	278,561	-	278,561
Difference between expected and actual experience	(676,861)	-	(676,861)
Contributions - employer	-	1,476,996	(1,476,996)
Contributions - employee	-	764,633	(764,633)
Net investment income	-	2,830,688	(2,830,688)
Benefit payments, including refunds of employee contributions	(1,209,657)	(1,209,657)	-
Administrative expense	-	(18,093)	18,093
Other changes	-	(423)	423
Net changes	<u>2,546,480</u>	<u>3,844,144</u>	<u>(1,297,664)</u>
Balance at December 31, 2023	<u>31,719,991</u>	<u>27,826,152</u>	<u>3,893,839</u>
Balance at December 31, 2024	<u>\$ 34,266,471</u>	<u>\$ 31,670,296</u>	<u>\$ 2,596,175</u>

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

	BEDC		
	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
<u>Changes for the year</u>			
Service cost	\$ 176,471	\$ -	\$ 176,471
Interest	187,109	-	187,109
Change of benefit terms	24,379	-	24,379
Difference between expected and actual experience	(59,237)	-	(59,237)
Contributions - employer	-	129,261	(129,261)
Contributions - employee	-	66,918	(66,918)
Net investment income	-	247,732	(247,732)
Benefit payments, including refunds of employee contributions	(105,865)	(105,865)	-
Administrative expense	-	(1,583)	1,583
Other changes	-	(37)	37
Net changes	222,857	336,426	(113,569)
Balance at December 31, 2023	1,984,282	1,701,008	283,274
Balance at December 31, 2024	\$ 2,207,139	\$ 2,037,434	\$ 169,705

Sensitivity of the NPL to Changes in the Discount Rate: The following presents the NPL of the City and the BEDC, calculated using the discount rate of 6.75%, as well as what the City's and BEDC's NPL would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net position liability	\$ 7,877,398	\$ 2,596,175	\$ (1,683,465)
BEDC's net position liability	514,930	169,705	(110,045)
Net pension liability	\$ 8,392,328	\$ 2,765,880	\$ (1,793,510)

Pension Plan Fiduciary Net Position: Detailed information about the TMRS's fiduciary net position is available in the Schedule of Changes in Fiduciary Net Position, by participating City. That report may be obtained at www.tmrs.com.

Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions: For the fiscal year ended September 30, 2025, the City and the BEDC recognized net pension expense of \$1,589,112.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

At September 30, 2025, the City and the BEDC reported deferred inflows and outflows of resources related to pensions from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 20,128	\$ 707,924
Changes in actuarial assumptions	-	84,800
Net difference between projected and actual investment earnings	-	460,793
Contributions subsequent to the measurement date	1,318,068	-
	\$ 1,338,196	\$ 1,253,517
	BEDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,032	\$ 54,192
Changes in actuarial assumptions	-	6,491
Net difference between projected and actual investment earnings	-	35,275
Contributions subsequent to the measurement date	67,591	-
	\$ 68,623	\$ 95,958

\$1,318,068 for the City and \$67,591 for the BEDC reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the NPL for the fiscal year ending September 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended September 30	Pension Expense	
	City	BEDC
2026	\$ (459,197)	\$ (35,341)
2027	(84,790)	(6,526)
2028	(487,849)	(37,546)
2029	(201,553)	(15,513)
	\$ (1,233,389)	\$ (94,926)

(Continued)

NOTE 4 - OTHER INFORMATION (Continued)

Other Postemployment Benefits:

TMRS – Supplemental Death Benefits

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

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

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

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

Participation in the SDBF as of December 31, 2024 is summarized below:

	<u>City</u>	<u>BEDC</u>
Inactive employees or beneficiaries currently receiving benefits	55	5
Inactive employees entitled to, but not yet receiving, benefits	29	3
Active employees	163	14
Total	247	22

Total OPEB Liability: The City's and the BEDC's total OPEB liability of \$383,126 was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Actuarial Assumptions and Other Inputs: The total OPEB liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Discount rate*	4.08%
Retirees' share of benefit-related costs	Zero
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements under GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent MP-2021 (with intermediate convergence).
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale MP-2021 to account for future mortality improvements subject to the floor.

*The discount rate is based on the Bond Buyer "20-Bond GO Index" rate closest to, but not later than December 31, 2024.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period December 31, 2022.

Changes in the Total OPEB Liability:

	Total OPEB Liability	
	City	BEDC
<u>Changes for the year</u>		
Service cost	\$ 24,031	\$ 2,103
Interest	13,402	1,173
Difference between expected and actual experience	(4,088)	(358)
Changes of assumptions	(20,156)	(1,764)
Benefit payments*	(8,738)	(765)
Net changes	4,451	389
Beginning balance	371,485	6,801
Ending balance	\$ 375,936	\$ 7,190

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

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

The discount rate decreased from 3.77% as of December 31, 2023 to 4.08% as of December 31, 2024. There were no other changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

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

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

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
City's portion	\$ 445,877	\$ 375,936	\$ 312,677
BEDC's portion	14,595	7,190	10,235
Total OPEB liability	\$ 460,472	\$ 383,126	\$ 322,912

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the year ended September 30, 2025, the City and the BEDC recognized OPEB expense of \$15,866. The City and the BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 13,679	\$ 87,293
Differences between expected and actual economic experience	2,843	11,841
Contributions subsequent to the measurement date	6,263	-
	\$ 22,785	\$ 99,134

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

	BEDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 1,197	\$ 8,462
Differences between expected and actual economic experience	249	1,148
Contributions subsequent to the measurement date	548	-
	\$ 1,994	\$ 9,610

\$6,263 for the City and \$548 for BEDC reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the of total OPEB liability for the fiscal year ending September 30, 2026.

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

Fiscal Year Ended <u>September 30</u>	OPEB Expense	
	<u>City</u>	<u>BEDC</u>
2026	\$ (35,055)	\$ (3,464)
2027	(37,431)	(3,699)
2028	(6,337)	(626)
2029	(3,789)	(375)
	\$ (82,612)	\$ (8,164)

Postemployment Healthcare Plan

Plan Description: The City offers its retired employees health insurance benefits through a single-employer defined benefit OPEB plan (the "Program"), under City policy. The program is administered by the City and it has the authority to establish and amend the benefit terms and financing arrangements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Benefits and Contributions: As of June 1, 2016, retirees who are at least 58 years old at retirement and have at least 25 or more years of service with the City at retirement are eligible for fully-subsidized retiree only health coverage until the retiree reaches age 65 or, if earlier, becomes eligible for Medicare. Dependent coverage is available, but the cost for dependent coverage must be paid for by the member and the duration of coverage are subject to the current COBRRRA provisions in place. The City pays the premium for the eligible retired members, otherwise, the retired employee pays a premium. Dependents of the retired employee are not eligible for any City contribution but may be eligible to continue coverage under the City's group health insurance plan in accordance with the Consolidated Budget Reconciliation Act. Additionally, eligible retirees receive \$2,000 life insurance fully paid by the City. The City's contributions to the Program for the year ended September 30, 2025 were \$11,426, which equal benefit payments for retirees. A separate, audited GAAP basis OPEB plan report is not available for this Program.

Participation in the Program as of September 30, 2025 is summarized below:

	<u>City</u>	<u>BEDC</u>
Inactive employees or beneficiaries currently receiving benefits	1	-
Inactive employees entitled to, but not yet receiving, benefits	-	-
Active employees	116	10
Total	117	10

Actuarial Assumptions and Other Inputs: Significant methods and assumptions were as follows:

Inflation	2.50%
Salary increases	2.75% average, which includes inflation
Discount rate	4.90% per annum, which includes inflation
Healthcare cost trend rates	6.21% initial 2024 medical trend rate for pre-65 retirees decreasing to an ultimate rate of 4.14% in the year 2041
Mortality rates-service retirees	Mortality rates were updated and are based upon the sex distinct headcount weighted PUB 2010 tables recently released by the Society of Actuaries with generational mortality improvement scale MP-2021

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

Since the prior fiscal year, the discount rate was updated from 4.06% to 4.90% based upon yields of 20-year General Obligation Municipal Bond Index published by Bond Buyer.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Changes in the Total OPEB Liability: The City's and BEDC's total OPEB liability was measured as of September 30, 2025 and was determined by an actuarial valuation as of October 1, 2023.

	Total OPEB Liability	
	City	BEDC
<u>Changes for the year</u>		
Service cost	\$ 28,818	\$ 2,522
Interest	29,066	2,544
Changes of assumptions	(55,595)	(4,866)
Benefit payments	(10,507)	(919)
Net changes	(8,218)	(719)
Beginning balance	594,391	25,091
Ending balance	\$ 586,173	\$ 24,372

Sensitivity of Total OPEB Liability to the Discount Rate: Regarding the sensitivity of the total OPEB liability to changes in the discount rate, the following presents the Program's total OPEB liability, calculated using a discount rate of 4.90%, as well as what the Program's total OPEB liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	Discount Rate Sensitivity		
	1% Decrease Rate (3.90%)	Discount Rate (4.90%)	1% Increase Rate (5.90%)
	City's portion	\$ 664,151	\$ 586,173
BEDC's portion	27,614	24,372	21,540
Total OPEB liability	\$ 691,765	\$ 610,545	\$ 539,606

Sensitivity of the Total OPEB Liability to the Healthcare Costs Trend Rate Assumption: Regarding the sensitivity of the total OPEB liability to changes in the healthcare cost trend rates, the following presents the Program's total OPEB liability, calculated using the assumed trend rates, as well as what the Program's total OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher.

	Healthcare Cost Trend Sensitivity		
	1% Decrease	Discount Rate	1% Increase
City's portion	\$ 502,300	\$ 586,173	\$ 687,830
BEDC's portion	20,885	24,372	28,599
Total OPEB liability	\$ 523,185	\$ 610,545	\$ 716,429

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB: For the year ended September 30, 2025, the City and the BEDC recognized OPEB expense of \$23,287. The City and the BEDC reported deferred outflows/inflows of resources related to OPEB from the following sources:

	City	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 12,149	\$ 82,302
Differences between expected and actual economic experience	10,715	168,994
	\$ 22,864	\$ 251,296

	BEDC	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in actuarial assumptions	\$ 1,063	\$ 5,195
Differences between expected and actual economic experience	938	10,668
	\$ 2,001	\$ 15,863

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

Fiscal Year Ended <u>September 30</u>	OPEB Expense	
	<u>City</u>	<u>BEDC</u>
2026	\$ (38,907)	\$ (2,361)
2027	(59,658)	(3,620)
2028	(55,904)	(3,392)
2029	(37,486)	(2,275)
2030	(36,477)	(2,214)
	\$ (228,432)	\$ (13,862)

The aggregate amount of OPEB expenses for the City's and BEDC's two OPEB plans for fiscal year 2025 was \$39,153.

(Continued)

NOTE 4 - OTHER INFORMATION (Continued)

Deferred Compensation Plan: The City offers its employees a deferred compensation plan (the “Plan”) created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The Plan’s trust arrangements are established to protect deferred compensation amounts of employees under the Plan from any other use than intended under the Plan (eventual payment to employees deferring the compensation) in accordance with federal tax laws. Amounts of compensation deferred by employees under Plan provisions are disbursed monthly by the City to Nationwide, a third-party administrator. The third-party administrator handles all funds in the Plan and makes investment decisions and disburses funds to employees in accordance with Plan provisions.

Chapter 380 Economic Development Agreement: Chapter 380 of the Texas Local Government Code, *Miscellaneous Provisions Relating to Municipal Planning and Development*, provides the authority to the governing body of a municipality to establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the municipality.

PRC 01 Bastrop, LLC: In June 2024, the City of Bastrop entered into a Chapter 380 Economic Development Agreement with PRC 01 Bastrop, LLC for the Sendero development project. The purpose of the agreement is to incentivize commercial development, public infrastructure improvements, and the dedication of a public park. The City agreed to rebate a portion of revenues generated by the project, including 80% of the incremental increase in ad valorem taxes above the 2022 base, 100% of sales tax revenues, and 100% of hotel occupancy taxes, for a period of up to six years. The maximum reimbursement under the agreement is \$6,440,617, plus a rollback tax reimbursement of \$440,617. During fiscal year 2025, no payments were made under this agreement. As of year-end, the City has not incurred any liability as the effective dates for revenue sharing had not yet been reached.

BEBD Frontage Road, LLC: On April 22, 2025, the City of Bastrop entered into a Chapter 380 Economic Development Agreement with BEBD Frontage Road, LLC for the Burleson Crossing East Project. The project involves the development of approximately 19 acres of retail and commercial space and includes the construction of roadway improvements along Highway 71 necessary for access and traffic management. As part of the agreement, the City committed to provide economic development payments not to exceed \$600,000, tied to the Developer’s successful completion of project milestones and the Highway 71 Frontage Road improvements. The project is expected to generate approximately 300 jobs, an estimated \$30 million in new taxable value (equating to roughly \$525,000 in additional annual ad valorem taxes), and approximately \$900,000 in annual sales tax revenues once fully built out. During fiscal year 2025, no payments were made under this agreement. As of year-end, the City has not incurred any liability as the effective dates for revenue sharing had not yet been reached.

Commitments and Contingencies of Component Units: On June 12, 2024, the BEDC, sold approximately 13.84 acres in the Bastrop Business and Industrial Park to Acutronic Real Estate Inc. for \$1,089,000. As part of the transaction, BEDC retained an exclusive repurchase option, allowing BEDC to reacquire the property at the original purchase price plus closing costs and \$10,000 should the purchaser fail to meet specified project development requirements. The repurchase right is exercisable for a period of sixty (60) days following the purchaser’s failure to meet project development requirements, currently scheduled for completion by December 31, 2025. A Memorandum of Repurchase Option was filed in the Bastrop County property records to secure BEDC’s rights. BEDC has not recognized an asset related to this option. The option represents a contingent right that may impact the City’s financial reporting if exercised.

(Continued)

CITY OF BASTROP, TEXAS
NOTES TO FINANCIAL STATEMENTS
September 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Subsequent Event: In October 2025, the City issued \$14,765,000 in combination tax and revenue certificates of obligations, Series 2025 (the "Certificates"). The Certificates were issued for the purpose of paying all or a portion of the City's contractual obligations incurred or to be incurred for constructing, improving, designing, acquiring the City's (1) parks and recreational facilities, (2) Old Iron Bridge, (3) golf course and golf course facilities, and (4) payment of professional services in connection therewith. The Certificates have an interest rate ranging from 4.125-5 percent and mature in annual installments on August 1 in the years 2027 through 2050. Mandatory sinking fund redemptions apply to the 2045 term bonds.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND
For the year ended September 30, 2025

	Original Budgeted <u>Amounts</u>	Final Budgeted <u>Amounts</u>	Actual <u>Amounts</u>	Variance with Final Budget Positive <u>(Negative)</u>
Revenues				
Property taxes	\$ 5,526,880	\$ 5,526,880	\$ 5,533,659	\$ 6,779
Sales taxes	9,158,000	9,158,000	8,843,968	(314,032)
Franchise fees	510,000	510,000	503,889	(6,111)
Licenses and permits	3,000	3,000	12,322	9,322
Fines and forfeitures	350,600	330,600	455,270	124,670
Charges for services	1,026,200	1,026,200	1,094,165	67,965
Intergovernmental	52,700	52,700	46,511	(6,189)
Investment revenue	323,000	323,000	233,238	(89,762)
Other revenue	77,000	144,961	737,534	592,573
Total revenues	<u>17,027,380</u>	<u>17,075,341</u>	<u>17,460,556</u>	<u>385,215</u>
Expenditures				
Current				
General government				
City council	44,578	59,628	63,638	(4,010) *
Organizational	1,167,631	1,167,781	1,625,949	(458,168) *
City manager	772,496	772,496	765,483	7,013
City secretary	314,113	314,113	302,135	11,978
Finance	2,161,855	2,158,225	2,418,069	(259,844) *
Human resources	459,993	459,393	447,980	11,413
Information technology	996,178	967,978	1,010,689	(42,711) *
Fleet and facilities	1,363,682	1,799,996	1,727,720	72,276
Total general administration	<u>7,280,526</u>	<u>7,699,610</u>	<u>8,361,663</u>	<u>(662,053)</u>
Public safety				
Police	5,950,681	5,952,658	5,669,462	283,196
Fire	1,790,387	1,757,922	1,728,127	29,795
Municipal court	529,288	549,288	497,682	51,606
Total public safety	<u>8,270,356</u>	<u>8,259,868</u>	<u>7,895,271</u>	<u>364,597</u>
Development services				
Engineering and development	541,617	541,667	1,175,484	(633,817) *
Total development services	<u>541,617</u>	<u>541,667</u>	<u>1,175,484</u>	<u>(633,817)</u>

(Continued)

CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND
For the year ended September 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Community services				
Library	\$ 968,532	\$ 943,532	\$ 920,602	\$ 22,930
Community engagement	687,394	687,394	667,737	19,657
Parks	<u>1,747,114</u>	<u>1,847,114</u>	<u>1,806,289</u>	<u>40,825</u>
Total community services	<u>3,403,040</u>	<u>3,478,040</u>	<u>3,394,628</u>	<u>83,412</u>
Capital outlay	98,000	413,313	126,128	287,185
Principal	-	-	8,076	(8,076)
Interest	<u>-</u>	<u>-</u>	<u>113</u>	<u>(113)</u>
Total	98,000	413,313	134,317	278,996
Total expenditures	<u>19,593,539</u>	<u>20,392,498</u>	<u>20,961,363</u>	<u>(568,865)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,566,159)</u>	<u>(3,317,157)</u>	<u>(3,500,807)</u>	<u>(183,650)</u>
Other financing sources (uses)				
Issuance on long-term debt	-	-	600,000	600,000
Transfers in	2,569,815	2,574,815	2,549,819	(24,996)
Transfers (out)	<u>(682,111)</u>	<u>(674,646)</u>	<u>(2,666,324)</u>	<u>(1,991,678)</u>
Total other financing (uses)	<u>1,887,704</u>	<u>1,900,169</u>	<u>483,495</u>	<u>(1,416,674)</u>
Net change in fund balance	<u>\$ (678,455)</u>	<u>\$ (1,416,988)</u>	(3,017,312)	<u>\$ (1,600,324)</u>
Beginning fund balance			<u>7,331,737</u>	
Ending fund balance			<u>\$ 4,314,425</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. *Expenditures exceeded appropriations at the legal level of control.

CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – HOTEL/MOTEL TAX FUND
For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Hotel/motel taxes	\$ 3,500,000	\$ 3,500,000	\$ 3,601,541	\$ 101,541
Licenses and permits	2,000	2,000	675	(1,325)
Intergovernmental	40,000	40,000	57,200	17,200
Charges for services	-	301,000	288,122	(12,878)
Investment revenue	115,000	115,000	168,792	53,792
Other revenue	-	-	57,755	57,755
Total revenues	<u>3,657,000</u>	<u>3,958,000</u>	<u>4,174,085</u>	<u>216,085</u>
Expenditures				
Current				
Hotel tax expense	1,264,648	1,352,694	2,178,072	(825,378) *
Hospitality and downtown	1,904,669	2,145,423	1,317,481	827,942
Cultural arts commission	55,500	76,700	99,504	(22,804) *
Rodeo arena	3,296	3,296	5,412	(2,116) *
Total expenditures	<u>3,228,113</u>	<u>3,578,113</u>	<u>3,600,469</u>	<u>(22,356)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>428,887</u>	<u>379,887</u>	<u>573,616</u>	<u>193,729</u>
Other financing sources (uses)				
Transfers (out)	(812,004)	(812,004)	(812,004)	-
Total other financing sources (uses)	<u>(812,004)</u>	<u>(812,004)</u>	<u>(812,004)</u>	<u>-</u>
Net change in fund balance	<u>\$ (383,117)</u>	<u>\$ (432,117)</u>	<u>(238,388)</u>	<u>\$ 193,729</u>
Beginning fund balance			<u>3,865,753</u>	
Ending fund balance			<u>\$ 3,627,365</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. *Expenditures exceeded appropriations at the legal level of control.

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

	Measurement Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability										
Service cost	\$ 765,716	\$ 877,585	\$ 949,690	\$ 1,049,555	\$ 1,155,868	\$ 1,179,784	\$ 1,191,083	\$ 1,333,997	\$ 1,844,188	\$ 2,192,918
Interest (on the total pension liability)	992,085	1,065,490	1,162,037	1,278,572	1,396,174	1,527,512	1,660,808	1,830,612	2,158,468	2,325,099
Changes of benefit terms including substantively automatic status	-	-	-	-	-	-	-	-	2,218,178	302,940
Difference between expected and actual experience	93,002	(22,910)	151,268	95,980	121,723	81,944	398,167	130,609	(618,476)	(736,098)
Changes of assumptions	134,544	-	-	-	125,555	-	-	-	(223,601)	-
Benefit payments, including refunds of employee contributions	(411,888)	(445,883)	(605,903)	(567,072)	(902,940)	(828,129)	(812,138)	(799,675)	(1,023,040)	(1,315,522)
Net change in total pension liability	<u>1,573,459</u>	<u>1,474,282</u>	<u>1,657,092</u>	<u>1,857,035</u>	<u>1,896,380</u>	<u>1,961,111</u>	<u>2,437,920</u>	<u>2,495,543</u>	<u>4,355,717</u>	<u>2,769,337</u>
Total pension liability - beginning	<u>13,995,734</u>	<u>15,569,193</u>	<u>17,043,475</u>	<u>18,700,567</u>	<u>20,557,602</u>	<u>22,453,982</u>	<u>24,415,093</u>	<u>26,853,013</u>	<u>29,348,556</u>	<u>33,704,273</u>
Total pension liability	<u>\$ 15,569,193</u>	<u>\$ 17,043,475</u>	<u>\$ 18,700,567</u>	<u>\$ 20,557,602</u>	<u>\$ 22,453,982</u>	<u>\$ 24,415,093</u>	<u>\$ 26,853,013</u>	<u>\$ 29,348,556</u>	<u>\$ 33,704,273</u>	<u>\$ 36,473,610</u>
Plan fiduciary net position										
Contributions - employer	\$ 584,017	\$ 656,980	\$ 759,882	\$ 819,985	\$ 908,840	\$ 913,656	\$ 951,374	\$ 3,080,416	\$ 1,139,392	\$ 1,606,257
Contributions - employee	327,229	362,639	394,062	433,104	479,613	485,555	497,667	554,677	558,215	831,551
Net investment income	17,476	834,607	1,905,936	(485,318)	2,535,671	1,472,775	2,795,773	(1,816,077)	3,004,573	3,078,420
Benefit payments, including refunds of employee contributions	(411,888)	(445,883)	(605,903)	(567,072)	(902,940)	(828,129)	(812,138)	(799,675)	(1,023,040)	(1,315,522)
Administrative expense	(10,647)	(9,427)	(9,876)	(9,375)	(14,313)	(9,524)	(12,923)	(15,694)	(19,046)	(19,676)
Other	(526)	(508)	(501)	(489)	(430)	(370)	87	18,728	(133)	(460)
Net change in plan fiduciary net position	<u>505,661</u>	<u>1,398,408</u>	<u>2,443,600</u>	<u>190,835</u>	<u>3,006,441</u>	<u>2,033,963</u>	<u>3,419,840</u>	<u>1,022,375</u>	<u>3,659,961</u>	<u>4,180,570</u>
Plan fiduciary net pension - beginning	<u>11,846,076</u>	<u>12,351,737</u>	<u>13,750,145</u>	<u>16,193,745</u>	<u>16,384,580</u>	<u>19,391,021</u>	<u>21,424,984</u>	<u>24,844,824</u>	<u>25,867,199</u>	<u>29,527,160</u>
Plan fiduciary net pension	<u>\$ 12,351,737</u>	<u>\$ 13,750,145</u>	<u>\$ 16,193,745</u>	<u>\$ 16,384,580</u>	<u>\$ 19,391,021</u>	<u>\$ 21,424,984</u>	<u>\$ 24,844,824</u>	<u>\$ 25,867,199</u>	<u>\$ 29,527,160</u>	<u>\$ 33,707,730</u>
Net pension liability	<u>\$ 3,217,456</u>	<u>\$ 3,293,330</u>	<u>\$ 2,506,822</u>	<u>\$ 4,173,022</u>	<u>\$ 3,062,961</u>	<u>\$ 2,990,109</u>	<u>\$ 2,008,189</u>	<u>\$ 3,481,357</u>	<u>\$ 4,177,113</u>	<u>\$ 2,765,880</u>
Plan fiduciary net position as a percentage of total pension liability	79.33%	80.68%	86.59%	79.70%	86.36%	87.75%	92.52%	88.14%	87.61%	92.42%
Covered payroll	\$ 5,453,817	\$ 6,043,976	\$ 6,567,702	\$ 7,218,398	\$ 7,993,556	\$ 8,086,254	\$ 8,294,447	\$ 9,244,608	\$ 10,810,014	\$ 11,879,296
Net pension liability as a percentage of covered payroll	58.99%	54.49%	38.17%	57.81%	38.32%	36.98%	24.21%	37.66%	38.64%	23.28%

(Continued)

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
POSTEMPLOYMENT HEALTH CARE PLAN
For the year ended September 30, 2025

	Measurement Year*							
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total OPEB liability								
Service cost	\$ 26,393	\$ 26,899	\$ 34,707	\$ 45,082	\$ 46,247	\$ 30,341	\$ 30,501	\$ 31,340
Interest (on the total OPEB liability)	24,601	25,690	29,126	19,727	20,192	37,165	29,338	31,610
Difference between expected and actual experience	(40,119)	-	81,583	-	(78,714)	-	(204,300)	-
Changes of assumptions	35,460	11,200	72,503	(27,876)	(58,033)	(7,478)	4,001	(60,461)
Contributions - employer	(16,887)	(16,887)	(32,447)	(44,499)	(55,992)	(32,664)	(32,550)	(11,426)
Net change in total OPEB liability	29,448	46,902	185,472	(7,566)	(126,300)	27,364	(173,010)	(8,937)
Total OPEB liability - beginning	<u>637,172</u>	<u>666,620</u>	<u>713,522</u>	<u>898,994</u>	<u>891,428</u>	<u>765,128</u>	<u>792,492</u>	<u>619,482</u>
Total OPEB liability - ending	<u>\$ 666,620</u>	<u>\$ 713,522</u>	<u>\$ 898,994</u>	<u>\$ 891,428</u>	<u>\$ 765,128</u>	<u>\$ 792,492</u>	<u>\$ 619,482</u>	<u>\$ 610,545</u>
Covered employee payroll	\$ 7,098,873	\$ 7,881,883	\$ 7,607,892	\$ 7,721,338	\$ 8,291,656	\$ 10,100,688	\$ 10,739,920	\$ 12,709,012
Total OPEB liability as a percentage of covered payroll	9.39%	9.05%	11.82%	11.54%	9.23%	7.85%	5.77%	4.80%

*Only eight years of information is currently available. The City of Bastrop will build this schedule over the next two-year period.

Notes to Required Supplementary Information:

1. *Changes of assumptions:* Since the prior valuation, the discount rate was increased from 4.06% to 4.90%.
2. *Other Information:* No assets are accumulated in a trust that meets the criteria of GASB Statement No. 75 to pay related benefits for the pension/OPEB plan.

(Continued)

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS FUND
Last Ten Years

	Measurement Year*							
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Total OPEB liability								
Service cost	\$ 15,762	\$ 19,490	\$ 19,984	\$ 25,876	\$ 29,031	\$ 35,130	\$ 18,377	\$ 26,134
Interest (on the total OPEB liability)	9,226	9,693	10,836	10,553	9,542	9,448	14,396	14,575
Difference between expected and actual experience	-	(6,885)	(4,139)	(5,172)	(14,030)	7,596	(10,670)	(4,446)
Changes of assumptions	23,298	(21,387)	64,459	65,057	15,788	(192,697)	15,310	(21,920)
Benefit payments**	<u>(1,314)</u>	<u>(1,444)</u>	<u>(2,398)</u>	<u>(2,426)</u>	<u>(6,636)</u>	<u>(7,396)</u>	<u>(10,810)</u>	<u>(9,503)</u>
Net change in total OPEB liability	46,972	(533)	88,742	93,888	33,695	(147,919)	26,603	4,840
Total OPEB liability - beginning	<u>236,838</u>	<u>283,810</u>	<u>283,277</u>	<u>372,019</u>	<u>465,907</u>	<u>499,602</u>	<u>351,683</u>	<u>378,286</u>
Total OPEB liability - ending	<u>\$ 283,810</u>	<u>\$ 283,277</u>	<u>\$ 372,019</u>	<u>\$ 465,907</u>	<u>\$ 499,602</u>	<u>\$ 351,683</u>	<u>\$ 378,286</u>	<u>\$ 383,126</u>
Covered employee payroll	\$ 6,340,147	\$ 7,098,873	\$ 7,881,883	\$ 7,847,955	\$ 8,107,068	\$ 9,244,608	\$ 10,810,014	\$ 11,879,296
Total OPEB liability as a percentage of covered payroll	4.48%	3.99%	4.72%	5.94%	6.16%	3.80%	3.50%	3.23%

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

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

(Continued)

CITY OF BASTROP, TEXAS
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM SUPPLEMENTAL DEATH BENEFITS FUND
Last Ten Years

Notes to Required Supplementary Information:

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

Actuarial cost method	Entry age normal
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	4.08%
Administrative expenses	All administrative expenses are paid through the PTF and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates – service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates – disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.50% and 3.00% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.
 3. Other Information: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2024. The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial study for the period ending December 31, 2022. There were no benefit changes during the year.
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CITY OF BASTROP, TEXAS
SCHEDULE OF CONTRIBUTIONS
TEXAS MUNICIPAL RETIREMENT SYSTEM (TMRS)
For the year ended September 30, 2025

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 668,216	\$ 723,434	\$ 811,103	\$ 895,993	\$ 901,479	\$ 926,269	\$ 1,005,812	\$ 1,278,371	\$ 1,488,834	\$ 1,870,855
Contributions in relation to the actuarially determined contribution	<u>668,216</u>	<u>723,434</u>	<u>811,103</u>	<u>895,993</u>	<u>901,479</u>	<u>926,269</u>	<u>1,005,812</u>	<u>3,080,416</u>	<u>1,139,392</u>	<u>1,870,855</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,802,045)</u>	<u>\$ 349,442</u>	<u>\$ -</u>
Covered payroll	\$ 6,170,226	\$ 6,340,147	\$ 7,098,873	\$ 7,881,883	\$ 7,847,955	\$ 8,107,068	\$ 8,803,029	\$ 9,244,608	\$ 10,810,014	\$ 12,984,427
Contributions as a percentage of covered payroll	10.83%	11.41%	11.43%	11.37%	11.49%	11.43%	11.43%	33.32%	10.54%	14.41%

Notes to Required Supplementary Information:

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

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21 years (longest amortization ladder)
Asset valuation method	10 year smoothed market; 12.00% soft corridor
Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent with Scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% of the Public Safety table used for males and the 100% of the General Employee table used for females. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).

3. *Other Information:* There were no benefit changes during the year.

OTHER SUPPLEMENTARY INFORMATION



CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL - DEBT SERVICE FUND
For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Property taxes	\$ 3,562,085	\$ 3,562,085	\$ 3,550,625	\$ (11,460)
Investment revenue	100,000	100,000	123,519	23,519
Other revenue	<u>275,227</u>	<u>275,227</u>	<u>286,747</u>	<u>11,520</u>
Total revenues	<u>3,937,312</u>	<u>3,937,312</u>	<u>3,960,891</u>	<u>23,579</u>
Expenditures				
Debt service				
Principal	3,158,429	3,158,429	2,616,630	541,799
Interest and fiscal agent fees	<u>1,371,383</u>	<u>1,371,383</u>	<u>1,519,050</u>	<u>(147,667) *</u>
Total expenditures	<u>4,529,812</u>	<u>4,529,812</u>	<u>4,135,680</u>	<u>394,132</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(592,500)</u>	<u>(592,500)</u>	<u>(174,789)</u>	<u>417,711</u>
Other financing sources (uses)				
Transfers in	<u>592,500</u>	<u>592,500</u>	<u>592,500</u>	<u>-</u>
Total other financing sources (uses)	<u>592,500</u>	<u>592,500</u>	<u>592,500</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	417,711	<u>\$ 417,711</u>
Beginning fund balance			<u>821,292</u>	
Ending fund balance			<u>\$ 1,239,003</u>	

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
2. *Expenditures exceeded appropriations at the legal level of control.

CITY OF BASTROP, TEXAS
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS
September 30, 2025

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for particular purposes.

Designated: This fund is used to account for the receipt and expenditure of funds restricted for a particular purpose by an outside entity.

Library Board: This fund is used to account for the application of any gifts and donations received for the benefit of the library.

Fairview Cemetery: This fund was established for the receipt and reimbursement of funds received for the benefit of City cemetery.

Grants: This fund is used to account for grants received from local, state, and federal agencies for capital projects and the application of the funds in accordance with stated requirements.

Hunters Crossing PID: This fund collects the assessments approved by the City Council and paid for by the property owners within the District. The assessments fund the expenses associated with maintaining the assets of the District and reimbursing the developer annually from the capital portion of the assessment.

American Recovery: This fund is used to account for revenues and expenditures related to the American Recovery grant.

Development Services: This fund is used to facilitate growth so that the community's development and future are sustainable.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for specific revenues that are legally restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Park Dedication: This fund is used to account for the receipt and disbursement of funds received for special improvement projects related to City parks and trails.

2022 Bond: This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

General CIP Projects: This fund is used to account for various capital projects ongoing within the City.

2020 Limited Tax Note: This fund is used to account for the receipt of tax notes received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Future Construction Escrow: This fund was established to track deposits from developers and related expenses.

Combination Revenue Bond Series 2013: This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

(Continued)

CITY OF BASTROP, TEXAS
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS
September 30, 2025

CAPITAL PROJECTS FUNDS (Continued)

Combination Revenue Bond Series 2018: This fund is used to account for the receipt of bond funds received in relation to this specific bond issue and application of the funds in accordance with stated requirements.

Street Maintenance: This fund is used to account for the receipt of monies designated for street maintenance.

PERMANENT FUND

The Permanent Fund is used to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Fairview Cemetery: This fund is used to account for an endowment whose earnings are restricted to expenditures for the benefit of Fairview Cemetery.

CITY OF BASTROP, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2025

	Special Revenue Funds					
	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Grants</u>	<u>Hunters Crossing PID</u>	<u>American Recovery</u>
ASSETS						
Cash, cash equivalents, and investments	\$ 802,252	\$ 57,965	\$ 349,793	\$ -	\$ 448,677	\$ 2,541,452
Receivables, net	1,741	-	22,920	179,851	5,915	-
Due from other funds	-	-	-	184,962	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>\$ 803,993</u>	<u>\$ 57,965</u>	<u>\$ 372,713</u>	<u>\$ 364,813</u>	<u>\$ 454,592</u>	<u>\$ 2,541,452</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 1,746	\$ -	\$ 280,411	\$ 236,287	\$ 364,832	\$ -
Due to other funds	-	-	-	128,526	-	-
Deposits payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	2,288,070
Total liabilities	<u>1,746</u>	<u>-</u>	<u>280,411</u>	<u>364,813</u>	<u>364,832</u>	<u>2,288,070</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	5,915	-
FUND BALANCES						
Nonspendable						
Cemetery perpetual care	-	-	-	-	-	-
Restricted						
Cemetery	-	-	92,302	-	-	-
Public safety	151,472	-	-	-	-	-
Parks	89,494	-	-	-	-	-
Traffic safety	382,912	-	-	-	-	-
PEG files	178,369	-	-	-	-	-
Economic development	-	-	-	-	83,845	-
Capital projects	-	-	-	-	-	-
Grants	-	-	-	-	-	253,382
Assigned to						
Library	-	57,965	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	<u>802,247</u>	<u>57,965</u>	<u>92,302</u>	<u>-</u>	<u>83,845</u>	<u>253,382</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 803,993</u>	<u>\$ 57,965</u>	<u>\$ 372,713</u>	<u>\$ 364,813</u>	<u>\$ 454,592</u>	<u>\$ 2,541,452</u>

(Continued)

CITY OF BASTROP, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2025

	Spec. Rev. Funds		Capital Projects Funds			
	Development Services	Park Dedication	2022 Bond	General CIP Projects	2020 Limited Tax Note	Future Construction Escrow
ASSETS						
Cash, cash equivalents, and investments	\$ 1,618,668	\$ 92,470	\$ 2,361,953	\$ -	\$ -	\$ 1,901,529
Receivables, net	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-
Total assets	<u>\$ 1,618,668</u>	<u>\$ 92,470</u>	<u>\$ 2,361,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,901,529</u>
LIABILITIES						
Accounts payable and accrued liabilities	\$ 68,504	\$ -	\$ 35,984	\$ -	\$ -	\$ 1,901,529
Due to other funds	-	-	-	-	-	-
Deposits payable	55,278	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total liabilities	<u>123,782</u>	<u>-</u>	<u>35,984</u>	<u>-</u>	<u>-</u>	<u>1,901,529</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	92,470	-	-	-	-
FUND BALANCES						
Nonspendable						
Cemetery perpetual care	-	-	-	-	-	-
Restricted						
Cemetery	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Parks	-	-	-	-	-	-
Traffic safety	-	-	-	-	-	-
PEG files	-	-	-	-	-	-
Economic development	-	-	-	-	-	-
Capital projects	1,494,886	-	2,325,969	-	-	-
Grants	-	-	-	-	-	-
Assigned to						
Library	-	-	-	-	-	-
Unassigned						
Total fund balances	<u>1,494,886</u>	<u>-</u>	<u>2,325,969</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,618,668</u>	<u>\$ 92,470</u>	<u>\$ 2,361,953</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,901,529</u>

(Continued)

CITY OF BASTROP, TEXAS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 September 30, 2025

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Combination Revenue Bond Series 2013	Combination Revenue Bond Series 2018	Street Maintenance	Fairview Cemetery	
ASSETS					
Cash, cash equivalents, and investments	\$ 866	\$ 591,291	\$ 3,895,043	\$ 549,411	\$ 15,211,370
Receivables, net	-	-	524,204	-	734,631
Due from other funds	-	-	-	-	184,962
Due from other governments	-	-	179,331	-	179,331
Total assets	<u>\$ 866</u>	<u>\$ 591,291</u>	<u>\$ 4,598,578</u>	<u>\$ 549,411</u>	<u>\$ 16,310,294</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ 591,291	\$ 909,594	\$ -	\$ 4,390,178
Due to other funds	-	-	-	-	128,526
Deposits payable	-	-	-	-	55,278
Unearned revenue	-	-	-	-	2,288,070
Total liabilities	<u>-</u>	<u>591,291</u>	<u>909,594</u>	<u>-</u>	<u>6,862,052</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	98,385
FUND BALANCES					
Nonspendable					
Cemetery perpetual care	-	-	-	549,411	549,411
Restricted					
Cemetery	-	-	-	-	92,302
Public safety	-	-	-	-	151,472
Parks	-	-	-	-	89,494
Traffic safety	-	-	-	-	382,912
PEG files	-	-	-	-	178,369
Economic development	-	-	-	-	83,845
Capital projects	866	-	3,688,984	-	7,510,705
Grants	-	-	-	-	253,382
Assigned to					
Library	-	-	-	-	57,965
Unassigned	-	-	-	-	-
Total fund balances	<u>866</u>	<u>-</u>	<u>3,688,984</u>	<u>549,411</u>	<u>9,349,857</u>
Total liabilities, deferred inflow s of resources, and fund balances	<u>\$ 866</u>	<u>\$ 591,291</u>	<u>\$ 4,598,578</u>	<u>\$ 549,411</u>	<u>\$ 16,310,294</u>

CITY OF BASTROP, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the year ended September 30, 2025

	Special Revenue Funds					
	<u>Designated</u>	<u>Library Board</u>	<u>Fairview Cemetery</u>	<u>Grants</u>	<u>Hunters Crossing PID</u>	<u>American Recovery</u>
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 502,894	\$ -
Sales taxes	-	-	-	-	-	-
Franchise fees	14,783	-	-	-	-	-
Fines and forfeitures	33,955	-	-	-	-	-
Charges for services	-	-	110,905	-	-	-
Intergovernmental	13,800	-	-	1,555,405	-	-
Investment revenue	38,726	2,688	(1,474)	-	19,585	126,314
Miscellaneous revenue	64,074	27,287	137,475	-	-	-
Total revenues	<u>165,338</u>	<u>29,975</u>	<u>246,906</u>	<u>1,555,405</u>	<u>522,479</u>	<u>126,314</u>
Expenditures						
Current						
Public safety	65,505	-	-	-	-	-
Community services	-	8,734	182,897	54,285	-	-
Economic development	-	-	-	-	495,428	-
Public works	-	-	-	-	-	-
Capital outlay	-	-	658,228	1,689,316	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal agent fees	-	-	-	-	-	-
Total expenditures	<u>65,505</u>	<u>8,734</u>	<u>841,125</u>	<u>1,743,601</u>	<u>495,428</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>99,833</u>	<u>21,241</u>	<u>(594,219)</u>	<u>(188,196)</u>	<u>27,051</u>	<u>126,314</u>
Other financing sources (uses)						
Proceeds from sale of capital asset	-	-	-	-	-	-
Transfers in	-	-	658,228	184,962	-	-
Transfers (out)	-	(4,000)	-	(16,700)	(79,900)	-
Total other financing sources (uses)	<u>-</u>	<u>(4,000)</u>	<u>658,228</u>	<u>168,262</u>	<u>(79,900)</u>	<u>-</u>
Net change in fund balance	99,833	17,241	64,009	(19,934)	(52,849)	126,314
Beginning fund balances	702,414	40,724	28,293	19,934	136,694	127,068
Ending fund balance	<u>\$ 802,247</u>	<u>\$ 57,965</u>	<u>\$ 92,302</u>	<u>\$ -</u>	<u>\$ 83,845</u>	<u>\$ 253,382</u>

(Continued)

CITY OF BASTROP, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the year ended September 30, 2025

	Spec. Rev. Funds		Capital Projects Funds			
	Development Services	Park Dedication	2022 Bond	General CIP Projects	2020 Limited Tax Note	Future Construction Escrow
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-
Franchise fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Charges for services	2,190,971	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Investment revenue	13,539	765	93,830	(5,925)	-	-
Miscellaneous revenue	-	1,365	-	161,897	-	-
Total revenues	<u>2,204,510</u>	<u>2,130</u>	<u>93,830</u>	<u>155,972</u>	<u>-</u>	<u>-</u>
Expenditures						
Current						
Public safety	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Economic development	1,611,707	-	-	-	-	-
Public works	-	-	28,928	-	-	-
Capital outlay	40,170	-	75,110	108,422	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal agent fees	-	-	-	-	-	-
Total expenditures	<u>1,651,877</u>	<u>-</u>	<u>104,038</u>	<u>108,422</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>552,633</u>	<u>2,130</u>	<u>(10,208)</u>	<u>47,550</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)						
Proceeds from sale of capital asset	-	-	-	-	-	-
Transfers in	-	77,101	-	31,201	-	-
Transfers (out)	(296,353)	-	-	-	-	-
Total other financing sources (uses)	<u>(296,353)</u>	<u>77,101</u>	<u>-</u>	<u>31,201</u>	<u>-</u>	<u>-</u>
Net change in fund balance	256,280	79,231	(10,208)	78,751	-	-
Beginning fund balances	1,238,606	(79,231)	2,336,177	(78,751)	-	-
Ending fund balance	<u>\$ 1,494,886</u>	<u>\$ -</u>	<u>\$ 2,325,969</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF BASTROP, TEXAS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 For the year ended September 30, 2025

	Capital Projects Funds			Permanent Fund	Total Nonmajor Governmental Funds
	Combination Revenue Bond Series 2013	Combination Revenue Bond Series 2018	Street Maintenance	Fairview Cemetery	
Revenues					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 502,894
Sales taxes	-	-	3,298,093	-	3,298,093
Franchise fees	-	-	-	-	14,783
Fines and forfeitures	-	-	-	-	33,955
Charges for services	-	-	-	-	2,301,876
Intergovernmental	-	-	-	-	1,569,205
Investment revenue	28	12,150	169,387	10,621	480,234
Miscellaneous revenue	-	-	-	25,100	417,198
Total revenues	<u>28</u>	<u>12,150</u>	<u>3,467,480</u>	<u>35,721</u>	<u>8,618,238</u>
Expenditures					
Current					
Public safety	-	-	-	-	65,505
Community services	-	-	-	-	245,916
Economic development	-	-	-	-	2,107,135
Public works	-	-	1,920,200	-	1,949,128
Capital outlay	-	1,166,241	1,257,311	-	4,994,798
Debt service					
Principal	-	-	-	-	-
Interest and fiscal agent fees	-	-	-	-	-
Total expenditures	<u>-</u>	<u>1,166,241</u>	<u>3,177,511</u>	<u>-</u>	<u>9,362,482</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28</u>	<u>(1,154,091)</u>	<u>289,969</u>	<u>35,721</u>	<u>(744,244)</u>
Other financing sources (uses)					
Proceeds from sale of capital asset	-	-	-	-	-
Transfers in	-	808,374	-	-	1,759,866
Transfers (out)	-	-	(50,000)	-	(446,953)
Total other financing sources (uses)	<u>-</u>	<u>808,374</u>	<u>(50,000)</u>	<u>-</u>	<u>1,312,913</u>
Net change in fund balance	28	(345,717)	239,969	35,721	568,669
Beginning fund balances	<u>838</u>	<u>345,717</u>	<u>3,449,015</u>	<u>513,690</u>	<u>8,781,188</u>
Ending fund balance	<u>\$ 866</u>	<u>\$ -</u>	<u>\$ 3,688,984</u>	<u>\$ 549,411</u>	<u>\$ 9,349,857</u>

CITY OF BASTROP, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - DESIGNATED FUND
 For the year ended September 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Franchise fees	\$ 24,500	\$ 24,500	\$ 14,783	\$ (9,717)
Fines and forfeitures	5,500	5,500	33,955	28,455
Intergovernmental	3,000	13,700	13,800	100
Investment revenue	20,000	20,000	38,726	18,726
Miscellaneous revenue	25,710	25,710	64,074	38,364
Total revenues	<u>78,710</u>	<u>89,410</u>	<u>165,338</u>	<u>75,928</u>
Expenditures				
Current				
Public safety	134,800	155,955	65,505	90,450
Capital outlay	100,000	100,000	-	100,000
Total expenditures	<u>234,800</u>	<u>255,955</u>	<u>65,505</u>	<u>190,450</u>
Net change in fund balance	<u>\$ (156,090)</u>	<u>\$ (166,545)</u>	99,833	<u>\$ 266,378</u>
Beginning fund balance			<u>702,414</u>	
Ending fund balance			<u>\$ 802,247</u>	

CITY OF BASTROP, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY BOARD FUND
 For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
Revenues				
Investment revenue	\$ 1,000	\$ 1,000	\$ 2,688	\$ 1,688
Other revenue	<u>20,000</u>	<u>20,000</u>	<u>27,287</u>	<u>7,287</u>
Total revenues	<u>21,000</u>	<u>21,000</u>	<u>29,975</u>	<u>8,975</u>
Expenditures				
Current				
Library board fund	<u>14,800</u>	<u>14,800</u>	<u>8,734</u>	<u>6,066</u>
Total expenditures	<u>14,800</u>	<u>14,800</u>	<u>8,734</u>	<u>6,066</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,200</u>	<u>6,200</u>	<u>21,241</u>	<u>15,041</u>
Other financing sources (uses)				
Transfers (out)	<u>(4,000)</u>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 2,200</u>	<u>\$ 2,200</u>	17,241	<u>\$ 15,041</u>
Beginning fund balance			<u>40,724</u>	
Ending fund balance			<u>\$ 57,965</u>	

CITY OF BASTROP, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - FAIRVIEW CEMETERY FUND
 For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Charges for services	\$ 78,700	\$ 78,700	\$ 110,905	\$ 32,205
Investment revenue	3,500	3,500	(1,474)	(4,974)
Other revenue	<u>83,600</u>	<u>106,625</u>	<u>137,475</u>	<u>30,850</u>
Total revenues	<u>165,800</u>	<u>188,825</u>	<u>246,906</u>	<u>58,081</u>
Expenditures				
Current				
Community services	165,567	188,592	182,897	5,695
Capital outlay	<u>650,000</u>	<u>650,000</u>	<u>658,228</u>	<u>(8,228) *</u>
Total expenditures	<u>815,567</u>	<u>838,592</u>	<u>841,125</u>	<u>(2,533)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(649,767)</u>	<u>(649,767)</u>	<u>(594,219)</u>	<u>55,548</u>
Other financing sources (uses)				
Transfers in	<u>650,000</u>	<u>650,000</u>	<u>658,228</u>	<u>8,228</u>
Total other financing sources (uses)	<u>650,000</u>	<u>650,000</u>	<u>658,228</u>	<u>8,228</u>
Net change in fund balance	<u>\$ 233</u>	<u>\$ 233</u>	64,009	<u>\$ 63,776</u>
Beginning fund balance			<u>28,293</u>	
Ending fund balance			<u>\$ 92,302</u>	

*Expenditures exceeded appropriations at the legal level of control.

CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GRANTS FUND
For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 6,634,945	\$ 6,634,945	\$ 1,555,405	\$ (5,079,540)
Total revenues	<u>6,634,945</u>	<u>6,634,945</u>	<u>1,555,405</u>	<u>(5,079,540)</u>
Expenditures				
Current				
Community services	69,615	95,882	54,285	41,597
Capital outlay	<u>6,598,329</u>	<u>6,598,329</u>	<u>1,689,316</u>	<u>4,909,013</u>
Total expenditures	<u>6,667,944</u>	<u>6,694,211</u>	<u>1,743,601</u>	<u>4,950,610</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(33,000)</u>	<u>(59,267)</u>	<u>(188,196)</u>	<u>(128,930)</u>
Other financing sources (uses)				
Transfers in	33,000	33,000	184,962	151,962
Transfers (out)	<u>-</u>	<u>-</u>	<u>(16,700)</u>	<u>(16,700)</u>
Total other financing sources (uses)	<u>33,000</u>	<u>33,000</u>	<u>168,262</u>	<u>135,262</u>
Net change in fund balance	<u>\$ 1</u>	<u>\$ (26,267)</u>	(19,934)	<u>\$ 6,333</u>
Beginning fund balance			<u>19,934</u>	
Ending fund balance			<u>\$ -</u>	

CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - HUNTERS CROSSING PID FUND
For the year ended September 30, 2025

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ -	\$ 574,279	\$ 502,894	\$ (71,385)
Investment revenue	<u>7,000</u>	<u>7,000</u>	<u>19,585</u>	<u>12,585</u>
Total revenues	<u>7,000</u>	<u>581,279</u>	<u>522,479</u>	<u>(58,800)</u>
Expenditures				
Current				
Economic development	<u>484,119</u>	<u>497,119</u>	<u>495,428</u>	<u>1,691</u>
Total expenditures	<u>484,119</u>	<u>497,119</u>	<u>495,428</u>	<u>1,691</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(477,119)</u>	<u>84,160</u>	<u>27,051</u>	<u>(57,109)</u>
Other financing sources (uses)				
Transfers (out)	<u>(74,900)</u>	<u>(74,900)</u>	<u>(79,900)</u>	<u>(5,000)</u>
Total other financing sources (uses)	<u>(74,900)</u>	<u>(74,900)</u>	<u>(79,900)</u>	<u>(5,000)</u>
Net change in fund balance	<u>\$ (552,019)</u>	<u>\$ 9,260</u>	(52,849)	<u>\$ (62,109)</u>
Beginning fund balance			<u>136,694</u>	
Ending fund balance			<u>\$ 83,845</u>	

CITY OF BASTROP, TEXAS
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE - BUDGET AND ACTUAL - AMERICAN RECOVERY FUND
 For the year ended September 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Investment revenue	\$ 65,000	\$ 65,000	\$ 126,314	\$ 61,314
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>126,314</u>	<u>61,314</u>
Expenditures				
Current				
Capital outlay	2,433,071	2,433,071	-	2,433,071
Total expenditures	<u>2,433,071</u>	<u>2,433,071</u>	-	<u>2,433,071</u>
Net change in fund balance	<u>\$ (2,368,071)</u>	<u>\$ (2,368,071)</u>	126,314	<u>\$ 2,494,385</u>
Beginning fund balance			<u>127,068</u>	
Ending fund balance			<u>\$ 253,382</u>	

CITY OF BASTROP, TEXAS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - DEVELOPMENT SERVICES FUND
For the year ended September 30, 2025

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	\$ 1,930,000	\$ 1,930,000	\$ 2,190,971	\$ 260,971
Investment revenue	-	-	13,539	13,539
Total revenues	<u>1,930,000</u>	<u>1,930,000</u>	<u>2,204,510</u>	<u>274,510</u>
Expenditures				
Current				
Development services				
Customer service	582,825	567,057	321,129	245,928
Building inspection	603,300	604,098	605,381	(1,283) *
Planning	662,530	782,898	685,197	97,701
Capital outlay	-	40,200	40,170	30
Total expenditures	<u>1,848,655</u>	<u>1,994,253</u>	<u>1,651,877</u>	<u>342,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>81,345</u>	<u>(64,253)</u>	<u>552,633</u>	<u>616,886</u>
Other financing sources (uses)				
Transfers (out)	-	-	(296,353)	(296,353)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(296,353)</u>	<u>(296,353)</u>
Net change in fund balance	<u>\$ 81,345</u>	<u>\$ (64,253)</u>	256,280	<u>\$ 320,533</u>
Beginning fund balance			<u>1,238,606</u>	
Ending fund balance			<u>\$ 1,494,886</u>	

*Expenditures exceeded appropriations at the legal level of control.

STATISTICAL SECTION



CITY OF BASTROP, TEXAS
STATISTICAL SECTION
September 30, 2025

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the government's overall financial health.

Contents	Table #'s
<u>Financial Trends</u> : These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	1-5
<u>Revenue Capacity</u> : These schedules contain information to help the reader assess the government's two most significant local revenue sources, property and sales taxes.	6-12
<u>Debt Capacity</u> : These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	13-18
<u>Demographic and Economic Information</u> : These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	19-21
<u>Operating Information</u>	22-23
<u>Water and Wastewater Operating Information</u> : These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	24-29
<u>Sources</u> : Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports from the relevant year.	

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

TABLE 1

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities										
Net investment in capital assets	\$ 11,918,463	\$ 14,539,682	\$ 19,769,501	\$ 19,816,206	\$ 23,307,166	\$ 26,402,818	\$ 24,237,136	\$ 30,293,731	\$ 34,049,122	\$ 38,911,544
Restricted	8,066,547	7,742,134	4,343,291	4,626,827	4,209,536	7,051,453	10,531,380	5,718,681	23,734,192	13,826,803
Unrestricted	<u>5,326,377</u>	<u>4,292,982</u>	<u>4,389,629</u>	<u>6,668,824</u>	<u>7,099,987</u>	<u>8,111,553</u>	<u>12,782,175</u>	<u>13,544,782</u>	<u>(1,912,379)</u>	<u>6,599,903</u>
Total governmental activities net position	<u>\$ 25,311,387</u>	<u>\$ 26,574,798</u>	<u>\$ 28,502,421</u>	<u>\$ 31,111,857</u>	<u>\$ 34,616,689</u>	<u>\$ 41,565,824</u>	<u>\$ 47,550,691</u>	<u>\$ 49,557,194</u>	<u>\$ 55,870,935</u>	<u>\$ 59,338,250</u>
Business-type activities										
Net investment in capital assets	\$ 15,553,195	\$ 16,164,723	\$ 16,812,087	\$ 18,773,085	\$ 23,850,300	\$ 21,231,879	\$ 29,979,245	\$ 39,768,566	\$ 28,557,693	\$ 51,191,192
Restricted	931,191	2,016,705	2,732,351	1,572,344	3,255,790	1,719,170	2,047,133	1,623,093	252,482	4,784,776
Unrestricted	<u>8,127,577</u>	<u>8,485,463</u>	<u>8,587,217</u>	<u>10,510,188</u>	<u>7,196,057</u>	<u>15,079,870</u>	<u>10,240,528</u>	<u>3,147,404</u>	<u>15,615,877</u>	<u>(7,028,470)</u>
Total business-type activities net position	<u>\$ 24,611,963</u>	<u>\$ 26,666,891</u>	<u>\$ 28,131,655</u>	<u>\$ 30,855,617</u>	<u>\$ 34,302,147</u>	<u>\$ 38,030,919</u>	<u>\$ 42,266,906</u>	<u>\$ 44,539,063</u>	<u>\$ 44,426,052</u>	<u>\$ 48,947,498</u>
Primary government										
Net investment in capital assets	\$ 27,471,658	\$ 30,704,405	\$ 36,581,588	\$ 38,589,291	\$ 47,157,466	\$ 47,634,697	\$ 54,216,381	\$ 70,062,297	\$ 62,606,815	\$ 90,102,736
Restricted	8,997,738	9,758,839	7,075,642	6,199,171	7,465,326	8,770,623	12,578,513	7,341,774	23,986,674	18,611,579
Unrestricted	<u>13,453,954</u>	<u>12,778,445</u>	<u>12,976,846</u>	<u>17,179,012</u>	<u>14,296,044</u>	<u>23,191,423</u>	<u>23,022,703</u>	<u>16,692,186</u>	<u>13,703,498</u>	<u>(428,567)</u>
Total primary government net position	<u>\$ 49,923,350</u>	<u>\$ 53,241,689</u>	<u>\$ 56,634,076</u>	<u>\$ 61,967,474</u>	<u>\$ 68,918,836</u>	<u>\$ 79,596,743</u>	<u>\$ 89,817,597</u>	<u>\$ 94,096,257</u>	<u>\$ 100,296,987</u>	<u>\$ 108,285,748</u>

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

TABLE 2

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Expenses										
Governmental activities										
General government	\$ 4,461,447	\$ 4,790,876	\$ 5,042,504	\$ 6,020,455	\$ 4,802,825	\$ 6,113,937	\$ 7,042,717	\$ 10,348,122	\$ 11,831,859	\$ 11,530,569
Public safety	4,342,768	4,169,672	3,995,531	4,706,904	3,754,875	4,109,909	5,486,688	6,630,998	7,241,062	8,656,664
Developmental services	923,089	692,326	919,670	1,360,305	708,088	1,021,712	1,472,240	1,655,952	2,770,506	1,222,199
Community development	2,914,278	1,880,293	2,015,727	1,852,431	1,059,379	1,460,441	3,133,636	3,344,032	3,725,550	4,312,683
Economic development	2,497,292	3,350,167	3,910,783	3,212,115	6,963,722	1,958,899	2,869,568	4,074,802	3,356,720	5,545,407
Public works	-	-	-	-	-	-	-	-	-	1,949,128
Interest on long-term debt	926,159	807,460	853,401	911,431	966,319	991,031	584,014	1,277,970	1,028,426	1,407,204
Total governmental activities expenses	<u>16,065,033</u>	<u>15,690,794</u>	<u>16,737,616</u>	<u>18,063,641</u>	<u>18,255,208</u>	<u>15,655,929</u>	<u>20,588,863</u>	<u>27,331,876</u>	<u>29,954,123</u>	<u>34,623,854</u>
Business-type activities										
Water and wastewater utilities	3,960,331	4,487,471	4,747,676	5,356,350	5,197,452	6,750,882	6,905,760	9,570,017	10,618,391	9,640,189
Electric utility	6,184,527	6,104,456	6,351,799	6,138,706	5,609,727	6,984,325	6,539,224	7,519,261	7,430,447	7,906,073
Community impact fee	36,186	5,324	-	18,484	7,185	-	10,003	16,845	1,164,256	25,555
Total business-type activities expenses	<u>10,181,044</u>	<u>10,597,251</u>	<u>11,099,475</u>	<u>11,513,540</u>	<u>10,814,364</u>	<u>13,735,207</u>	<u>13,454,987</u>	<u>17,106,123</u>	<u>19,213,094</u>	<u>17,571,817</u>
Total primary government expenses	<u>\$ 26,246,077</u>	<u>\$ 26,288,045</u>	<u>\$ 27,837,091</u>	<u>\$ 29,577,181</u>	<u>\$ 29,069,572</u>	<u>\$ 29,391,136</u>	<u>\$ 34,043,850</u>	<u>\$ 44,437,999</u>	<u>\$ 49,167,217</u>	<u>\$ 52,195,671</u>

(Continued)

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

TABLE 2

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 1,035,377	\$ 1,061,694	\$ 1,371,930	\$ 1,676,873	\$ 591,191	\$ 652,181	\$ 1,354,684	\$ 1,617,853	\$ 1,953,469	\$ 2,490,433
Public safety	932,848	266,292	31,697	95,706	289,954	294,024	321,524	364,001	435,310	489,225
Development services	-	-	-	-	1,202,430	2,089,278	2,103,192	2,902,068	2,856,024	2,203,293
Community services	36,480	66,705	87,616	125,125	111,651	108,635	95,030	82,000	85,850	110,905
Economic development	137,891	153,125	144,912	166,757	108,435	164,229	250,306	330,739	303,621	288,797
Operating grants and contributions	428,497	278,349	237,019	150,396	1,744,570	311,029	901,693	1,556,048	426,547	1,672,916
Capital gains and contributions	1,878,711	629,416	1,063,268	1,306,839	-	867,426	-	-	-	-
Total governmental activities program revenues	<u>4,449,804</u>	<u>2,455,581</u>	<u>2,936,442</u>	<u>3,521,696</u>	<u>4,048,231</u>	<u>4,486,802</u>	<u>5,026,429</u>	<u>6,852,709</u>	<u>6,060,821</u>	<u>7,255,569</u>
Business-type activities										
Charges for services										
Water and wastewater utilities	4,288,849	4,654,955	4,983,380	5,100,581	6,150,299	6,948,671	7,917,126	8,152,035	8,564,576	9,681,032
Electric utility	7,415,588	6,446,305	6,903,151	7,171,253	6,383,347	7,175,002	8,108,610	8,386,663	8,690,793	8,529,125
Community impact fee	261,102	336,791	1,046,108	752,341	1,252,892	3,343,579	2,462,826	2,323,517	1,873,129	3,499,576
Capital grants and contributions	47,889	-	12,032	90,214	903,907	516,120	-	-	-	-
Total business-type activities program revenues	<u>12,013,428</u>	<u>11,438,051</u>	<u>12,944,671</u>	<u>13,114,389</u>	<u>14,690,445</u>	<u>17,983,372</u>	<u>18,488,562</u>	<u>18,862,215</u>	<u>19,128,498</u>	<u>21,709,733</u>
Total primary government program revenues	<u>\$ 16,463,232</u>	<u>\$ 13,893,632</u>	<u>\$ 15,881,113</u>	<u>\$ 16,636,085</u>	<u>\$ 18,738,676</u>	<u>\$ 22,470,174</u>	<u>\$ 23,514,991</u>	<u>\$ 25,714,924</u>	<u>\$ 25,189,319</u>	<u>\$ 28,965,302</u>
Net revenue/(expense)										
Governmental activities	\$ (11,615,229)	\$ (13,235,213)	\$ (13,801,174)	\$ (14,541,945)	\$ (14,206,977)	\$ (11,169,127)	\$ (15,562,434)	\$ (20,479,167)	\$ (23,893,302)	\$ (27,368,285)
Business-type activities	<u>1,832,384</u>	<u>840,800</u>	<u>1,845,196</u>	<u>1,600,849</u>	<u>3,876,081</u>	<u>4,248,165</u>	<u>5,033,575</u>	<u>1,756,092</u>	<u>(84,596)</u>	<u>4,137,916</u>
Total primary government net (expense)	<u>\$ (9,782,845)</u>	<u>\$ (12,394,413)</u>	<u>\$ (11,955,978)</u>	<u>\$ (12,941,096)</u>	<u>\$ (10,330,896)</u>	<u>\$ (6,920,962)</u>	<u>\$ (10,528,859)</u>	<u>\$ (18,723,075)</u>	<u>\$ (23,977,898)</u>	<u>\$ (23,230,369)</u>

CITY OF BASTROP, TEXAS
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
Last Ten Years
(Accrual Basis of Accounting)

TABLE 3

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General revenues and other changes in net position										
Governmental activities										
Property taxes	\$ 5,671,902	\$ 5,374,085	\$ 5,758,745	\$ 6,061,380	\$ 8,849,258	\$ 7,901,603	\$ 8,557,164	\$ 8,518,748	\$ 9,304,146	\$ 9,624,702
Sales taxes	4,325,273	4,430,848	4,815,099	5,155,893	5,528,824	6,716,864	7,657,554	8,279,421	10,579,414	12,142,061
Hotel taxes	2,777,935	2,686,099	2,844,403	2,829,049	1,673,609	2,029,978	3,233,136	3,473,118	3,533,130	3,601,541
Franchise fees	495,709	464,908	462,968	486,716	484,574	461,495	494,036	524,510	608,766	518,672
Investment earnings	74,232	131,122	190,986	414,108	277,206	184,294	172,485	235,940	2,342,004	1,983,570
Other revenue	79,626	99,754	208,906	293,716	272,921	171,279	488,512	390,483	1,872,375	1,499,234
Gain on sale of assets	-	-	-	-	-	-	-	163,450	173,285	-
Transfers in (out)	(358,216)	748,152	1,042,299	1,256,323	625,417	652,750	944,413	900,000	1,793,923	1,465,820
Total governmental activities	<u>13,066,461</u>	<u>13,934,968</u>	<u>15,323,406</u>	<u>16,497,185</u>	<u>17,711,809</u>	<u>18,118,263</u>	<u>21,547,300</u>	<u>22,485,670</u>	<u>30,207,043</u>	<u>30,835,600</u>
Business-type activities										
Investment earnings	65,264	130,344	204,426	291,045	195,866	133,357	146,825	1,057,334	187,231	1,159,434
Other revenue	181,324	153,534	335,789	-	-	-	-	358,731	1,578,277	688,175
Gain/(loss) on sale of assets	-	-	-	-	-	-	-	-	-	1,741
Transfers in (out)	358,216	(748,152)	(1,042,299)	(1,256,323)	(625,417)	(652,750)	(944,413)	(900,000)	(1,793,923)	(1,465,820)
Total business -type activities	<u>604,804</u>	<u>(464,274)</u>	<u>(502,084)</u>	<u>(965,278)</u>	<u>(429,551)</u>	<u>(519,393)</u>	<u>(797,588)</u>	<u>516,065</u>	<u>(28,415)</u>	<u>383,530</u>
Total primary government	<u>\$ 13,671,265</u>	<u>\$ 13,470,694</u>	<u>\$ 14,821,322</u>	<u>\$ 15,531,907</u>	<u>\$ 17,282,258</u>	<u>\$ 17,598,870</u>	<u>\$ 20,749,712</u>	<u>\$ 23,001,735</u>	<u>\$ 30,178,628</u>	<u>\$ 31,219,130</u>
Change in Net Position										
Governmental activities	\$ 1,451,232	\$ 699,755	\$ 1,522,232	\$ 1,955,240	\$ 3,504,832	\$ 6,949,136	\$ 5,984,866	\$ 2,006,503	\$ 6,313,741	\$ 3,467,315
Business-type activities	2,437,188	376,526	1,343,112	635,571	3,446,530	3,728,772	4,235,987	2,272,157	(113,011)	4,521,446
Total primary government	<u>\$ 3,888,420</u>	<u>\$ 1,076,281</u>	<u>\$ 2,865,344</u>	<u>\$ 2,590,811</u>	<u>\$ 6,951,362</u>	<u>\$ 10,677,908</u>	<u>\$ 10,220,853</u>	<u>\$ 4,278,660</u>	<u>\$ 6,200,730</u>	<u>\$ 7,988,761</u>

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

TABLE 4

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
General fund										
Nonspendable	\$ 82,553	\$ 28,273	\$ 53,226	\$ 109,044	\$ 1,302,667	\$ 118,031	\$ 176,579	\$ 198,771	\$ 193,471	\$ 114,632
Committed	89,868	217,328	217,328	-	-	-	-	-	-	-
Unassigned	<u>3,661,166</u>	<u>3,503,042</u>	<u>3,619,188</u>	<u>3,071,646</u>	<u>4,227,180</u>	<u>7,059,129</u>	<u>7,964,926</u>	<u>8,920,666</u>	<u>7,138,266</u>	<u>4,199,793</u>
Total general fund	<u>\$ 3,833,587</u>	<u>\$ 3,748,643</u>	<u>\$ 3,889,742</u>	<u>\$ 3,180,690</u>	<u>\$ 5,529,847</u>	<u>\$ 7,177,160</u>	<u>\$ 8,141,505</u>	<u>\$ 9,119,437</u>	<u>\$ 7,331,737</u>	<u>\$ 4,314,425</u>
All other governmental funds										
Nonspendable	\$ 383,789	\$ 385,956	\$ 385,570	\$ 383,649	\$ 386,814	\$ 417,084	\$ 441,542	\$ 473,860	\$ 516,190	\$ 549,411
Restricted for										
Debt service	230,749	62,817	315,398	258,520	298,232	187,794	430,532	581,332	821,292	1,239,003
Cemetery	186,500	196,419	212,163	102,111	104,947	123,108	116,148	87,725	28,293	92,302
Traffic/public safety	639,377	639,726	628,336	648,296	464,505	421,158	511,664	544,981	51,639	151,472
Economic development	2,265,766	2,629,042	2,446,392	3,849,730	2,896,369	2,910,758	3,726,620	3,522,349	136,694	3,711,210
Capital projects	2,369,536	1,422,295	6,030,501	6,609,865	2,761,251	2,843,898	5,206,310	17,060,981	17,896,132	18,920,096
Other restricted	24,026	39,315	63,132	32,817	58,669	63,997	68,564	131,198	650,775	904,157
Public improvement district	132,794	44,462	-	-	-	-	-	-	-	-
Culture and recreation	124,559	125,895	170,836	-	-	-	-	-	-	-
Committed for										
Economic development	1,225,851	827,206	912,785	44,617	66,842	75,001	63,750	38,360	40,724	57,965
Arena	24,167	110,655	107,331	-	-	-	-	-	-	-
Unassigned	<u>-</u>	<u>(4,564)</u>	<u>(95,221)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,054)</u>	<u>(81,267)</u>	<u>2,178,195</u>	<u>-</u>
Total all other governmental funds	<u>\$ 7,607,114</u>	<u>\$ 6,479,224</u>	<u>\$ 11,177,223</u>	<u>\$ 11,929,605</u>	<u>\$ 7,037,629</u>	<u>\$ 7,042,798</u>	<u>\$ 10,482,076</u>	<u>\$ 22,359,519</u>	<u>\$ 22,319,934</u>	<u>\$ 25,625,616</u>

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

TABLE 5

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Property taxes	\$ 4,998,616	\$ 5,266,699	\$ 5,575,700	\$ 6,039,361	\$ 8,837,302	\$ 6,729,125	\$ 7,413,519	\$ 8,499,634	\$ 9,289,879	\$ 9,587,178
Sales taxes	4,371,880	4,492,652	4,889,377	5,155,893	5,528,824	6,716,864	7,657,554	8,279,421	10,579,414	12,142,061
Hotel/motel taxes	2,777,935	2,686,099	2,844,403	2,829,049	1,673,609	2,029,978	3,233,136	3,473,118	3,533,130	3,601,541
Franchise fees	495,709	464,908	462,968	486,716	484,574	461,495	494,036	524,510	608,766	518,672
Licenses, permits, and fees	187,729	247,174	752,653	565,692	1,202,430	2,089,278	2,103,192	2,902,068	10,365	12,997
Fines and forfeitures	563,971	362,397	317,579	332,825	289,954	294,024	321,524	364,001	435,310	489,225
Charges for services	745,419	754,803	894,306	951,881	811,277	925,045	1,206,615	1,363,724	4,265,606	3,684,163
Intergovernmental	656,385	1,037,098	1,276,879	490,013	1,744,570	311,029	901,693	1,556,048	426,547	1,672,916
Investment earnings	70,100	119,133	174,339	380,670	249,518	170,338	151,208	663,177	2,445,144	1,496,724
Other revenue	530,322	880,451	604,431	358,356	413,318	1,008,292	466,709	2,076,453	1,865,018	1,499,234
Total revenues	<u>15,398,066</u>	<u>16,311,414</u>	<u>17,792,635</u>	<u>17,590,456</u>	<u>21,235,376</u>	<u>20,735,468</u>	<u>23,949,186</u>	<u>29,702,154</u>	<u>33,459,179</u>	<u>34,704,711</u>
Expenditures										
General government	4,195,350	3,764,359	4,353,027	5,416,871	5,273,179	5,788,926	5,828,565	7,202,101	8,570,906	8,364,817
Public safety	3,558,802	3,698,141	3,904,198	4,161,972	4,400,877	4,572,645	5,134,107	5,957,402	6,578,771	7,960,776
Development services	896,180	666,775	901,494	1,226,915	756,000	1,191,584	1,571,147	1,956,433	2,086,278	1,175,484
Community service	2,096,550	1,673,443	1,884,502	1,636,255	1,083,637	1,319,164	2,985,549	3,133,574	3,102,371	3,640,544
Economic development	2,266,449	3,145,692	3,455,809	2,933,449	7,013,045	2,318,510	2,904,548	4,262,050	3,334,815	5,519,481
Public works	-	-	-	-	-	-	-	-	-	1,949,128
Capital outlay	1,180,847	2,281,828	1,734,806	898,513	6,851,734	2,162,420	1,528,829	3,825,984	4,615,963	7,249,401
Debt service										
Principal	1,815,125	1,872,455	1,550,274	1,803,503	1,870,697	2,124,415	2,330,692	2,765,315	2,805,879	2,624,706
Interest and fees	973,859	947,412	920,471	913,172	991,512	896,529	785,861	1,083,402	1,174,244	1,519,163
Payments to refunded bond escrow agent	325,000	-	-	23,330	-	-	-	-	-	-
Total expenditures	<u>17,308,162</u>	<u>18,050,105</u>	<u>18,704,581</u>	<u>19,013,980</u>	<u>28,240,681</u>	<u>20,374,193</u>	<u>23,069,298</u>	<u>30,186,261</u>	<u>32,269,227</u>	<u>40,003,500</u>
Excess (deficiency) of revenues over (under) expenditures	(1,910,096)	(1,738,691)	(911,946)	(1,423,524)	(7,005,305)	361,275	879,888	(484,107)	1,189,952	(5,298,789)

(Continued)

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

TABLE 5

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Other financing sources (uses)										
Transfers in	\$ 2,554,732	\$ 1,976,999	\$ 2,168,734	\$ 3,073,422	\$ 1,783,130	\$ 2,807,135	\$ 1,517,304	\$ 2,407,901	\$ 3,562,710	\$ 4,902,185
Transfers out	(4,182,948)	(1,341,347)	(1,263,935)	(2,071,568)	(1,232,713)	(2,231,824)	(1,639,818)	(2,261,524)	(2,633,787)	(3,925,281)
Issuance of long-term debt	1,440,000	3,135,000	4,605,000	465,000	4,061,497	8,055,000	3,235,000	12,135,000	-	600,000
Premium on long-term debt	116,968	427,340	213,370	-	-	74,677	441,249	972,779	-	-
Payments to refunded bond escrow agent	(1,505,285)	(3,692,139)	-	-	(1,401,769)	(6,415,415)	-	-	-	-
Insurance recoveries	51,757	20,000	27,499	-	-	-	-	-	-	-
Sale of capital assets	12,234	4	376	-	-	-	-	55,326	64,095	-
Total other financing sources (uses)	<u>(1,512,542)</u>	<u>525,857</u>	<u>5,751,044</u>	<u>1,466,854</u>	<u>3,210,145</u>	<u>2,289,573</u>	<u>3,553,735</u>	<u>13,309,482</u>	<u>993,018</u>	<u>1,576,904</u>
Net change in fund balances	<u>\$ (3,422,638)</u>	<u>\$ (1,212,834)</u>	<u>\$ 4,839,098</u>	<u>\$ 43,330</u>	<u>\$ (3,795,160)</u>	<u>\$ 2,650,848</u>	<u>\$ 4,433,623</u>	<u>\$ 12,825,375</u>	<u>\$ 2,182,970</u>	<u>\$ (3,721,885)</u>
Debt service as a percentage of noncapital expenditures	18.65%	21.78%	17.10%	19.86%	17.80%	23.74%	17.37%	16.57%	17.07%	14.20%

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

TABLE 6

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Real Property	\$929,201,260	\$976,858,517	\$1,026,626,754	\$1,102,079,762	\$1,200,060,085	\$1,250,713,427	\$1,322,942,741	\$1,951,299,437	\$2,176,080,278	\$2,027,792,779
Personal Property	121,017,621	127,021,941	133,469,154	130,498,163	145,399,959	131,924,208	112,371,446	134,842,445	156,044,922	166,026,786
Less: Tax exempt property	(158,570,133)	(157,738,191)	(169,209,339)	(184,097,781)	(195,770,950)	(213,007,620)	(236,120,571)	(309,241,428)	(318,207,234)	(323,955,807)
Less: Other ⁽¹⁾	<u>(108,720,698)</u>	<u>(120,320,209)</u>	<u>(127,814,502)</u>	<u>(145,244,415)</u>	<u>(167,318,367)</u>	<u>(172,079,358)</u>	<u>(187,067,186)</u>	<u>(341,438,974)</u>	<u>(137,215,669)</u>	<u>(85,740,523)</u>
Total taxable assessed value ⁽²⁾	<u>\$782,928,050</u>	<u>\$825,822,058</u>	<u>\$ 863,072,067</u>	<u>\$ 903,235,729</u>	<u>\$ 982,370,727</u>	<u>\$ 997,550,657</u>	<u>\$ 1,012,126,430</u>	<u>\$ 1,435,461,480</u>	<u>\$ 1,876,702,297</u>	<u>\$ 1,784,123,235</u>
Taxable assessed value as a percentage of estimated actual value	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Estimated actual taxable value	\$782,928,050	\$825,822,058	\$ 863,072,067	\$ 903,235,729	\$ 982,370,727	\$ 997,550,657	\$ 1,012,126,430	\$ 1,435,461,480	\$ 1,876,702,297	\$ 1,784,123,235
Total direct tax rat \$	0.5640	0.5640	0.5640	0.5640	0.5640	0.5794	0.5794	0.5128	0.4994	0.4994

Source: Tax department and inspection records of the City of Bastrop.

(1) Other includes Homestead Cap Adjustment, Productivity Loss, Exemptions, 065 Freeze/Transfer and DP Freeze.

(2) Property is assessed at actual value, therefore, the assessed values are equal to actual value.

Tax rates are per \$100 of assessed value.

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

TABLE 7

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City by fund										
Operating	\$ 0.3596	\$ 0.3640	\$ 0.3643	\$ 0.3691	\$ 0.3691	\$ 0.3845	\$ 0.3740	\$ 0.3166	\$ 0.3032	\$ 0.3032
Debt service	0.2044	0.2000	0.1997	0.1949	0.1949	0.1949	0.2054	0.1962	0.1962	0.1962
Total direct rates	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5640</u>	<u>0.5794</u>	<u>0.5794</u>	<u>0.5128</u>	<u>0.4994</u>	<u>0.4994</u>
Bastrop Independent School District	1.4410	1.4410	1.4410	1.4410	1.3700	1.3210	1.2730	1.2552	1.0702	1.0679
Bastrop County/County Road	0.6190	0.5990	0.5897	0.5799	0.5699	0.5599	0.5220	0.4046	0.3935	0.4014
Total direct and overlapping rates ⁽¹⁾	<u>\$ 2.6240</u>	<u>\$ 2.6040</u>	<u>\$ 2.5947</u>	<u>\$ 2.5849</u>	<u>\$ 2.5039</u>	<u>\$ 2.4603</u>	<u>\$ 2.3744</u>	<u>\$ 2.1726</u>	<u>\$ 1.9631</u>	<u>\$ 1.9687</u>
Other: Hunter's Crossing PID fixed amount	<u>\$ 324.16</u>	<u>\$ 342.16</u>	<u>\$ 361.16</u>	<u>\$ 381.16</u>	<u>\$ 403.16</u>	<u>\$ 403.16</u>	<u>\$ 415.00</u>	<u>\$ 415.00</u>	<u>\$ 415.00</u>	<u>\$ 415.00</u>

Tax rates per \$100 of assessed valuation

Source: City of Bastrop Budget and County and BISD websites

(1) Overlapping rates are those of local and county governments that apply within the City of Bastrop.

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

TABLE 8

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Tax Levy	\$ 4,704,126	\$ 5,001,944	\$ 5,271,488	\$ 5,525,922	\$ 5,904,603	\$ 6,258,897	\$ 6,899,086	\$ 7,881,444	\$ 8,659,066	\$ 9,026,405
Current tax collected	\$ 4,683,239	\$ 4,889,591	\$ 5,221,755	\$ 5,462,580	\$ 5,832,000	\$ 6,238,241	\$ 6,850,718	\$ 7,831,848	\$ 8,558,054	\$ 8,938,894
Percentage of current tax collections	99.56%	97.75%	99.06%	98.85%	98.77%	99.67%	99.30%	99.37%	98.83%	99.03%
Delinquent tax collections	<u>\$ 20,270</u>	<u>\$ 32,412</u>	<u>\$ 24,599</u>	<u>\$ 31,956</u>	<u>\$ 41,368</u>	<u>\$ 38,304</u>	<u>\$ 41,532</u>	<u>\$ 38,461</u>	<u>\$ 10,553</u>	<u>\$ 54,443</u>
Total tax collections	<u>\$ 4,703,509</u>	<u>\$ 4,922,003</u>	<u>\$ 5,246,354</u>	<u>\$ 5,494,536</u>	<u>\$ 5,873,368</u>	<u>\$ 6,276,545</u>	<u>\$ 6,892,250</u>	<u>\$ 7,870,309</u>	<u>\$ 8,568,607</u>	<u>\$ 8,993,337</u>
Total collections as a percentage of current levy	99.99%	98.40%	99.52%	99.43%	99.47%	100.28%	99.90%	99.86%	98.96%	99.63%

Source: Tax-Assessor/Collector Annual Report

CITY OF BASTROP, TEXAS
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 Last Ten Years

TABLE 9

Fiscal Year	City Direct Rates			Overlapping Rates		Other
	Basic Rate	General Obligation Debt Service	Total Direct Rate	Bastrop Independent School District	Bastrop County/County Road	Hunter's Crossing PID Fixed Amount
2016	\$ 0.3596	\$ 0.2044	\$ 0.5640	\$ 1.4410	\$ 0.6190	\$ 324.16
2017	\$ 0.3640	\$ 0.2000	\$ 0.5640	\$ 1.4410	\$ 0.5990	\$ 342.16
2018	\$ 0.3643	\$ 0.1997	\$ 0.5640	\$ 1.4410	\$ 0.5897	\$ 361.16
2019	\$ 0.3691	\$ 0.1949	\$ 0.5640	\$ 1.4410	\$ 0.5799	\$ 381.16
2020	\$ 0.3691	\$ 0.1949	\$ 0.5640	\$ 1.3700	\$ 0.5699	\$ 403.16
2021	\$ 0.3845	\$ 0.1949	\$ 0.5794	\$ 1.3210	\$ 0.5599	\$ 403.16
2022	\$ 0.3740	\$ 0.2054	\$ 0.5794	\$ 1.2730	\$ 0.5220	\$ 415.00
2023	\$ 0.3166	\$ 0.1962	\$ 0.5128	\$ 1.2552	\$ 0.4046	\$ 415.00
2024	\$ 0.3032	\$ 0.1962	\$ 0.4994	\$ 1.0702	\$ 0.3935	\$ 415.00
2025	\$ 0.3032	\$ 0.1962	\$ 0.4994	\$ 1.0679	\$ 0.4014	\$ 415.00

(1) Source: City of Bastrop Budget and County and BISS websites
 (2) Basis for property tax rate is per \$100 of taxable valuation.

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

TABLE 10

	2025			2016		
	Taxable Assessed	Rank	% of Taxable Assessed Value	Taxable Assessed	Rank	% of Taxable Assessed Value
	<u>Value</u>		<u>Value</u>	<u>Value</u>		<u>Value</u>
<u>Property taxpayer</u>						
BCSC, LLC	\$ 42,753,984	1	2.40%	\$ -		0.00%
Blakey Owner Apartments II LLC	23,361,575	2	1.31%	-	-	0.00%
Spreit Walnut Bastrop LLC	22,010,226	3	1.23%	-		0.00%
The Village at Hunters Crossing LLC	21,360,903	4	1.20%	-		0.00%
The Lodge at Lost Pines LP	17,609,493	5	0.99%	-	-	0.00%
Covert Chevrolet	15,770,701	6	0.88%	15,246,642	3	1.95%
Blakey Owner Apartments LLC	14,275,891	7	0.80%	-	-	0.00%
Buc-ee's LTD	12,374,122	8	0.69%	-	-	0.00%
Sonapar	11,996,828	9	0.67%	-		0.00%
Walmart Real Estate Bus Trust	9,700,000	10	0.54%	8,678,608	7	1.11%
Total	\$ 191,213,723		10.71%	\$ 23,925,250		3.06%

Source: Central Appraisal District of Bastrop County

CITY OF BASTROP, TEXAS
TAXABLE SALES BY CATEGORY
Last Ten Fiscal Years

TABLE 11

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021 (1)	2022	2023	2024	2025
Agriculture, forestry, fishing, hunting	\$ 45,195	\$ 26,709	\$ 9,784	\$ -	\$ 209	\$ 14,375	\$ -	\$ 1,247	\$ -	\$ -
Construction	1,086,071	1,276,755	1,434,533	1,450,287	1,055,362	416,794	700,089	2,539,875	2,196,628	2,481,427
Manufacturing	750,211	2,195,084	4,946,984	4,360,401	3,278,448	1,871,983	2,688,699	1,335,815	727,147	3,529,475
Wholesale trade	2,153,299	3,242,142	3,280,963	4,023,171	9,512,810	6,786,357	9,031,205	28,494,872	21,953,945	17,157,580
Retail trade	297,431,573	305,663,642	321,199,539	344,974,059	365,278,841	204,175,864	234,769,859	498,045,579	498,065,131	494,636,795
Transportation/w arehousing	54,272	44,023	17,747	5,130	-	-	-	28,268	5,975	-
Information	6,069,450	6,121,756	6,762,369	6,345,451	6,405,555	3,466,631	4,694,009	8,825,988	8,511,683	10,726,024
Finance/insurance	1,583,797	1,759,048	1,785,962	1,900,445	2,073,919	929,703	952,888	3,162,005	2,334,306	2,511,445
Professional/scientific/technical	707,937	594,742	537,783	615,556	680,796	347,696	397,437	706,241	699,715	531,703
Real estate/rental/leasing	1,342,905	1,314,416	1,191,412	1,370,578	1,369,852	733,414	585,679	1,040,746	944,704	914,398
Admin/support/w aste management/remediation services	603,347	653,077	608,736	682,392	673,607	603,990	979,817	1,741,125	2,550,738	3,455,930
Educational services	92,677	38,465	81,573	144,907	80,689	60,634	61,194	88,081	77,002	77,165
Health care/social assistance	180,685	137,808	155,674	126,948	96,587	50,572	72,904	104,935	84,738	1,064,921
Arts/entertainment/recreation	748,173	977,423	1,104,683	1,166,187	957,103	543,725	1,155,256	2,703,885	4,095,578	3,986,567
Accommodation/food services	65,489,245	66,899,175	71,666,231	81,170,156	77,057,244	41,971,636	51,186,120	119,801,505	126,931,976	131,011,710
Other services (except public administration)	7,480,169	7,607,821	7,398,503	9,117,452	8,212,760	4,494,029	4,836,654	11,862,606	13,793,876	14,134,127
Public administration	2,954,206	2,947,905	3,264,103	3,218,214	2,675,098	1,251,587	1,395,255	3,659,355	4,002,499	65,195
Total	<u>\$388,773,212</u>	<u>\$401,499,991</u>	<u>\$425,446,579</u>	<u>\$460,671,334</u>	<u>\$479,408,880</u>	<u>\$267,718,990</u>	<u>\$313,507,065</u>	<u>\$684,142,128</u>	<u>\$686,975,641</u>	<u>\$686,284,462</u>
City direct sales tax rate	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%

(1) Only two quarters are available.
Source: Texas Comptroller

CITY OF BASTROP, TEXAS
 DIRECT AND OVERLAPPING SALES TAX RATES
 Last Ten Years

TABLE 12

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
City direct rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Bastrop Economic Development Corporation	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.13%
Bastrop Street Maintenance	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.38%
Bastrop County	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
State of Texas	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%

Source: Texas Comptroller

CITY OF BASTROP, TEXAS
GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

TABLE 13

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Primary Government										
Governmental Activities										
General obligation bonds	\$ 10,787,319	\$ 13,332,897	\$ 11,991,573	\$ 10,756,360	\$ 10,551,784	\$ 14,846,662	\$ 13,150,660	\$ 11,868,507	\$ 10,647,203	\$ 8,870,000
Tax notes	-	-	-	465,000	450,000	1,435,000	1,335,000	1,115,000	820,000	520,000
Notes payable	388,915	341,547	294,179	257,227	240,451	218,083	195,715	173,351	150,983	728,615
Certificates of obligation	13,010,913	8,888,001	13,391,935	12,720,659	13,876,074	8,304,704	11,263,108	22,952,772	21,507,032	19,124,247
Lease payable	-	-	-	-	-	-	405,696	1,101,977	1,143,804	723,522
Subtotal	<u>24,187,147</u>	<u>22,562,445</u>	<u>25,677,687</u>	<u>24,199,246</u>	<u>25,118,309</u>	<u>24,804,449</u>	<u>26,350,179</u>	<u>37,211,607</u>	<u>34,269,022</u>	<u>29,966,384</u>
Business-type activities										
General obligation bonds	2,621,276	3,141,477	2,817,685	2,563,704	2,512,123	9,693,595	9,015,621	8,342,159	7,484,162	6,535,000
Notes payable	480,000	420,000	360,000	1,100,000	840,000	580,000	320,000	60,000	-	-
Revenue bonds	-	-	-	1,962,196	22,981,860	22,899,752	22,818,212	22,439,072	22,044,930	20,460,000
Certificates of obligation	16,763,677	15,293,897	14,863,511	13,793,774	13,008,258	40,367,536	39,566,350	65,573,022	102,937,522	96,905,753
Leases payable	-	-	-	-	-	-	7,527	3,022	-	-
Subtotal	<u>19,864,953</u>	<u>18,855,374</u>	<u>18,041,196</u>	<u>19,419,674</u>	<u>39,342,241</u>	<u>73,540,883</u>	<u>71,727,710</u>	<u>96,417,275</u>	<u>132,466,614</u>	<u>123,900,753</u>
Total primary government	<u>\$ 44,052,100</u>	<u>\$ 41,417,819</u>	<u>\$ 43,718,883</u>	<u>\$ 43,618,920</u>	<u>\$ 64,460,550</u>	<u>\$ 98,345,332</u>	<u>\$ 98,077,889</u>	<u>\$ 133,628,882</u>	<u>\$ 166,735,636</u>	<u>\$ 153,867,137</u>
Personal income	\$266,519,676	\$281,676,710	\$295,304,478	\$344,404,620	\$377,529,540	\$271,160,280	\$359,033,940	\$431,235,249	\$459,241,888	\$424,793,700
Debt as percentage of personal income	16.53%	14.70%	14.80%	12.67%	17.07%	36.27%	27.32%	30.99%	36.31%	36.22%
Population	8,600	8,911	9,159	9,420	9,154	9,242	11,060	11,189	11,327	12,010
Debt per capita	\$ 5,122	\$ 4,648	\$ 4,773	\$ 4,630	\$ 7,042	\$ 10,641	\$ 8,868	\$ 11,943	\$ 14,720	\$ 12,812

Source: Bureau of Economic Analysis

CITY OF BASTROP, TEXAS
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 September 30, 2025

TABLE 14

	<u>Net Bonded Debt Outstanding</u>	<u>Estimated Percentage Applicable ⁽¹⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Governmental unit Debt repaid with property taxes			
Bastrop County	\$ 70,025,000	12.13%	\$ 8,494,033
Bastrop Independent School District	550,366,725	18.12%	<u>99,726,451</u>
Subtotal, overlapping debt			108,220,484
City direct debt	\$ 131,955,000		<u>131,955,000</u>
Total direct and overlapping debt			<u>\$ 240,175,484</u>
Ratio of Direct and Overlapping Bonded Debt to Taxable Assessed Valuation			12.65%
Per Capita Direct and Overlapping Debt			\$ 18,882

Source: Texas Municipal Reports published by the Municipal Advisory Council of Texas

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

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

TABLE 15

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assessed valuation	\$ 782,928,050	\$ 825,822,058	\$ 863,072,067	\$ 903,235,729	\$ 997,550,657	\$ 967,902,273	\$ 1,012,126,430	\$ 1,435,461,480	\$ 1,876,702,297	\$ 1,784,123,235
Limit on amount designated for debt service \$1.50 per \$100 assessed valuation	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>	<u>1.50</u>
Legal annual maximum debt payment	<u>\$ 11,743,921</u>	<u>\$ 12,387,331</u>	<u>\$ 12,946,081</u>	<u>\$ 13,548,536</u>	<u>\$ 14,963,260</u>	<u>\$ 14,518,534</u>	<u>\$ 15,181,896</u>	<u>\$ 21,531,922</u>	<u>\$ 28,150,534</u>	<u>\$ 26,761,849</u>
Actual amount expended for general obligation debt service during the fiscal year	<u>\$ 2,244,952</u>	<u>\$ 2,700,160</u>	<u>\$ 2,337,664</u>	<u>\$ 2,690,968</u>	<u>\$ 2,739,833</u>	<u>\$ 2,499,622</u>	<u>\$ 3,857,368</u>	<u>\$ 3,148,000</u>	<u>\$ 3,457,642</u>	<u>\$ 3,138,281</u>
Legal debt margin for annual debt service requirements	<u>\$ 9,498,969</u>	<u>\$ 9,687,171</u>	<u>\$ 10,608,417</u>	<u>\$ 10,857,568</u>	<u>\$ 12,223,427</u>	<u>\$ 12,018,912</u>	<u>\$ 11,324,528</u>	<u>\$ 18,383,922</u>	<u>\$ 24,692,892</u>	<u>\$ 23,623,568</u>
Total net debt applicable to the limit as a percentage of debt limit	19.12%	21.80%	18.06%	19.86%	18.31%	17.22%	25.41%	14.62%	12.28%	11.73%

Source: Central Appraisal District of Bastrop County
Audited Financial Statements of the City of Bastrop
BCAD - Assessment Roll Grand Totals Report

CITY OF BASTROP, TEXAS
INTEREST AND SINKING FUND BUDGET PROJECTION
September 30, 2025

TABLE 16

Estimated general obligation debt service requirements		\$ 5,518,939
2025 Interest and Sinking Fund Tax Levy @99%	\$ 3,550,625	
Fiscal Year 2025 Interest and Sinking Fund Balance	821,292	
Less: Self-Supporting Ad Valorem Tax Debt	<u>(834,492)</u>	
		<u>3,537,425</u>
 Estimated fund balance, fiscal year ending September 30, 2025		 <u><u>\$ (1,981,514)</u></u>

CITY OF BASTROP, TEXAS
 AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS
 September 30, 2025

TABLE 17

<u>Purpose</u>	<u>Date</u> <u>Authorized</u>	<u>Amount</u> <u>Authorized</u>	<u>Amount</u> <u>Issued</u>	<u>Amount</u> <u>Being</u> <u>Issued</u>	<u>Unissued</u> <u>Balance</u>
Park	9/13/2003	\$ 545,000	\$ 320,000	\$ -	\$ 225,000
Street	9/13/2003	5,595,000	4,210,000	-	1,385,000
Parking	9/13/2003	<u>350,000</u>	<u>-</u>	<u>-</u>	<u>350,000</u>
Total		<u>\$ 6,490,000</u>	<u>\$ 4,530,000</u>	<u>\$ -</u>	<u>\$ 1,960,000</u>

CITY OF BASTROP, TEXAS
 PLEDGED-REVENUE COVERAGE
 Last Ten Years

TABLE 18

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Gross revenues ⁽¹⁾	\$ 4,703,546	\$ 5,496,713	\$ 5,277,917	\$ 5,625,296	\$ 7,205,400	\$ 8,384,892	\$ 8,232,444	\$ 9,348,804	\$ 10,815,634	\$ 13,139,466
Operating expenses ⁽²⁾	<u>3,347,215</u>	<u>3,076,631</u>	<u>3,343,534</u>	<u>2,876,846</u>	<u>5,010,965</u>	<u>5,828,077</u>	<u>3,902,042</u>	<u>5,365,729</u>	<u>5,885,877</u>	<u>5,787,188</u>
Net revenues available for debt service	<u>\$ 1,356,331</u>	<u>\$ 2,420,082</u>	<u>\$ 1,934,383</u>	<u>\$ 2,748,450</u>	<u>\$ 2,194,435</u>	<u>\$ 2,556,815</u>	<u>\$ 4,330,402</u>	<u>\$ 3,983,075</u>	<u>\$ 4,929,757</u>	<u>\$ 7,352,278</u>
Debt service requirements ⁽³⁾										
Principal and Interest	<u>\$ 1,424,776</u>	<u>\$ 1,425,350</u>	<u>\$ 1,440,212</u>	<u>\$ 1,441,890</u>	<u>\$ 1,553,967</u>	<u>\$ 2,166,968</u>	<u>\$ 3,151,197</u>	<u>\$ 4,348,346</u>	<u>\$ 4,808,663</u>	<u>\$ 7,194,761</u>
Coverage	0.952	1.698	1.343	1.906	1.412	1.000	1.374	0.916	1.025	1.022

- (1) Water and Wastewater Fund operating and nonoperating revenues (includes impact fees collected and applied to debt service)
 (2) Water and Wastewater Fund operating expenses, less depreciation expense.
 (3) Includes all debt pledged by water and wastewater rates

CITY OF BASTROP, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Years

TABLE 19

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Population ⁽¹⁾	8,600	8,911	9,159	9,420	9,154	9,242	11,060	11,189	11,327	12,010
Median household income ⁽¹⁾	\$ 53,889	\$ 48,178	\$ 63,936	\$ 63,936	\$ 60,883	\$ 56,425	\$ 68,591	\$ 59,087	\$ 76,508	\$ 67,316
Per capita personal income ⁽⁴⁾	\$ 29,509	\$ 31,610	\$ 32,242	\$ 36,561	\$ 38,289	\$ 29,340	\$ 34,410	\$ 38,541	\$ 40,544	\$ 35,370
Median age ⁽¹⁾	38.70	36.00	40.50	41.00	38.98	36.10	36.00	35.60	41.09	39.53
Education Level (18 and over) ⁽²⁾										
Less than high school graduate	881	781	979	979	680	406	680	920	1,299	1,404
High school graduate (or equivalent)	1,479	1,680	1,654	1,654	1,770	1,410	1,601	2,237	3,157	3,142
Some college, no degree	1,462	1,358	1,771	1,771	1,881	1,679	1,134	1,290	1,406	1,884
Associate degree or higher	387	413	398	398	429	361	374	473	559	497
Bachelor's degree or higher	679	843	802	802	1,169	1,290	1,521	1,606	1,707	2,265
Graduate degree or higher	325	296	497	497	794	614	530	645	683	991
School enrollment ⁽³⁾	4,123	4,114	4,690	4,809	4,850	4,965	5,796	6,222	4,381	4,750
Unemployment ⁽³⁾	3.40%	2.90%	3.10%	3.30%	13.00%	3.80%	3.20%	3.40%	3.60%	3.90%

Data sources:

- (1) Information from 2000 census, 2010 census, 2020 census, and modified by City staff estimates.
BEDC Community Profile
- (2) US Census Bureau - American Community Survey 2015
BEDC Community Profile
- (3) Bastrop Independent School District - Only schools located within City limits as not all enrolled live within the City limits
- (4) Unemployment rates from TWC website (www.twc.state.tx.us). Bastrop County rate only one available.

CITY OF BASTROP, TEXAS
 PRINCIPAL EMPLOYERS
 Current and Nine Years Ago

TABLE 20

<u>Employer</u>	Fiscal Year					
	2025			2016		
	<u>Employees</u>	<u>Rank</u>	Total County Employment <u>(%)</u>	<u>Employees</u>	<u>Rank</u>	Total County Employment <u>(%)</u>
Bastrop ISD	1,183	1	3.03%	1,100	1	3.07%
Bastrop County	1,088	2	2.79%	460	3	1.28%
Elgin ISD	553	3	1.42%	-	-	0.00%
Ascension Seton	525	4	1.35%	-	-	0.00%
Walmart	508	5	1.30%	320	6	0.89%
Hyatt	443	6	1.14%	675	2	1.88%
Cedar Creek ISD	430	7	1.10%	-	-	0.00%
Bluebonnet Electric Co-op	392	8	1.00%	154	9	0.43%
US Post Office	385	9	0.99%	-	-	0.00%
MD Anderson Cancer Center	353	10	<u>0.90%</u>	430	4	<u>1.20%</u>
Total	<u>5,860</u>		<u>15.02%</u>	<u>3,139</u>		<u>8.75%</u>
Total county employment	39,015			35,884		

Source: Texas Workforce Commission, EDC Website, Chamber newsletter

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

TABLE 21

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
City Manager's Office	2.63	2.63	2.63	4.25	4.25	2.00	3.00	3.00	3.00	4.00
City Secretary	1.00	1.00	1.00	1.00	1.00	3.00	2.00	2.00	2.00	2.00
Finance	4.45	5.00	5.00	4.00	4.00	4.00	4.00	5.00	5.00	6.00
Utility Billing	5.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Human Resources	1.50	1.63	1.63	1.63	1.75	1.75	1.88	2.88	2.88	2.88
Information Technology	2.00	1.50	2.00	2.00	2.00	2.00	2.00	3.00	4.00	5.00
Multi-Media	-	0.50	1.00	2.63	2.58	2.33	3.48	3.00	3.00	3.00
Municipal Court	4.50	4.50	4.50	4.50	3.25	3.25	3.25	3.25	3.25	3.25
Building Maintenance	4.00	4.00	4.00	4.00	4.00	4.00	7.00	8.00	-	-
Fleet & Facilities	-	-	-	-	-	-	-	-	10.00	10.00
Engineering	-	-	-	-	-	-	-	-	4.50	3.50
Police Department										
Officers	22.00	22.00	22.00	24.00	24.00	24.00	26.00	22.00	28.00	34.75
Civilian	2.50	2.50	2.50	3.00	3.00	3.00	3.00	5.00	6.00	6.00
Code Enforcement	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-
Animal Control	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-
Fire Department										
Chief and Admin	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00	3.00	3.00
Firefighters-PT	-	-	4.00	6.30	6.30	6.00	7.00	8.00	9.00	8.70
Development Services										
Planning	5.00	5.00	5.00	6.00	5.50	4.50	5.00	10.00	11.00	9.00
Building Inspections	1.00	1.00	1.50	2.50	3.00	3.00	3.00	3.00	4.00	4.00
Code Enforcement	-	-	-	-	-	-	-	-	0.50	0.50
Animal Control	-	-	-	-	-	-	-	-	0.50	0.50
Public Works										
Administration	1.00	1.00	2.00	2.00	3.50	3.40	2.40	2.50	2.50	2.50
Streets	10.00	9.25	10.00	10.00	10.00	12.00	12.00	14.00	15.00	13.00
Community Services										
Parks Department	11.00	12.95	12.95	12.95	12.06	9.19	9.19	10.00	8.19	13.69
Recreation	-	-	-	-	-	1.00	2.50	2.50	3.00	3.50
Library	9.80	9.80	9.95	9.95	9.95	10.00	9.63	9.63	9.63	13.63
Proprietary Funds										
Water/Wastewater	12.50	17.00	18.50	18.75	18.75	17.60	19.10	23.00	23.00	25.50
Electric	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00	9.00	10.00
Other Funds										
Convention Center	4.50	4.50	4.00	4.83	4.90	4.00	-	-	4.45	2.00
Special Events and Reservations	-	-	-	0.77	0.77	1.00	2.00	2.00	0.75	0.75
Economic Development Corporation	3.50	3.50	4.00	4.00	4.00	4.00	5.00	1.00	1.00	2.50
Fairview Cemetery	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Main Street	1.00	1.00	2.00	2.25	1.60	1.00	1.00	1.00	1.00	1.00
Total	120.88	126.26	136.16	147.31	147.16	143.02	150.43	161.76	182.15	199.15

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

TABLE 22

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
Building permits issued	100	117	164	83	178	510	266	168	85	214
Building permits value (thousands)	\$ 4,647	\$ 4,103	\$ 5,127	\$ 7,325	\$ 41,740	\$ 101,359	\$ 44,549	\$ 22,964	\$ 21,120	\$ 30,214
Police										
Physical arrests	781	547	539	593	501	337	381	458	609	839
Violations issued	4,869	3,116	2,662	3,474	3,747	1,623	2,656	2,506	4,466	9,487
Accident investigations	552	528	434	426	363	438	440	358 *	419	709
Fire										
Incident volume	921	676	759	1,112	900	-	1,229	1,264	1,564	1,269
Priority calls answered	444	213	260	1,017	687	1,247	1,034	1,199	1,387	1,189
Court										
Cases filed	3,155	2,336	2,236	2,159	2,186	1,908	2,219	2,993	3,213	4,335
Warrants issued	1,673	2,277	1,044	688	619	465	519	996	1,437	1,373
Public Works										
Paved streets (miles)	56	56	59	59	59	59	59	59	77	77
Open drainage ditches (miles)	50	50	50	50	50	50	50	50	50	50
Storm sewer lines (miles)	67	67	67	67	67	67	67	78	78	78
Number of street signs	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
Parks and Recreation										
Pavilion rentals	51	60	66	88	21	47	113	97	102	102
New trees planted	7	3	20	15	7	6	6	7	12	12
Special events	57	49	46	31	10	18	22	37	42	42
Library										
Volumes in collection	53,566	54,322	53,459	52,014	49,637	41,247	50,784	108,095	121,317	142,245
Total circulation	152,111	145,827	142,956	145,444	67,896	102,059	132,019	118,311	141,496	147,671
Story time and program attendance	11,748	14,349	13,633	13,603	6,160	4,681	8,813	6,257	13,205	15,662
Water										
Treated water produced (millions of gallons)	481.745	515.216	542.252	569.897	624.736	621.203	631.889	653.970	650.285	692.954
Line leaks and breaks	133	111	142	85	78	179	95	153	214	196
Wastewater										
Millions of gallons treated	350.635	343.872	352.574	378.132	411.194	441.811	479.587	479.587	524.434	476.478
Sewer stops	55	54	52	81	43	55	55	55	49	48

*This information was corrected for an error correction.

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

TABLE 23

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police Stations	1	1	1	1	1	1	1	1	1	1
Fire Stations	2	2	2	2	2	2	2	1	1	1
Bastrop Public Library	1	1	1	1	1	1	1	1	1	1
Other Public Works										
Paved Streets (miles)	56	56	59	59	59	59	59	70	77	77
Open Drainage Ditches (miles)	50	50	50	50	50	50	50	50	50	50
Storm Sewer Lines (miles)	67	67	67	67	67	67	67	78	78	78
Parks and Recreation										
Acreage (maintained)	120	123	123	123	130	130	130	130	130	164
Right of Ways	55	55	55	55	55	55	55	55	55	55
Playgrounds	4	4	5	5	7	7	7	7	7	7
Basketball Courts	4	4	4	4	4	4	4	4	4	4
Ball Fields	7	7	7	7	7	7	7	7	7	7
Sand Volleyball	1	1	1	1	1	1	1	1	2	2
Water										
Number of service connections	3,140	3,306	3,393	3,469	3,644	3,997	4,255	4,419	4,569	4,682
Wastewater										
Number of service connections	2,781	2,941	3,006	3,029	3,192	3,535	3,784	3,960	4,066	4,199
Number of Lift Stations	18	18	19	21	21	21	20	22	22	20

Source: Various City departments

CITY OF BASTROP, TEXAS
WATER USAGE (Millions of Gallons)
Last Ten Years

TABLE 24

<u>Fiscal</u> <u>Year End</u>	<u>Peak Day</u> <u>Usage (MGD)</u>	<u>Average Day</u> <u>Usage (MG)</u>	<u>Total Usage</u> <u>(Acre Feet)</u>
2016	2.314	1.322	1.482
2017	2.817	1.411	1.581
2018	2.546	1.485	1.664
2019	2.468	1.561	1.748
2020	2.821	1.711	1.917
2021	3.279	1.702	1.906
2022	2.721	1.729	1.939
2023	2.930	1.789	2.007
2024	2.567	1.781	1.995
2025	3.146	1.950	2.188

Source: City of Bastrop

CITY OF BASTROP, TEXAS
 TEN LARGEST WATER CUSTOMERS
 September 30, 2025

TABLE 25

<u>Customer</u>	<u>Revenue</u>	<u>% of Total Annual Revenue</u>
City of Bastrop	\$ 182,690	3.82%
Bastrop Independent School District	99,927	2.09%
Bastrop County	92,636	1.94%
Walnut Ridge Apartments	59,844	1.25%
Buc-ee's	46,638	0.97%
Hunters Crossing Apartments	44,986	0.94%
Blakey Owners Apartments	42,186	0.88%
Rapid Express Carwash	41,817	0.87%
The Preserve at Hunter's Crossing Apartments	35,032	0.73%
Landart America	<u>29,848</u>	<u>0.62%</u>
	<u>\$ 675,604</u>	<u>14.11%</u>

% of Total Annual Revenue is based on water utility billing only of \$4,785,957.

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
MONTHLY AND VOLUMETRIC WATER RATES
September 30, 2025

TABLE 26

Residential and Commercial - Inside City Limits

3/4" or smaller	\$	37.72
1" Meter	\$	62.87
1 1/2" Meter	\$	128.32
2" Meter	\$	207.08
3" Meter	\$	377.20
4" Meter	\$	628.67
6" Meter	\$	1,257.33

Plus charges per 1,000 gallons usage

1-3,000 gal.	\$	2.85
3,001-5,000 gal.	\$	3.04
5,001-10,000 gal.	\$	3.22
10,001-20,000 gal.	\$	3.42
20,001-50,000 gal.	\$	3.69
over 50,001	\$	3.87

Residential and Commercial - Outside City Limits

3/4" or smaller	\$	56.45
1" Meter	\$	94.05
1 1/2" Meter	\$	192.48
2" Meter	\$	310.62
3" Meter	\$	565.80
4" Meter	\$	943.00
6" Meter	\$	1,885.99

Plus charges per 1,000 gallons usage

1-3,000 gal.	\$	4.12
3,001-5,000 gal.	\$	4.42
5,001-10,000 gal.	\$	4.70
10,001-20,000 gal.	\$	4.98
20,001-50,000 gal.	\$	5.39
over 50,001	\$	5.66

Wholesale Water

Monthly Fixed Charge

Source Cost (subscribed capacity)		\$45,000 per MGD
Transmission Cost (subscribed capacity)		\$4977.71 per MGD
Customer Charge		\$1.75 per wholesale meter

Plus charges per 1,000 gallons usage

Volumetric Charge	\$	2.24
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Source: City of Bastrop

Note: Rates effective November 1, 2023

CITY OF BASTROP, TEXAS
WASTEWATER FLOW (Millions of Gallons)
Last Ten Years

TABLE 27

Average Daily Wastewater Flow

<u>Fiscal Year</u>	<u>Gallons</u>
2016	0.952
2017	0.941
2018	0.965
2019	1.035
2020	1.123
2021	1.242
2022	1.211
2023	1.313
2024	1.304
2025	1.325

Source: City of Bastrop

CITY OF BASTROP, TEXAS
 TEN LARGEST WASTEWATER CUSTOMERS
 September 30, 2025

TABLE 28

<u>Customer</u>	<u>Revenue</u>	<u>% of Total Annual Revenue</u>
Bastrop County WCID #2	\$ 188,059	4.20%
Walnut Ridge Apartments	133,506	2.98%
Hunters Crossing Apartments	115,304	2.58%
Lodge at Lost Pines Apartments	101,699	2.27%
Blakey Owners Apartments	91,512	2.05%
The Preserve at Hunters Crossing	96,450	2.16%
West Bastrop Village	71,734	1.60%
Bastrop Housing Authority	59,061	1.32%
Bastrop County	57,876	1.29%
The Arbors of Bastrop	53,753	1.20%
	<u>\$ 968,954</u>	<u>21.65%</u>

% of Total Annual Revenue is based on water utility billing only of \$4,473,821.

Source: City of Bastrop Utility Customer Service

CITY OF BASTROP, TEXAS
 MONTHLY AND VOLUMETRIC WASTEWATER RATES
 September 30, 2025

TABLE 29

<u>Residential, Multifamily, and Commercial - Inside City Limits</u>		
Minimum Charge	\$	46.97
Plus charges per 1,000 gallons usage		
1-5,000 gal.	\$	2.45
5,001-10,000 gal.	\$	2.77
10,001-20,000 gal.	\$	2.95
20,001-50,000 gal.	\$	3.18
over 50,001	\$	3.47
 <u>Wholesale Water</u>		
Monthly Fixed	\$	1.75
Customer charge per wholesale meter		
Plus charges per 1,000 gallons usage:		
Volumetric Charge	\$	5.18

Source: City of Bastrop
 Note: Master Fee Schedule adopted March 11, 2025 Ordinance No. 2025-10





BASTROTX
Heart of the Lost Pines
Est. 1832