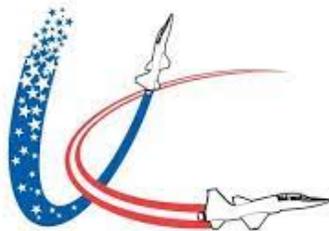


CITY OF UNIVERSAL CITY, TEXAS

ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2024



CLIENT **FOCUSED.** RELATIONSHIP **DRIVEN.**



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

TABLE OF CONTENTS

For the year ended September 30, 2024

	<u>PAGE</u>
INTRODUCTORY SECTION	
City Officials	i
FINANCIAL SECTION	
Independent Auditor’s Report	1-3
Management’s Discussion and Analysis	5-11
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	14-15
Statement of Activities	16-17
Governmental Fund Financial Statements:	
Balance Sheet – Governmental Funds	18-19
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	20
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	22-23
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	24
Proprietary Funds:	
Statement of Net Position	26-29
Statement of Revenues, Expenses, and Changes in Fund Net Position	30-31
Statement of Cash Flows	32-35
Notes to Basic Financial Statements	39-67
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	71-75

CITY OF UNIVERSAL CITY, TEXAS

TABLE OF CONTENTS

For the year ended September 30, 2024

PAGE

REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)

Texas Municipal Retirement System:

Schedule of Changes in Net Pension Liability and Related Ratios	76-77
Schedule of Contributions - Pension	78-79
Schedule of Changes in Other Postemployment Benefit Liability (OPEB) and Related Ratios	80-81
Schedule of Contributions – Other Postemployment Benefits (OPEB)	82-83
Schedule of Changes in Total Other Postemployment Benefit Liability (OPEB) – Retiree Health Care Plan	84
Notes to Required Supplementary Information	85

OTHER SUPPLEMENTARY INFORMATION

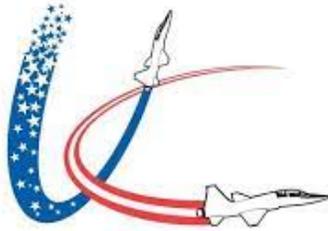
Combining Balance Sheet – Nonmajor Governmental Funds	88-89
Combining Statements of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	90-91
Comparative Balance Sheets – General Fund	92
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances – General Fund	93
Comparative Balance Sheets – Debt Service Fund	94
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances – Debt Service Fund	95
Comparative Statements of Net Position – Water and Sewer Enterprise Fund	96-97
Comparative Statements of Revenues, Expenses, and Changes in Net Position – Water and Sewer Enterprise Fund	98-99

CITY OF UNIVERSAL CITY, TEXAS

TABLE OF CONTENTS

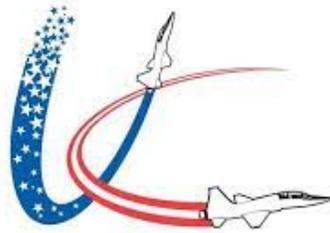
For the year ended September 30, 2024

	<u>TABLE</u>	<u>PAGE</u>
STATISTICAL SECTION		
Net Position by Component – Last Ten Fiscal Years	1	102-103
Change in Net Position – Last Ten Fiscal Years	2	104-109
Fund Balances – Governmental Funds – Last Ten Fiscal Years	3	110-111
Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	4	112-113
Assessed Value and Actual Value of Taxable Property – Last Ten Fiscal Years	5	114
Direct and Overlapping Property Rates – Last Ten Fiscal Years	6	115
Principal Property Taxpayers	7	116
Property Tax Levies and Collections – Last Ten Fiscal Years	8	117
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	9	118
Direct and Overlapping Governmental Activities Debt	10	119
Debt Margin Information – Last Ten Fiscal Years	11	120
Pledged Revenue Coverage – Last Ten Fiscal Years	12	121
Demographic and Economic Statistics – Last Ten Fiscal Years	13	122
Full-Time Equivalent Employees by Function – Last Ten Fiscal Years	14	123
Operating Indicators by Function/Program – Last Ten Fiscal Years	15	124-125
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	16	126
COMPLIANCE SECTION		
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		129-130
Independent Accountant’s Report on Compliance for the U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Program (CSLFRF) Requirements for an Alternative CSLFRF Compliance Examination Engagement		131-132



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1950

INTRODUCTORY SECTION



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

CITY OFFICIALS

For the year ended September 30, 2024

MAYOR

TOM MAXWELL

MAYOR PRO TEM

CHRISTINA FITZPATRICK

CITY COUNCIL

LORI PUTT

PHIL VAUGHAN

BEAR GOOLSBY

BERNARD RUBAL

ASHTON BULMAN

CITY MANAGER

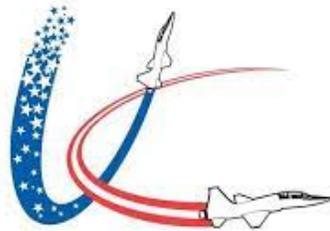
KIM TURNER

ATTORNEY

DENTON, NAVARRO, RODRIGUEZ, BERNAL, SANTEE & ZECH, P.C.

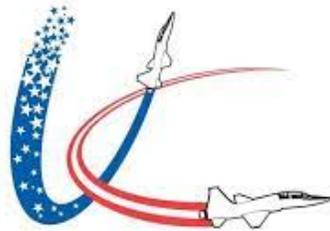
AUDITOR

ABIP, PC



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

FINANCIAL SECTION



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying 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 Universal City, Texas (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the 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 of Universal City, Texas as of September 30, 2024 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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. The financial statements of the Universal City Economic Development Corporation were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards and *Governmental Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the Texas Municipal Retirement System net pension liability and other postemployment benefits liabilities required schedules as listed in 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.

Supplementary Information

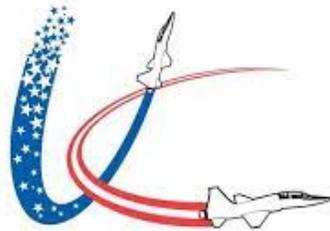
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 18, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

ABIP, PC

San Antonio, Texas
February 18, 2025



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

For the year ended September 30, 2024

As management of the City of Universal City, Texas, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ❖ The assets and deferred outflows of resources of the City of Universal City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$101,173,174 (net position). Of this amount, \$23,356,619 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- ❖ The City's total net position increased by \$8,462,779.
- ❖ As of the close of the current fiscal year, the City of Universal City's governmental funds reported combined fund balances of \$30,503,682 of which \$17,385,934 is unassigned and available for spending at the City's discretion.
- ❖ The governmental fund balances increased by \$6,178,875. The increase was primarily due to an increase in interest earnings during the current year and new debt issuance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to statements of a private-sector business.

The **statement of net position** presents information on all of the City's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two 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.

The **statement of activities** presents information showing how the government's net position changed during the most recent fiscal 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. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, development services, library services and recreation. The business-type activities of the City include water and sewer, golf course operations and stormwater management. The City has also included the information for the Universal City Economic Development Corporation, which is considered a component unit of the City.

Fund Financial Statements

A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City of Universal City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance and related legal requirements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources available at the end of the fiscal year. All of the funds of the City can be divided into two categories – governmental funds and proprietary funds.

The **governmental funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental funds 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 fiscal year. This information may be useful in evaluating a government'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 for governmental funds with information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison.

The City of Universal City maintains three (3) governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the general, capital projects, and debt service funds, which are all considered to be the City's major funds.

The City of Universal City adopts an annual budget for all of the governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14-24 of this report.

The **proprietary funds** provide the same type of information as the government-wide financial statements only in more detail. The City maintains only one type of proprietary fund, which is an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. The City uses the enterprise funds to account for its water and sewer, golf operations, and stormwater management, which are all considered major funds of the City.

The basic proprietary fund financial statements can be found on pages 26-35 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 39-67 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the general fund budget and the net pension and OPEB liabilities for the City's obligation to provide pension and OPEB benefits to its employees and retirees. Required supplementary information can be found on pages 71-85 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of government’s financial position. In the case of the City of Universal City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$101,173,174.

A portion of the City’s net position (61%) reflects its investments in capital assets (land, buildings, improvements other than buildings, transportation and equipment, 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 capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets:						
Current and other assets	\$ 33,421,556	\$ 29,294,109	\$ 28,041,847	\$ 27,258,268	\$ 61,463,403	\$ 56,552,377
Capital assets	<u>42,918,657</u>	<u>41,065,002</u>	<u>41,320,514</u>	<u>38,276,408</u>	<u>84,239,171</u>	<u>79,341,410</u>
Total assets	<u>76,340,213</u>	<u>70,359,111</u>	<u>69,362,361</u>	<u>65,534,676</u>	<u>145,702,574</u>	<u>135,893,787</u>
Deferred outflows of resources	<u>2,274,070</u>	<u>3,703,256</u>	<u>653,535</u>	<u>1,044,509</u>	<u>2,927,605</u>	<u>4,747,765</u>
Liabilities:						
Long-term liabilities	27,678,555	25,062,867	11,886,839	13,419,276	39,565,394	38,482,143
Other liabilities	<u>3,682,577</u>	<u>5,475,800</u>	<u>3,570,248</u>	<u>3,739,379</u>	<u>7,252,825</u>	<u>9,215,179</u>
Total liabilities	<u>31,361,132</u>	<u>30,538,667</u>	<u>15,457,087</u>	<u>17,158,655</u>	<u>46,818,219</u>	<u>47,697,322</u>
Deferred inflows of resources	<u>557,650</u>	<u>194,087</u>	<u>81,136</u>	<u>39,748</u>	<u>638,786</u>	<u>233,835</u>
Net position:						
Net investment in capital assets	22,440,829	30,598,928	39,560,875	31,358,361	62,001,704	61,957,289
Restricted	12,649,407	2,606,663	3,165,444	2,846,572	15,814,851	5,453,235
Unrestricted	<u>11,605,265</u>	<u>10,124,022</u>	<u>11,751,354</u>	<u>15,175,849</u>	<u>23,356,619</u>	<u>25,299,871</u>
Total net position	<u>\$ 46,695,501</u>	<u>\$ 43,329,613</u>	<u>\$ 54,477,673</u>	<u>\$ 49,380,782</u>	<u>\$ 101,173,174</u>	<u>\$ 92,710,395</u>

An additional portion of the City’s net position (16%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position \$23,356,619, may be used to meet the government’s ongoing obligation to citizens and creditors.

As of September 30, 2024, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate categories – governmental and business-type activities.

Analysis of the City's Operations

The following table provides a summary of the City's operations for the year ended September 30, 2024. Governmental activities increased the City of Universal City's net position by \$3,365,888, accounting for 40% of the total growth in net position. Business-type activities increased the City's net position by \$5,096,891, accounting for 60% of total growth in net position.

	Governmental		Business-Type		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	\$ 2,837,499	\$ 3,438,805	\$ 14,793,809	\$ 15,327,889	\$ 17,631,308	\$ 18,766,694
Capital grants and contributions	3,054,573	1,121,643	111,594	-	3,166,167	1,121,643
General revenues:						
Property taxes	10,990,324	10,336,075	-	-	10,990,324	10,336,075
Franchise fees	1,311,402	1,345,246	-	-	1,311,402	1,345,246
Sales taxes	5,546,374	3,532,961	-	1,761,756	5,546,374	5,294,717
Hotel/motel taxes	160,901	102,539	-	-	160,901	102,539
Mixed drink	75,264	76,102	-	-	75,264	76,102
Interest and investment earnings	1,761,088	1,353,325	1,372,649	1,004,592	3,133,737	2,357,917
Miscellaneous	281,953	219,634	-	-	281,953	219,634
Total revenues	<u>26,019,378</u>	<u>21,526,330</u>	<u>16,278,052</u>	<u>18,094,237</u>	<u>42,297,430</u>	<u>39,620,567</u>
Expenses:						
Administration	1,575,328	3,418,371	-	-	1,575,328	3,418,371
Planning and development	1,716,684	1,013,760	-	-	1,716,684	1,013,760
Finance	510,077	722,098	-	-	510,077	722,098
Municipal court	346,926	319,928	-	-	346,926	319,928
General services division	2,706,220	1,767,082	-	-	2,706,220	1,767,082
Police	4,768,827	4,777,695	-	-	4,768,827	4,777,695
Fire	3,312,890	3,537,731	-	-	3,312,890	3,537,731
Library	560,933	598,468	-	-	560,933	598,468
Vehicle and equipment maintenance	302,199	272,886	-	-	302,199	272,886
Animal shelter	663,050	631,753	-	-	663,050	631,753
Human resources	478,069	-	-	-	478,069	-
Parks and recreation	1,264,754	998,620	-	-	1,264,754	998,620
Nondepartmental	1,116,378	-	-	-	1,116,378	-
Interest and other fees	920,490	503,081	-	-	-	503,081
Water and sewer utility	-	-	9,295,922	8,064,640	9,295,922	8,064,640
Golf course	-	-	3,652,303	2,845,852	3,652,303	2,845,852
Stormwater	-	-	643,601	558,482	643,601	558,482
Total expenses	<u>20,242,825</u>	<u>18,561,473</u>	<u>13,591,826</u>	<u>11,468,974</u>	<u>32,914,161</u>	<u>30,030,447</u>
Increase (decrease) in net position before transfers	5,776,553	2,964,857	2,686,226	6,625,263	8,462,779	9,590,120
Transfers	<u>(2,410,665)</u>	<u>381,395</u>	<u>2,410,665</u>	<u>(381,395)</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net position	3,365,888	3,346,252	5,096,891	6,243,868	8,462,779	9,590,120
Beginning net position	43,329,613	40,143,361	49,380,782	43,136,914	92,710,395	83,280,275
Restatement of net position	-	(160,000)	-	-	-	(160,000)
Ending net position	<u>\$ 46,695,501</u>	<u>\$ 43,329,613</u>	<u>\$ 54,477,673</u>	<u>\$ 49,380,782</u>	<u>\$ 101,173,174</u>	<u>\$ 92,710,395</u>

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

Governmental Funds

The focus of the City of Universal 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 a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Universal City's governmental funds reported combined ending fund balances of \$30,503,682. Approximately 57% of this total amount constitutes unassigned fund balance of \$17,385,934. The remainder of the fund balance is restricted or assigned.

The general fund is the primary operating fund of the City. During the year, revenues exceeded expenditures in the general fund by \$330,378. Net transfers to other funds of \$1,073,903, decreased this fund balance by \$743,525.

In the capital projects fund, expenditures exceeded revenues by \$865,850. The fund balance increased by \$5,365,984 primarily due to the issuance of bond proceeds and premium.

In the debt service fund, expenditures exceeded revenues by \$249,340.

In the American Rescue Plan Fund, revenue exceeded expenditures by \$1,202,247 which was transferred to other funds resulting in no change in fund balance.

Proprietary Funds

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

Unrestricted net position in the respective proprietary funds are water and sewer of \$8,421,979, stormwater management of \$1,226,259 and golf course of \$2,103,116. The funds had changes in net position in 2024 as follows: water and sewer of \$1,317,713, water impact fees of \$2,622,970, sewer impact fees of \$542,474, stormwater management of \$722,315, and golf course of (\$108,581).

General Fund Budgetary Highlights

An annual budget is legally adopted for the general fund. Expenditures were under budget by \$625,78.

CAPITAL ASSETS

The City of Universal City's investment in capital assets for its governmental and business type activities as of September 30, 2024, amounts to \$84,239,171 (net of accumulated depreciation). This investment in capital assets includes land, buildings, and improvements other than buildings, equipment, water rights, infrastructure and construction in progress.

CAPITAL ASSETS AT YEAR END
(NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	\$ 7,388,974	\$ 6,976,157	\$ 757,199	\$ 492,908	\$ 8,146,173	\$ 7,469,065
Buildings and improvements	7,689,867	7,416,334	1,451,606	1,221,340	9,141,473	8,637,674
Improvements other than buildings	1,400,501	1,552,879	-	-	1,400,501	1,552,879
Utility plant and easements	-	-	28,280,883	25,708,729	28,280,883	25,708,729
Transportation and equipment	2,430,839	1,981,748	1,788,755	1,295,877	4,219,594	3,277,625
Water rights	-	-	8,917,267	8,633,818	8,917,267	8,633,818
Infrastructure	23,113,734	13,815,386	-	-	23,113,734	13,815,386
Construction in progress	894,742	9,322,498	124,804	923,736	1,019,546	10,246,234
	<u>\$ 42,918,657</u>	<u>\$ 41,065,002</u>	<u>\$ 41,320,514</u>	<u>\$ 38,276,408</u>	<u>\$ 84,239,171</u>	<u>\$ 79,341,410</u>

Additional information on capital assets can be found in note 4 on pages 49-50.

DEBT ADMINISTRATION

At the end of the current fiscal year, the City of Universal City had total outstanding debt of \$29,573,496. Of this amount, \$18,825,000 comprises bonded debt backed by the full faith and credit of the government and \$9,605,000 represents bonds secured solely by water and sewer revenues. Notes payables of \$612,527 are capital leases secured by a fire truck, equipment, a street sweeper, golf carts, and golf equipment.

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	\$ 17,015,000	\$ 12,310,000	\$ -	\$ -	\$ 17,015,000	\$ 12,310,000
Revenue bonds	-	-	9,605,000	10,510,000	9,605,000	10,510,000
Certificates of obligation	1,810,000	1,955,000	-	-	1,810,000	1,955,000
Notes payable	<u>152,134</u>	<u>211,267</u>	<u>460,393</u>	<u>584,092</u>	<u>612,527</u>	<u>795,359</u>
Totals	18,977,134	14,476,267	10,065,393	11,094,092	29,042,527	25,570,359
Compensated absences	<u>416,767</u>	<u>349,632</u>	<u>114,202</u>	<u>111,800</u>	<u>530,969</u>	<u>461,432</u>
Total debt	<u>\$ 19,393,901</u>	<u>\$ 14,825,899</u>	<u>\$ 10,179,595</u>	<u>\$ 11,205,892</u>	<u>\$ 29,573,496</u>	<u>\$ 26,031,791</u>

The City of Universal City maintains an AA+ rating from Standard and Poor's, with municipal bond insurance. Additional information on the City of Universal City's long-term debt can be found in note 5 pages 51-52.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2025 budget will raise more revenue from total property taxes than the 2024 budget by an amount of \$307,602 which is a 2.9% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll for 2025 is \$115,043. The 2025 spending plan calls for a tax rate of 0.514382 per \$100 valuation which is a slight decrease from 0.517499 in 2024. This decrease will result in a nominal delay in funding for \$100,000 in projects including \$60,000 for a parks and recreation vehicle and \$40,000 for a public works trailer. While the approved rate is a decrease, higher appraisal values could ultimately mean homeowners pay additional taxes.

The General Fund revenues are projected to increase from \$19,285,581 in 2024 to \$19,928,122 in 2025 with the increase attributed to continued growth in sales tax, ad valorem tax and fees. In 2025, 44% of expenditures are for public safety; 18.5% for general services including vehicles and equipment and animal control; 7% for development services; 12% for community services such as library and parks; 8% for general government; and 10.5% for non-departmental expenses such as insurance and utilities.

Police and Fire are the two departments that provide the Public Safety function of the City. The budget for the police department is \$4,882,646 and the fire department budget is \$3,874,524 for 2025. Utility revenue is expected to increase by \$858,743 for a total revenue of \$17,080,848. Water and sewer collection fees and bond revenue for capital improvements make up the bulk of utility revenue at \$15,640,157.

New commercial and retail structures began development during the 2023 Fiscal Year. The tenancy of those structures, whether owner-occupied or lease tenants, will contribute to the overall economic viability of the City. The tenancy of the buildings will supply new tax revenues for the future and support ad valorem and sales tax revenues to fund capital projects and City operations included in the General Fund.

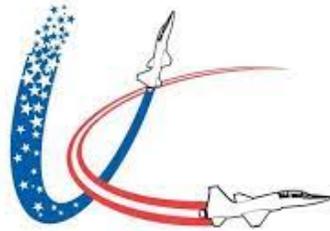
The City's sales tax revenues remain healthy. Residential development and home sales continued at an accelerated pace with new phases coming online in the 2025 Fiscal Year.

Multiple Planned Unit Developments have completed their entitlements with the City. Future construction of mixed-use projects and apartment complexes will be prominent over the next few years.

The Aviation District Master Plan was adopted by both the City and the Economic Development Corporation (EDC). The EDC Board has made ardent strides in identifying and purchasing key properties that are required to bring the plan to fruition. Additionally, infrastructure upgrades and improvements in the adjoining residential areas contribute to the economic viability of the Plan.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the Finance Department, Attention: Finance Director, at 2150 Universal City Boulevard, Universal City, Texas 78148, or call (210) 659-0333.



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Government Accounting Standards Board (GASB).

The sets of statements include:

- Government–Wide Financial Statements
- Fund Financial Statements:
 - Governmental Funds
 - Proprietary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF NET POSITION

September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Universal City Economic Development Corporation
Assets:				
Cash and investments	\$ 30,412,698	\$ 17,396,729	\$ 47,809,427	\$ 8,295,742
Receivables: (net of allowances for uncollectibles)				
Taxes	307,799	-	307,799	-
Accounts	-	1,294,513	1,294,513	-
Other	1,189,020	-	1,189,020	-
Due from other governments	1,445,026	-	1,445,026	308,593
Inventories	-	528,369	528,369	-
Prepaid expenses	67,013	115,992	183,005	27,142
Restricted assets:				
Cash	-	8,706,244	8,706,244	-
Capital assets:				
Land	7,388,974	757,199	8,146,173	-
Building and improvements	13,364,864	2,539,193	15,904,057	-
Improvements other than buildings	7,140,795	-	7,140,795	-
Utility plant and easements	-	41,830,007	41,830,007	-
Transportation and equipment	13,002,459	6,815,269	19,817,728	-
Water rights	-	8,917,267	8,917,267	-
Infrastructure	39,392,824	-	39,392,824	-
Construction in progress	894,742	124,804	1,019,546	-
Accumulated depreciation	<u>(38,266,001)</u>	<u>(19,663,225)</u>	<u>(57,929,226)</u>	<u>-</u>
 Total assets	 <u>76,340,213</u>	 <u>69,362,361</u>	 <u>145,702,574</u>	 <u>8,631,477</u>
 Deferred outflows of resources:				
Deferred charge on pension - TMRS	2,226,974	640,251	2,867,225	-
Deferred charge on OPEB - TMRS	<u>47,096</u>	<u>13,284</u>	<u>60,380</u>	<u>-</u>
 Total deferred outflows of resources	 <u>2,274,070</u>	 <u>653,535</u>	 <u>2,927,605</u>	 <u>-</u>
 Total assets and deferred outflows of resources	 <u>\$ 78,614,283</u>	 <u>\$ 70,015,896</u>	 <u>\$ 148,630,179</u>	 <u>\$ 8,631,477</u>

The accompanying notes are an integral part of these financial statements.

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF NET POSITION

September 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Universal City Economic Development Corporation
Liabilities and net position:				
Liabilities:				
Accounts payable and other current liabilities	\$ 545,433	\$ 1,050,397	\$ 1,595,830	\$ 110,948
Accrued interest payable	-	-	-	35,945
Customer deposits	-	1,071,220	1,071,220	-
Due to primary government	-	-	-	-
Accrued interest payable	119,427	-	119,427	-
Unearned revenues	1,111,334	120,049	1,231,383	-
Current portion:				
Current portion of long-term debt	-	986,160	986,160	-
Accrued interest payable	-	28,166	28,166	-
Noncurrent liabilities:				
Net pension liability	8,821,031	2,536,031	11,357,062	-
OPEB liability - TMRS	252,219	71,139	323,358	-
OPEB liability - Retiree health	33,860	-	33,860	-
Due within one year	2,025,810	314,256	2,340,066	476,544
Due in more than one year	18,452,018	9,279,669	27,731,687	8,040,099
Total liabilities	<u>31,361,132</u>	<u>15,457,087</u>	<u>46,818,219</u>	<u>8,663,536</u>
Deferred inflows of resources:				
Deferred inflow on pension - TMRS	169,096	48,615	217,711	-
Deferred inflow on OPEB - TMRS	115,302	32,521	147,823	-
Deferred inflow on OPEB - Retiree health	273,252	-	273,252	-
Total deferred inflows of resources	<u>557,650</u>	<u>81,136</u>	<u>638,786</u>	<u>-</u>
Net position:				
Net investment in capital assets	22,440,829	39,560,875	62,001,704	-
Restricted for:				
Special revenue	1,603,733	-	1,603,733	-
Debt service	764,556	-	764,556	-
Capital projects	10,281,118	-	10,281,118	-
Impact fees	-	3,165,444	3,165,444	-
Unrestricted	11,605,265	11,751,354	23,356,619	(32,059)
Total net position	<u>46,695,501</u>	<u>54,477,673</u>	<u>101,173,174</u>	<u>(32,059)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 78,614,283</u>	<u>\$ 70,015,896</u>	<u>\$ 148,630,179</u>	<u>\$ 8,631,477</u>

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF ACTIVITIES

For the year ended September 30, 2024

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Administration	\$ 1,575,328	\$ 332,201	\$ -	\$ -
Planning and development	1,716,684	554,460	-	2,533,104
Finance	510,077	-	-	-
Municipal court	346,926	1,410,629	-	-
General services division	2,706,220	36,554	-	521,469
Police	4,768,827	83,844	-	-
Fire	3,312,890	-	-	-
Library	560,933	2,177	-	-
Vehicle and equipment maintenance	302,199	-	-	-
Animal shelter	663,050	-	-	-
Human resources	478,069	-	-	-
Parks and recreation	1,264,754	107,634	-	-
Golf course	-	310,000	-	-
Nondepartmental	1,116,378	-	-	-
Interest and other fees	920,490	-	-	-
Total governmental activities	<u>20,242,825</u>	<u>2,837,499</u>	<u>-</u>	<u>3,054,573</u>
Business-type activities:				
Water / sewage utility	9,295,922	11,168,788	-	100,000
Water impact fees	-	202,985	-	-
Sewer impact fees	-	32,144	-	-
Golf course	3,652,303	2,485,570	-	-
Stormwater management	<u>643,601</u>	<u>904,322</u>	<u>-</u>	<u>11,594</u>
Total business-type activities	<u>13,591,826</u>	<u>14,793,809</u>	<u>-</u>	<u>111,594</u>
Total primary government	<u>\$ 33,834,651</u>	<u>\$ 17,631,308</u>	<u>\$ -</u>	<u>\$ 3,166,167</u>
Component unit:				
Economic Development Corporation	<u>\$ 2,908,495</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

General revenues:

Taxes

General property taxes

Franchise taxes

Sales taxes

Hotel/motel taxes

Mixed drink taxes

Interest and investment earnings

Miscellaneous

Transfers

Total general revenues

Change in net position

Net position - beginning of year

Net position - end of year

The accompanying notes are an integral part of these financial statements.

Changes in Net Position			
Primary Government			Component Unit
Governmental	Business-Type		Universal City
Activities	Activities	Total	Economic Development Corporation
\$ (1,243,127)	\$ -	\$ (1,243,127)	\$ -
1,370,880	-	1,370,880	-
(510,077)	-	(510,077)	-
1,063,703	-	1,063,703	-
(2,148,197)	-	(2,148,197)	-
(4,684,983)	-	(4,684,983)	-
(3,312,890)	-	(3,312,890)	-
(558,756)	-	(558,756)	-
(302,199)	-	(302,199)	-
(663,050)	-	(663,050)	-
(478,069)	-	(478,069)	-
(1,157,120)	-	(1,157,120)	-
310,000	-	310,000	-
(1,116,378)	-	(1,116,378)	-
(920,490)	-	(920,490)	-
<u>(14,350,753)</u>	<u>-</u>	<u>(14,350,753)</u>	<u>-</u>
-	1,972,866	1,972,866	-
-	202,985	202,985	-
-	32,144	32,144	-
-	(1,166,733)	(1,166,733)	-
-	272,315	272,315	-
-	<u>1,313,577</u>	<u>1,313,577</u>	-
<u>(14,350,753)</u>	<u>1,313,577</u>	<u>(13,037,176)</u>	<u>(2,908,495)</u>
10,990,324	-	10,990,324	-
1,311,402	-	1,311,402	-
5,546,374	-	5,546,374	1,848,791
160,901	-	160,901	-
75,264	-	75,264	-
1,761,088	1,372,649	3,133,737	245,397
281,953	-	281,953	29,686
<u>(2,410,665)</u>	<u>2,410,665</u>	<u>-</u>	<u>-</u>
<u>17,716,641</u>	<u>3,783,314</u>	<u>21,499,955</u>	<u>2,123,874</u>
3,365,888	5,096,891	8,462,779	(784,621)
<u>43,329,613</u>	<u>49,380,782</u>	<u>92,710,395</u>	<u>752,562</u>
<u>\$ 46,695,501</u>	<u>\$ 54,477,673</u>	<u>\$ 101,173,174</u>	<u>\$ (32,059)</u>

CITY OF UNIVERSAL CITY, TEXAS

BALANCE SHEET – GOVERNMENTAL FUNDS

September 30, 2024

	Major Funds			
	General Fund	Capital Projects Fund	Debt Service Fund	American Rescue Plan Fund
Assets:				
Cash and temporary investments	\$ 16,771,613	\$ 10,356,119	\$ 817,559	\$ 814,083
Receivables: (net of allowances for uncollectibles)				
Property taxes, net	239,240	-	68,559	-
Accounts	1,147,488	-	-	-
Due from other governments	614,964	-	-	521,469
Due from other funds	200,763	-	-	-
Prepaid	50,583	-	-	-
Total assets	<u>\$ 19,024,651</u>	<u>\$ 10,356,119</u>	<u>\$ 886,118</u>	<u>\$ 1,335,552</u>
Liabilities:				
Accounts payable	\$ 201,129	\$ 75,001	\$ 2,135	\$ 224,218
Accrued expenditures	29,590	-	-	-
Due to other funds	-	-	-	-
Unearned revenues	953,308	-	-	1,111,334
Total liabilities	<u>1,184,027</u>	<u>75,001</u>	<u>2,135</u>	<u>1,335,552</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	<u>239,240</u>	<u>-</u>	<u>68,559</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Prepaid	50,583	-	-	-
Restricted:				
PEG funds	-	-	-	-
Public safety	-	-	-	-
Library improvements	18,366	-	-	-
Hotel / motel	-	-	-	-
Child safety	-	-	-	-
Venue tax	-	-	-	-
Animal shelter	29,377	-	-	-
Court technology	-	-	-	-
Court security	-	-	-	-
Northlake roads	150,000	-	-	-
Park improvements	1,478	-	-	-
Veterans park	13,142	-	-	-
Opioid abatement	3,372	-	-	-
Debt service	-	-	764,556	-
Capital projects	-	10,281,118	-	-
Assigned: Capital projects	-	-	-	-
Unassigned	17,335,066	-	50,868	-
Total fund balances	<u>17,601,384</u>	<u>10,281,118</u>	<u>815,424</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,024,651</u>	<u>\$ 10,356,119</u>	<u>\$ 886,118</u>	<u>\$ 1,335,552</u>

The accompanying notes are an integral part of these financial statements.

Nonmajor Funds	Total Governmental Funds
\$ 1,653,324	\$ 30,412,698
-	307,799
41,532	1,189,020
308,593	1,445,026
-	200,763
<u>16,430</u>	<u>67,013</u>
<u>\$ 2,019,879</u>	<u>\$ 33,622,319</u>
\$ 13,360	\$ 515,843
-	29,590
200,763	200,763
<u>-</u>	<u>2,064,642</u>
<u>214,123</u>	<u>2,810,838</u>
<u>-</u>	<u>307,799</u>
16,430	67,013
329,477	329,477
76,888	76,888
-	18,366
512,850	512,850
108,185	108,185
108,434	108,434
-	29,377
107,914	107,914
144,250	144,250
-	150,000
-	1,478
-	13,142
-	3,372
-	764,556
-	10,281,118
401,328	401,328
<u>-</u>	<u>17,385,934</u>
<u>1,805,756</u>	<u>30,503,682</u>
<u>\$ 2,019,879</u>	<u>\$ 33,622,319</u>

CITY OF UNIVERSAL CITY, TEXAS

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION

September 30, 2024

Total fund balance - total governmental funds \$ 30,503,682

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, are not reported in the funds. 42,918,657

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds. 1,261,107

Accrued vacation leave payable is not due and payable in the current period and, therefore, not reported in the funds. (416,767)

Long-term liabilities are not due and payable in the current period and, therefore, not reported in the funds:

Bonds and notes payable (20,061,061)

Net pension liability (8,821,031)

OPEB liability - TMRS (252,219)

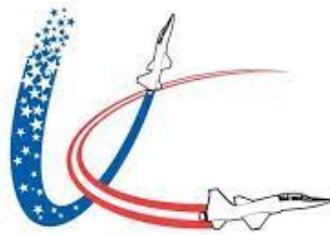
OPEB liability - Retiree health (33,860)

Deferred outflows/inflows 1,716,420

Accrued interest payable on long-term bonds is not due and payable in the current period and, therefore, not reported in the funds. (119,427)

Total net position of governmental activities \$ 46,695,501

The accompanying notes are an integral part of these financial statements.



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS**

For the year ended September 30, 2024

	Major Funds			
	General Fund	Capital Projects Fund	Debt Service Fund	American Rescue Plan Fund
Revenues:				
Taxes	\$ 14,256,851	\$ -	\$ 1,768,770	\$ -
Fees, licenses and permits	875,589	-	-	-
Intergovernmental	607,880	439,635	-	2,246,255
Contributions from component unit	368,683	-	-	-
Fines and forfeitures	1,228,244	-	-	-
Interest	973,342	545,965	97,147	67,769
Miscellaneous	<u>281,191</u>	<u>762</u>	<u>-</u>	<u>-</u>
Total revenues	<u>18,591,780</u>	<u>986,362</u>	<u>1,865,917</u>	<u>2,314,024</u>
Expenditures:				
Current:				
Administrative	1,463,273	-	-	-
Planning and development	947,774	-	-	-
Finance	509,932	-	-	-
Municipal court	257,825	-	-	-
General services division	1,353,799	-	-	521,469
Police	4,532,437	-	-	-
Fire	3,200,865	-	-	-
Vehicle and equipment maintenance	302,530	-	-	-
Animal shelter	584,964	-	-	-
Human resources	157,526	-	-	-
Library	460,937	-	-	-
Parks and recreation	932,328	-	-	-
Nondepartmental	1,407,903	-	-	-
Capital outlay	2,149,309	1,564,904	-	590,308
Debt service:				
Principal	-	59,133	1,405,000	-
Interest and fiscal charges	-	7,436	710,257	-
Bond issuance costs	<u>-</u>	<u>220,739</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>18,261,402</u>	<u>1,852,212</u>	<u>2,115,257</u>	<u>1,111,777</u>
Excess (deficiency) of revenues over (under) expenditures	<u>330,378</u>	<u>(865,850)</u>	<u>(249,340)</u>	<u>1,202,247</u>
Other financing sources (uses):				
Transfers in	653,582	11,095	-	-
Transfers out	(1,727,485)	-	-	(1,202,247)
Bond issue proceeds	-	5,965,000	-	-
Bond premium	<u>-</u>	<u>255,739</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,073,903)</u>	<u>6,231,834</u>	<u>-</u>	<u>(1,202,247)</u>
Net change in fund balances	(743,525)	5,365,984	(249,340)	-
Fund balances at beginning of year	<u>18,344,909</u>	<u>4,915,134</u>	<u>1,064,764</u>	<u>-</u>
Fund balances at end of year	<u>\$ 17,601,384</u>	<u>\$ 10,281,118</u>	<u>\$ 815,424</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Nonmajor Funds	Total Governmental Funds
\$ 2,009,692	\$ 18,035,313
113,738	989,327
-	3,293,770
-	368,683
6,742	1,234,986
76,865	1,761,088
-	<u>281,953</u>
<u>2,207,037</u>	<u>25,965,120</u>
-	1,463,273
69,198	1,016,972
-	509,932
67,907	325,732
118,566	1,993,834
-	4,532,437
-	3,200,865
-	302,530
-	584,964
-	157,526
-	460,937
-	932,328
-	1,407,903
-	4,304,521
-	1,464,133
-	717,693
-	<u>220,739</u>
<u>255,671</u>	<u>23,596,319</u>
<u>1,951,366</u>	<u>2,368,801</u>
1,716,390	2,381,067
(1,862,000)	(4,791,732)
-	5,965,000
-	<u>255,739</u>
<u>(145,610)</u>	<u>3,810,074</u>
1,805,756	6,178,875
-	<u>24,324,807</u>
<u>\$ 1,805,756</u>	<u>\$ 30,503,682</u>

CITY OF UNIVERSAL CITY, TEXAS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**

For the year ended September 30, 2024

Net change in fund balances - governmental funds	\$	6,178,875
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense.

Capital outlay	\$ 4,304,521		
Depreciation	<u>(2,450,866)</u>		1,853,655

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		54,258
--	--	--------

The issuance of long-term debt (e.g., bonds and capital leases) 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 transactions, however, has any effect on net position. The amount is the net effect of these differences in the treatment of long-term debt and related items.

Debt issuance	(5,965,000)		
Premium on debt issuance	(178,986)		
Principal payments	<u>1,464,133</u>		(4,679,853)

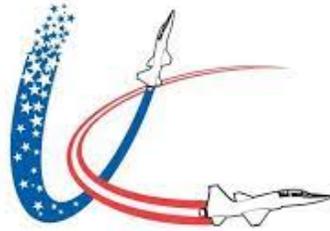
The change in the liability for net pension and OPEB liabilities does not consume a current financial resource and is therefore not reported as an expenditure in the governmental funds.

Pension Plan	37,048		
OPEB Plan - TMRS	(10)		
OPEB Plan - Health	<u>47,861</u>		84,899

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		<u>(125,946)</u>
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Change in net position of governmental activities	\$	<u><u>3,365,888</u></u>
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The accompanying notes are an integral part of these financial statements.



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

September 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water / Sewer	Water	Sewer
	Fund	Impact Fees	Impact Fees
Current assets:			
Cash and investments	\$ 9,950,270	\$ 2,622,970	\$ 542,474
Receivables (net of allowances for uncollectibles)			
Accounts	1,214,195	-	-
Inventories	449,345	-	-
Cash - restricted	8,706,244	-	-
Prepays	<u>115,325</u>	<u>-</u>	<u>-</u>
Total current assets	<u>20,435,379</u>	<u>2,622,970</u>	<u>542,474</u>
Deferred outflows of resources:			
Deferred outflow - TMRS OPEB	7,439	-	-
Deferred outflow - TMRS pension	<u>367,056</u>	<u>-</u>	<u>-</u>
Total deferred outflows of resources	<u>374,495</u>	<u>-</u>	<u>-</u>
Capital assets:			
Land	757,199	-	-
Building and improvements	2,253,028	-	-
Utility plant and easements	34,168,804	-	-
Transportation and equipment	3,990,787	-	-
Water rights	8,917,267	-	-
Construction in progress	-	-	-
Accumulated depreciation	<u>(16,383,029)</u>	<u>-</u>	<u>-</u>
Capital assets net of accumulated depreciation	<u>33,704,056</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 54,513,930</u>	<u>\$ 2,622,970</u>	<u>\$ 542,474</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities-Enterprise Funds

Stormwater Fund	Golf Course Fund	Total
\$ 1,333,456	\$ 2,947,559	\$ 17,396,729
80,318	-	1,294,513
-	79,024	528,369
-	-	8,706,244
<u>563</u>	<u>104</u>	<u>115,992</u>
<u>1,414,337</u>	<u>3,026,687</u>	<u>28,041,847</u>
930	4,915	13,284
<u>41,872</u>	<u>231,323</u>	<u>640,251</u>
<u>42,802</u>	<u>236,238</u>	<u>653,535</u>
-	-	757,199
-	286,165	2,539,193
7,661,203	-	41,830,007
574,985	2,249,497	6,815,269
-	-	8,917,267
124,804	-	124,804
<u>(1,566,144)</u>	<u>(1,714,052)</u>	<u>(19,663,225)</u>
<u>6,794,848</u>	<u>821,610</u>	<u>41,320,514</u>
<u>\$ 8,251,987</u>	<u>\$ 4,084,535</u>	<u>\$ 70,015,896</u>

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF NET POSITION – PROPRIETARY FUNDS

September 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water / Sewer Fund	Water Impact Fees	Sewer Impact Fees
Liabilities and net position:			
Current liabilities:			
Accounts payable	\$ 966,657	\$ -	\$ -
Accrued wages	4,986	-	-
Compensated absences/vacation leave	70,794	-	-
Customer deposits	1,071,220	-	-
Unearned revenues	-	-	-
Current portion of notes payable	-	-	-
Total current liabilities	2,113,657	-	-
Current liabilities payable from			
Restricted assets:			
Current portion of revenue bonds	986,160	-	-
Accrued interest payable	28,166	-	-
Total current liabilities payable from	1,014,326	-	-
restricted assets			
Noncurrent liabilities:			
Net pension liability	1,453,907	-	-
OPEB liability	39,838	-	-
Notes payable	-	-	-
Revenue bonds	9,019,330	-	-
Total noncurrent liabilities	10,513,075	-	-
Total liabilities	13,641,058	-	-
Deferred inflows of resources:			
Deferred inflow - TMRS pension	27,871	-	-
Deferred inflow - TMRS OPEB	18,212	-	-
Total deferred inflows of resources	46,083	-	-
Net position:			
Net investment in capital assets	32,404,810	-	-
Restricted - impact fees	-	2,622,970	542,474
Unrestricted	8,421,979	-	-
Total net position	40,826,789	2,622,970	542,474
Total liabilities, deferred inflows of resources			
and net position	\$ 54,513,930	\$ 2,622,970	\$ 542,474

Business-Type Activities - Enterprise Funds

<u>Stormwater Fund</u>	<u>Golf Course Fund</u>	<u>Total</u>
\$ 48,536	\$ 23,624	\$ 1,038,817
599	5,995	11,580
5,454	37,954	114,202
-	-	1,071,220
-	120,049	120,049
<u>22,041</u>	<u>177,018</u>	<u>199,059</u>
<u>76,630</u>	<u>364,640</u>	<u>2,554,927</u>
-	-	986,160
-	-	<u>28,166</u>
-	-	<u>1,014,326</u>
165,856	916,268	2,536,031
4,980	26,321	71,139
-	261,334	261,334
-	-	<u>9,019,330</u>
<u>170,836</u>	<u>1,203,923</u>	<u>11,887,834</u>
<u>247,466</u>	<u>1,568,563</u>	<u>15,457,087</u>
3,179	17,565	48,615
<u>2,276</u>	<u>12,033</u>	<u>32,521</u>
<u>5,455</u>	<u>29,598</u>	<u>81,136</u>
6,772,807	383,258	39,560,875
-	-	3,165,444
<u>1,226,259</u>	<u>2,103,116</u>	<u>11,751,354</u>
<u>7,999,066</u>	<u>2,486,374</u>	<u>54,477,673</u>
<u>\$ 8,251,987</u>	<u>\$ 4,084,535</u>	<u>\$ 70,015,896</u>

CITY OF UNIVERSAL CITY, TEXAS

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS**

For the year ended September 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water / Sewer	Water	Sewer
	Fund	Impact Fees	Impact Fees
Operating revenues:			
Water revenues	\$ 5,427,288	\$ -	\$ -
Sewer revenues	4,926,590	-	-
Stormwater revenues	-	-	-
Golf course fees	-	-	-
Other fees and service charges	768,536	202,985	32,144
Miscellaneous revenues	<u>46,374</u>	<u>-</u>	<u>-</u>
Total operating revenues	<u>11,168,788</u>	<u>202,985</u>	<u>32,144</u>
Operating expenses:			
Public works	1,454,347	-	-
Administration	456,211	-	-
Water department	3,012,189	-	-
Sewer department	3,020,351	-	-
Stormwater department	-	-	-
Golf course operating cost	-	-	-
Depreciation	<u>1,040,338</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>8,983,436</u>	<u>-</u>	<u>-</u>
Operating income	<u>2,185,352</u>	<u>202,985</u>	<u>32,144</u>
Nonoperating revenues (expenses):			
Interest income	1,092,754	69,253	14,490
Grants and donations	100,000	-	-
Transfer in	1,098,665	2,350,732	495,840
Transfer out	(2,846,572)	-	-
Interest and fiscal charges	<u>(312,486)</u>	<u>-</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(867,639)</u>	<u>2,419,985</u>	<u>510,330</u>
Change in net position	1,317,713	2,622,970	542,474
Net position at beginning of year	<u>39,509,076</u>	<u>-</u>	<u>-</u>
Net position at end of year	<u>\$ 40,826,789</u>	<u>\$ 2,622,970</u>	<u>\$ 542,474</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds

<u>Stormwater</u>	<u>Golf Course</u>	<u>Total</u>
<u>Fund</u>	<u>Fund</u>	
\$ -	\$ -	\$ 5,427,288
-	-	4,926,590
839,578	-	839,578
-	1,558,157	1,558,157
-	889,753	1,893,418
<u>64,744</u>	<u>37,660</u>	<u>148,778</u>
<u>904,322</u>	<u>2,485,570</u>	<u>14,793,809</u>
-	-	1,454,347
-	-	456,211
-	-	3,012,189
-	-	3,020,351
435,961	-	435,961
-	3,290,654	3,290,654
<u>207,640</u>	<u>341,111</u>	<u>1,589,089</u>
<u>643,601</u>	<u>3,631,765</u>	<u>13,258,802</u>
<u>260,721</u>	<u>(1,146,195)</u>	<u>1,535,007</u>
-	196,152	1,372,649
11,594	-	111,594
450,000	1,312,000	5,707,237
-	(450,000)	(3,296,572)
-	<u>(20,538)</u>	<u>(333,024)</u>
<u>461,594</u>	<u>1,037,614</u>	<u>3,561,884</u>
722,315	(108,581)	5,096,891
<u>7,276,751</u>	<u>2,594,955</u>	<u>49,380,782</u>
<u>\$ 7,999,066</u>	<u>\$ 2,486,374</u>	<u>\$ 54,477,673</u>

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the year ended September 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water / Sewer Fund	Water Impact Fees	Sewer Impact Fees
Cash flows from operating activities:			
Cash received from customers	\$ 11,220,893	\$ 202,985	\$ 32,144
Cash paid for employee wages and benefits	(1,655,035)	-	-
Cash paid to suppliers for goods and services	<u>(6,417,185)</u>	<u>-</u>	<u>-</u>
Net cash provided by operating activities	<u>3,148,673</u>	<u>202,985</u>	<u>32,144</u>
Cash flows from capital and related financing activities:			
Purchase/construction of capital assets	(3,344,898)	-	-
Principal payments on long-term debt	(961,160)	-	-
Interest and fiscal charges paid	<u>(315,127)</u>	<u>-</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(4,621,185)</u>	<u>-</u>	<u>-</u>
Cash flows from noncapital financing activities:			
Transfers from/to other funds	(1,902,573)	2,350,732	495,840
Grants and donations	<u>100,000</u>	<u>-</u>	<u>-</u>
Net cash provided by noncapital financing activities	<u>(1,802,573)</u>	<u>2,350,732</u>	<u>495,840</u>
Cash flows from investing activities:			
Investment interest received	<u>1,092,754</u>	<u>69,253</u>	<u>14,490</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,182,331)</u>	<u>2,622,970</u>	<u>542,474</u>
Cash and cash equivalents at beginning of year:			
Cash and equivalents	12,552,234	-	-
Restricted cash and equivalents	<u>8,286,611</u>	<u>-</u>	<u>-</u>
Total cash and equivalents at beginning of year	<u>20,838,845</u>	<u>-</u>	<u>-</u>
Cash and equivalents at end of year:			
Cash and equivalents	9,950,270	2,622,970	542,474
Restricted cash and equivalents	<u>8,706,244</u>	<u>-</u>	<u>-</u>
Total cash and equivalents at end of year	<u>\$ 18,656,514</u>	<u>\$ 2,622,970</u>	<u>\$ 542,474</u>

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds

<u>Stormwater</u>	<u>Golf Course</u>	<u>Total</u>
<u>Fund</u>	<u>Fund</u>	
\$ 902,527	\$ 2,812,274	\$ 15,170,823
(210,237)	(1,574,660)	(3,439,932)
<u>(212,339)</u>	<u>(1,803,702)</u>	<u>(8,433,226)</u>
<u>479,951</u>	<u>(566,088)</u>	<u>3,297,665</u>
(929,566)	(358,731)	(4,633,195)
(27,979)	(95,720)	(1,084,859)
<u>-</u>	<u>(20,538)</u>	<u>(335,665)</u>
<u>(957,545)</u>	<u>(474,989)</u>	<u>(6,053,719)</u>
447,494	(88,153)	1,303,340
<u>11,594</u>	<u>-</u>	<u>111,594</u>
<u>459,088</u>	<u>(88,153)</u>	<u>1,414,934</u>
<u>-</u>	<u>196,152</u>	<u>1,372,649</u>
<u>(18,506)</u>	<u>(933,078)</u>	<u>31,529</u>
1,351,962	3,880,637	17,784,833
<u>-</u>	<u>-</u>	<u>8,286,611</u>
<u>1,351,962</u>	<u>3,880,637</u>	<u>26,071,444</u>
1,333,456	2,947,559	17,396,729
<u>-</u>	<u>-</u>	<u>8,706,244</u>
<u>\$ 1,333,456</u>	<u>\$ 2,947,559</u>	<u>\$ 26,102,973</u>

CITY OF UNIVERSAL CITY, TEXAS

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

For the year ended September 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water / Sewer	Water	Sewer
	Fund	Impact Fees	Impact Fees
Reconciliation of operating income to net cash provided by (used in) operating activities:			
Operating income	\$ 2,185,352	\$ 202,985	\$ 32,144
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	1,040,338	-	-
Change in net pension and OPEB expense	195,307	-	-
(Increase) decrease in operating assets:			
Accounts receivable	52,105	-	-
Inventory	(42,093)	-	-
Due from other funds	3,569	-	-
Prepaid	(115,081)	-	-
Increase (decrease) in operating liabilities:			
Accounts payable	(165,019)	-	-
Accrued wages and benefits	(26,648)	-	-
Due to other funds	(1,061)	-	-
Utility deposits	21,904	-	-
Deferred revenue	-	-	-
Total adjustments	963,321	-	-
Net cash provided by operating activities	\$ 3,148,673	\$ 202,985	\$ 32,144

SCHEDULE OF NONCASH ACTIVITIES

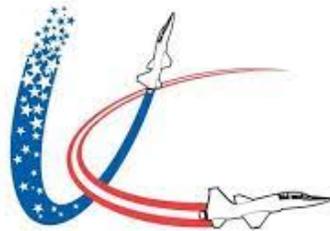
Actuarially determined change in:			
Net pension liability	\$ (196,041)	\$ -	\$ -
Other postemployment benefit liability	2,428	-	-

The accompanying notes are an integral part of these financial statements.

Business-Type Activities - Enterprise Funds

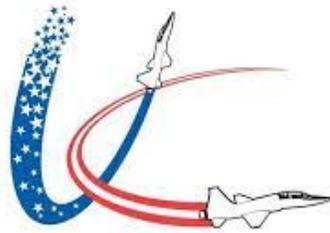
<u>Stormwater</u>	<u>Golf Course</u>	<u>Total</u>
<u>Fund</u>	<u>Fund</u>	
\$ 260,721	\$ (1,146,195)	\$ 1,535,007
207,640	341,111	1,589,089
(4,286)	26,587	217,608
(1,795)	304,965	355,275
-	(33,991)	(76,084)
1,062	916,415	921,046
(563)	253	(115,391)
24,950	(35,258)	(175,327)
(4,468)	(45,299)	(76,415)
(305)	(916,415)	(917,781)
(3,005)	-	18,899
-	<u>21,739</u>	<u>21,739</u>
<u>219,230</u>	<u>580,107</u>	<u>1,762,658</u>
<u>\$ 479,951</u>	<u>\$ (566,088)</u>	<u>\$ 3,297,665</u>

\$ (40,387)	\$ (173,876)	\$ (410,304)
303	1,604	4,335



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

NOTES TO BASIC FINANCIAL STATEMENTS



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies

The City of Universal City, Texas, (City), was incorporated on September 6, 1960 by Ordinance Number 1. The City Charter was adopted on April 18, 1972, under the provisions of the Home Rule Charter Act of the State of Texas using Ordinance Number 237. The City operates under a council-manager form of government and provides the following services as authorized by its charter: police and fire protection, maintenance of streets, planning and zoning, parks and recreation, general administrative services, water, sewer, and stormwater services, and a golf course.

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

Reporting entity

Component units

As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations; thus, data from these units, if any existed, would be combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

The City of Universal City has a component unit displayed as a discretely presented component unit. The component unit, Universal City Economic Development Corporation (EDC), was organized under Vernon's Civil Statutes, Section 4B 5190.6, to establish a nonprofit corporation for the sole purpose of economic development and enhancement of Universal City. The fiscal year of the EDC is October 1 through September 30. The EDC has seven (7) board members, with the city manager acting as an advisor to the Board. The EDC provides direct services and benefits to the City, its business community, and citizens and functions as an integral part of the City's operations by promoting and incentivizing economic growth and development for the community.

The Universal City Economic Development Corporation is included within the financial statements of the City of Universal City due to the significance of the corporation's operational and financial relationship with the City. The financial data of the component unit is recognized in the financial statements as a discretely presented component unit. It is reported in a separate column on the government-wide financial statements to emphasize it is legally separate from the government. Separately issued financial statements for the Universal City Economic Development Corporation may be obtained at the Universal City Municipal Complex.

Government-wide and fund financial statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the City and its component unit. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental activities are supported mainly by taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. The primary government is reported separately from the component unit within the government-wide statements.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Government-wide and fund financial statements (continued)

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges of customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds and proprietary funds. The general fund, capital projects fund, and debt service fund all meet the criteria of a major governmental fund.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. This measurement focus is also used for the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met.

Revenues are classified as program revenues and general revenues. Program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, grants not restricted to specific programs and investment earnings.

Governmental fund level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year end.

Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as deferred revenue. Property taxes which were levied prior to September 30, 2024 and became due October 1, 2023, have been assessed to finance the budget of the fiscal year beginning October 1, 2023, and accordingly, have been reflected as deferred inflows of resources and taxes receivable in the fund financial statements at September 30, 2024.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Measurement focus, basis of accounting, and financial statement presentation (continued)

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

The City reports the following major governmental funds:

The general fund is the general operating fund of the City and is always classified as a major fund. The general fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, licenses and permits, fines and forfeitures, sales tax, and franchise taxes. Primary expenditures are for general administration, public safety, and capital acquisition.

The capital projects fund accounts for financial resources to be used for the acquisition and construction of major capital projects and is principally financed by the sale of bonds and tax notes.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The American Rescue Plan (ARP) fund accounts for financial resources received from federal ARP grants and related expenditures.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position and cash flows. The City's proprietary funds are water/sewer fund (used to account for the provision of water and sewer services to residents), the golf course fund, and the stormwater fund. All the proprietary funds qualify as major funds.

The proprietary funds are accounted for using the accrual basis of accounting as follows:

1. Revenues are recognized when earned, and expenses are recognized when liabilities are incurred.
2. Current-year contributions, administrative expenses and benefit payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Cash and cash equivalents

Cash and cash equivalents include cash deposits and investments with a maturity date within three (3) months of the date acquired by the City.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Investments

State statutes authorize the City to invest in (a) obligations of the United States or its agencies and instrumentalities; (b) direct obligations of the State of Texas or its agencies; (c) other obligations, the principal and interest of which are unconditionally guaranteed or insured by the State of Texas or the United States; (d) obligations of states, agencies, counties, cities, and other political subdivisions of any other state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent; (e) certificates of deposit by state and national banks domiciled in this state that are (i) guaranteed or insured by the Federal Deposit Insurance Corporation (FDIC), or its successor; or, (ii) secured by obligations that are described by (a) – (d). Statutes also allow investing in local government investment pools organized and rated in accordance with the Interlocal Cooperation Act, whose assets consist exclusively of the obligations of the United States or its agencies and instrumentalities and repurchase agreements involving those same obligations. Investments are stated at fair value.

At September 30, 2024, the City has all its monies in interest-bearing checking accounts, savings accounts, and TexPool.

Accounts receivable

Property taxes are levied based on taxable value at January 1 prior to September 30 and become due October 1 and past due after January 31. Accordingly, receivables and revenues for property taxes are reflected on the government-wide statement based on the full accrual method of accounting. Property tax receivables for prior year's levy are shown net of an allowance for uncollectibles.

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the City. Program grants are recorded as receivables and revenues at the time all eligibility requirements established by the provider have been met.

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by the court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as deferred revenue in the fund statements. Receivables are shown net of an allowance for uncollectibles.

Short-term interfund receivables / payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund statements. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Inventories

Inventories of consumable supplies are valued at cost, which approximates market, using the first in/first out (FIFO) method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

Inventories of repair and replacement parts for the utility system are valued at cost, which approximates market, using the FIFO method.

Restricted assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Funds are segregated to report those proceeds of revenue bond issuances that are restricted for use in construction.

Capital assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets such as equipment are defined as assets with a cost of \$2,500 or more. Infrastructure assets include City-owned streets, sidewalks, curbs and bridges. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40 years
Improvements other than buildings	20 years
Transportation and equipment	5 to 15 years
Water and sewer system	15 to 50 years
Infrastructure	10 to 30 years

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Compensated absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that is attributable to services already rendered which is not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or in which such events take place.

Liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e., are due for payment). Compensated absences are accrued in the government-wide statements.

Deferred inflows of resources

Property tax revenues are recognized when they become both measurable and available within the fund statements. Available means when due, or past due, and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenues not expected to be available for the current period are reflected as deferred inflows of resources.

Long-term obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities. On new bond issues, bond premiums and discounts are deferred and amortized over the life of the bond.

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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund balance

The City implemented GASB Statement 54 “*Fund Balance Reporting and Governmental Fund Type Definitions*”. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Fund balance (continued)

- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose, positive amounts are reported only in the general fund.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. Assigned fund balance is delegated by the City Council to the City Manager.

Net position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Interfund transactions

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both governmental and proprietary funds.

The City allocates to the water/sewer and stormwater funds an indirect overhead cost percentage of general government administration expenses that is paid to the general fund. During the year ended September 30, 2024, the City allocated \$515,000 from the water/sewer and stormwater funds as transfers for such services. The indirect overhead cost allocation is reflected as an operating expense in the water/sewer fund and the stormwater fund, and as revenue in the general fund.

Operating revenues and expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, those revenues are charges for water, sewer and stormwater services, golf course green fees, and other direct sales. Operating expenses are the necessary costs incurred to provide the service that is the primary activity. Revenues and expenses not meeting these definitions are reported as nonoperating.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Use of 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 and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Pensions

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

Other postemployment benefits

The fiduciary net position of the Texas Municipal Retirement System (TMRS) Supplemental Death Plan (SDBF) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources, and deferred inflows of resources related to the other postemployment benefits, OPEB expense, and information about additions to/deductions from the TMRS OPEB's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. Contributions are utilized to fund active member deaths on a pay-as-you-go basis; any excess contributions and investment income over payments then become net position available for benefits.

(2) Cash, cash equivalents, and investments

The City's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the City's agent bank approved pledged securities in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation insurance.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(2) Cash, cash equivalents, and investments (continued)

Cash

At September 30, 2024, deposits in the bank were \$57,141,764 and the book balance was \$56,515,671. The City's depository had pledged securities having a market value of \$60,990,959 as collateral for the City's deposits at September 30, 2024. Deposits were fully collateralized.

The discretely presented component unit had deposits in the bank of \$8,394,195 and the book balance was \$8,295,742. Deposits were fully collateralized.

Investments

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

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

Analysis of specific deposit and investment risks

GASB Statement Number 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, reporting of certain related disclosures:

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

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

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the City's name.

The City was not exposed to custodial credit risk. The discretely presented component unit was not exposed to custodial credit risk.

Concentration of credit risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was not exposed to concentration risk.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(2) Cash, cash equivalents, and investments (continued)

Analysis of specific deposit and investment risks (continued)

Interest rate risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk.

(3) Property tax calendar

The City's property tax is levied and becomes collectible each October 1 based on the assessed values listed as of the prior January 1, which is the date a lien attaches to all taxable property in the City. Assessed values are established by the Bexar County Appraisal District at 100% of estimated market value. Assessed values are reduced by lawful exemptions to arrive at taxable values. A revaluation of all property is required to be completed every four (4) years. The total taxable value as of January 1, 2023 upon which the 2023 levy was based was \$2,032,956,808 (i.e., market value less exemptions). The estimated market value was \$2,389,353,726 making the taxable value 85% of the estimated market value.

Property taxes are recorded as receivables and deferred inflows of resources at the time the taxes are assessed. In governmental funds, revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore are susceptible to accrual in accordance with generally accepted accounting principles and have been recognized as revenue. In the government-wide financial statements, the entire levy is recognized as revenue, net of estimated uncollectible amounts, at the levy date.

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2024

(4) Capital assets

Capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Increase	Transfer/Decrease	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 6,976,157	\$ 412,817	\$ -	\$ 7,388,974
Construction in progress	<u>9,322,498</u>	<u>1,460,810</u>	<u>(9,888,566)</u>	<u>894,742</u>
Total capital assets, not being depreciated	<u>16,298,655</u>	<u>1,873,627</u>	<u>(9,888,566)</u>	<u>8,283,716</u>
Capital assets, being depreciated:				
Buildings	12,652,046	712,818	-	13,364,864
Improvements other than buildings	7,140,795	-	-	7,140,795
Transportation and equipment	11,881,626	1,167,773	(46,940)	13,002,459
Infrastructure	<u>28,953,955</u>	<u>550,303</u>	<u>9,888,566</u>	<u>39,392,824</u>
Total capital assets, being depreciated	<u>60,628,422</u>	<u>2,430,894</u>	<u>9,841,626</u>	<u>72,900,942</u>
Less accumulated depreciation:				
Buildings	(5,235,712)	(439,285)	-	(5,674,997)
Improvements other than buildings	(5,587,916)	(152,378)	-	(5,740,294)
Transportation and equipment	(9,899,878)	(718,682)	46,940	(10,571,620)
Infrastructure	<u>(15,138,569)</u>	<u>(1,140,521)</u>	<u>-</u>	<u>(16,279,090)</u>
Total accumulated depreciation	<u>(35,862,075)</u>	<u>(2,450,866)</u>	<u>46,940</u>	<u>(38,266,001)</u>
Total capital assets being depreciated, net	<u>24,766,347</u>	<u>(19,972)</u>	<u>9,888,566</u>	<u>34,634,941</u>
Governmental activities capital assets, net	<u>\$ 41,065,002</u>	<u>\$ 1,853,655</u>	<u>\$ -</u>	<u>\$ 42,918,657</u>

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(4) Capital assets (continued)

	Beginning Balance	Increase	Transfer	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 492,908	\$ 264,291	\$ -	\$ 757,199
Construction in progress	923,736	124,804	(923,736)	124,804
Water rights	8,633,818	283,449	-	8,917,267
Total capital assets, not being depreciated	10,050,462	672,544	(923,736)	9,799,270
Capital assets, being depreciated:				
Buildings and improvements	2,253,028	286,165	-	2,539,193
Utility plant	38,489,702	2,416,569	923,736	41,830,007
Transportation and equipment	5,557,352	1,257,917	-	6,815,269
Total capital assets, being depreciated	46,300,082	3,960,651	923,736	51,184,469
Less accumulated depreciation:				
Buildings and improvements	(1,031,688)	(55,899)	-	(1,087,587)
Utility plant	(12,780,973)	(768,151)	-	(13,549,124)
Transportation and equipment	(4,261,475)	(765,039)	-	(5,026,514)
Total accumulated depreciation	(18,074,136)	(1,589,089)	-	(19,663,225)
Total capital assets being depreciated, net	28,225,946	2,371,562	923,736	31,521,244
Business-type capital assets, net	\$ 38,276,408	\$ 3,044,106	\$ -	\$ 41,320,514

Depreciation expense was charged to the governmental functions as follows:

Administration	\$ 116,436
Planning and development	705,757
Finance	4,322
Municipal court	23,011
General services division	748,340
Police	201,755
Fire	132,163
Library	101,516
Vehicle and equipment maintenance	1,299
Animal shelter	81,601
Parks and recreation	334,666
Total depreciation expense - governmental activities	\$ 2,450,866

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2024

(5) Long-term debt:

The City had the following changes in long-term debt outstanding for the year ended September 30, 2024:

	Original Amount	Interest Rates	Outstanding October 1, 2023	Issued	Retired	Balance September 30, 2024	Amounts Due in One Year
Governmental activities:							
Unamortized premium			\$ 904,941	\$ 255,739	\$ (76,753)	\$ 1,083,927	\$ 76,753
Certificates of obligation (2014)	\$ 3,090,000	2.00-4.00	1,955,000	-	(145,000)	1,810,000	150,000
General obligation bonds (2016)	4,935,000	2.00-3.00	3,465,000	-	(230,000)	3,235,000	240,000
General obligation bonds (2019)	7,705,000	2.00-4.00	5,975,000	-	(465,000)	5,510,000	485,000
General obligation bonds (2022)	3,120,000	3.00-5.00	2,870,000	-	(340,000)	2,530,000	405,000
General obligation bonds (2023)	5,965,000	4.00-5.00	-	5,965,000	(225,000)	5,740,000	190,000
Total bonds payable			<u>15,169,941</u>	<u>6,220,739</u>	<u>(1,481,753)</u>	<u>19,908,927</u>	<u>1,546,753</u>
Note payable, Schertz Bank & Trust	546,698	3.45	211,267	-	(59,133)	152,134	62,290
Compensated absences			<u>349,632</u>	<u>416,767</u>	<u>(349,632)</u>	<u>416,767</u>	<u>416,767</u>
Total governmental activities			<u>15,730,840</u>	<u>6,637,506</u>	<u>(1,890,518)</u>	<u>20,477,828</u>	<u>2,025,810</u>
Business-type activities:							
Revenue and refunding bonds:							
Bonds (2012)	3,600,000	2.00-4.00	680,000	-	(335,000)	345,000	345,000
Bonds (2015)	2,830,000	2.00-4.00	1,960,000	-	(135,000)	1,825,000	140,000
Bonds (2017)	2,970,000	3.00-3.125	2,270,000	-	(130,000)	2,140,000	135,000
Bonds (2020)	2,080,000	1.095	1,310,000	-	(160,000)	1,150,000	160,000
Bonds (2022)	4,445,000	4.0-4.5	4,290,000	-	(145,000)	4,145,000	150,000
Unamortized premium			<u>456,650</u>	<u>-</u>	<u>(56,160)</u>	<u>400,490</u>	<u>56,160</u>
Total bonds payable			<u>10,966,650</u>	<u>-</u>	<u>(961,160)</u>	<u>10,005,490</u>	<u>986,160</u>
Note payable, TexStar National Bank	335,315	4.198	208,238	-	(67,201)	141,037	69,568
Note payable, Street Sweeper	263,870	2.64	50,020	-	(27,980)	22,040	23,036
Note payable, Express Dual 4100s	80,053	2.64	61,713	-	(19,163)	42,550	20,538
Note payable, 2550 Triplex Mower	56,828	2.64	50,427	-	(12,789)	37,638	14,024
Note payable, Fairway Mowers	247,055	2.64	213,694	-	(57,797)	155,897	61,606
Note payable, ProGator 2030A	39,161	6.9	-	39,161	(1,138)	38,023	7,093
Note payable, Sprayer	23,876	6.9	-	23,876	(668)	23,208	4,189
Total notes payable			<u>584,092</u>	<u>63,037</u>	<u>(186,736)</u>	<u>460,393</u>	<u>200,054</u>
Compensated absences			<u>111,800</u>	<u>114,202</u>	<u>(111,800)</u>	<u>114,202</u>	<u>114,202</u>
Total business-type activities			<u>11,662,542</u>	<u>177,239</u>	<u>(1,259,696)</u>	<u>10,580,085</u>	<u>1,300,416</u>
Total primary government			<u>\$ 27,393,382</u>	<u>\$ 6,814,745</u>	<u>\$ (3,150,214)</u>	<u>\$ 31,057,913</u>	<u>\$ 3,326,226</u>

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(5) Long-term debt (continued):

	Original Amount	Interest Rates	Outstanding October 1, 2023	Issued	Retired	Balance September 30, 2024	Amounts Due in One Year
Component unit activities:							
Revenue bonds (2020)	\$ 3,500,000	2.97	\$ 2,896,000	\$ -	\$ (204,000)	\$ 2,692,000	\$ 210,000
Revenue bonds (2016)	1,700,000	1.650	539,000	-	(177,000)	362,000	180,000
Revenue bonds (2024)	5,000,000	5.0	-	5,000,000	-	5,000,000	55,000
Unamortized premium	473,158		-	473,158	(10,515)	462,643	31,544
Total component unit activities			<u>\$ 3,435,000</u>	<u>\$ 5,473,158</u>	<u>\$ (391,515)</u>	<u>\$ 8,516,643</u>	<u>\$ 476,544</u>

Annual debt service requirements as of September 30, 2024, for revenue bonds, general obligation bonds, and certificates of obligation are as follows:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 1,470,000	\$ 696,382	\$ 2,166,382	\$ 930,000	\$ 337,987	\$ 1,267,987
2026	1,585,000	634,032	2,219,032	605,000	307,735	912,735
2027	1,220,000	578,832	1,798,832	620,000	287,983	907,983
2028	1,260,000	532,932	1,792,932	645,000	267,631	912,631
2029	1,310,000	485,432	1,795,432	665,000	246,374	911,374
2030-2034	5,720,000	1,804,131	7,524,131	3,120,000	907,296	4,027,296
2035-2039	4,255,000	849,375	5,104,375	2,090,000	406,820	2,496,820
2040-2043	2,005,000	192,881	2,197,881	930,000	80,325	1,010,325
Totals	<u>\$ 18,825,000</u>	<u>\$ 5,773,997</u>	<u>\$ 24,598,997</u>	<u>\$ 9,605,000</u>	<u>\$ 2,842,151</u>	<u>\$ 12,447,151</u>

Annual debt service requirements as of September 30, 2024, for notes payable are as follows:

Fiscal Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 62,290	\$ 4,280	\$ 66,570	\$ 200,054	\$ 22,190	\$ 222,244
2026	64,504	2,066	66,570	187,686	11,239	198,925
2027	25,340	124	25,464	46,218	2,889	49,107
2028	-	-	-	13,868	1,295	15,163
2029	-	-	-	12,567	320	12,887
Totals	<u>\$ 152,134</u>	<u>\$ 6,470</u>	<u>\$ 158,604</u>	<u>\$ 460,393</u>	<u>\$ 37,933</u>	<u>\$ 498,326</u>

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan

Texas Municipal Retirement System

Plan description

The City participates as one of 935 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (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; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report that can be obtained at www.tmr.com.

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

Benefits provided

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

At retirement, the member's benefit is calculated based on the sum of the member's contributions, with interest, and the City-financed monetary credits with interest, and their age at retirement and other actuarial factors. The retiring member may select one of seven monthly benefit 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. Members are eligible to retire at age sixty (60) and above with five (5) or more years of service or with twenty (20) years of service regardless of age. A member is vested after five (5) years. The contribution rate for the employees is 7%, and the City matching percent is currently 2 to 1.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	87
Inactive employees entitled to but not yet receiving benefits	137
Active employees	<u>146</u>
	<u>370</u>

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Texas Municipal Retirement System (continued)

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 (EAN) 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 compensation during the fiscal year. The City matches 2 to 1. The contribution rates for the City were 18.83% and 19.59% in calendar years 2023 and 2024 respectively. The City’s contributions to TMRS for the year ended September 30, 2024 and 2023 were \$2,009,595 and \$1,793,722, which were equal to the required contributions.

Net pension liability

The City’s net pension liability (NPL) was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation date	December 31st
Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 years (longest amortization ladder)
Asset valuation method	10 year smoothed market, 12% soft corridor
Inflation	2.50%
Salary increases	3.6% 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 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% for 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).

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Texas Municipal Retirement System (continued)

Actuarial assumptions (continued)

Salary increases are assumed to occur once a year, on January 1 and were 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. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by scale UMP 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the 3.5% and 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS as of December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023 actuarial valuation. The post-retirement mortality assumption for annuity purchase rates (APRs) is based on a mortality study performed in 2023, with the factors phasing into being based on a unisex blend of the RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustments for males and females with both male and female rates multiplied by 107.5% and projected on a fully generational basis with scale BB. The current table of APRs is explicitly valued through 2032 and then it is assumed the APRs and the valuation mortality assumptions will be consistent over time. For members, a unisex blend of 70% of the males table and 30% of the female table is used, while 30% of the male and 70% of the female table is used for beneficiaries.

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

The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global equity	35.00%	6.70%
Core fixed income	6.00%	4.70%
Non-core fixed income	20.00%	8.00%
Other public and private markets	12.00%	8.00%
Real estate	12.00%	7.60%
Hedge funds	5.00%	6.40%
Private equity	10.00%	11.60%
Total	100.00%	

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Texas Municipal Retirement System (continued)

Discount rate

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

Changes in the net pension liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
	(a)	(b)	(a) - (b)
Balance at December 31, 2022	\$ 51,546,707	\$ 38,154,271	\$ 13,392,436
Changes for the year:			
Service cost	1,682,607	-	1,682,607
Interest	3,468,437	-	3,468,437
Changes in current period benefits	-	-	-
Difference between expected and actual experience	46,632	-	46,632
Changes of assumptions	(302,096)	-	(302,096)
Contributions - employer	-	1,848,512	(1,848,512)
Contributions - employee	-	687,179	(687,179)
Net investment income	-	4,423,552	(4,423,552)
Benefit payments, including refunds of employee contributions	(2,007,513)	(2,007,513)	-
Administrative expense	-	(28,093)	28,093
Other changes	-	(196)	196
Net changes	2,888,067	4,923,441	(2,035,374)
Balance at December 31, 2023	\$ 54,434,774	\$ 43,077,712	\$ 11,357,062

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined pension benefit plan (continued)

Texas Municipal Retirement System (continued)

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 19,086,341	\$ 11,357,062	\$ 5,030,459

Pension plan fiduciary net position

Detailed information about the pension plan’s fiduciary net position is available in the schedule of changes in fiduciary net position, by participating city. The report may be obtained at www.tmr.com.

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

For the year ended September 30, 2024, the City recognized pension expense of \$2,001,856.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 385,484	\$ -
Changes in actuarial assumptions	-	217,711
Difference between projected and actual investment earnings	1,008,608	-
Contributions subsequent to the measurement date	1,473,133	-
Total	\$ 2,867,225	\$ 217,711

The City reported \$1,473,133 as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

December 31,	Amortization Expense
2024	\$ 446,654
2025	357,729
2026	741,624
2027	(369,626)
Total	\$ 1,176,381

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Other postemployment benefits (OPEB)

Plan description

The City participates in a single-employer defined benefit which operates like a 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 members. The City may terminate coverage and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

Benefits provided

The death benefit for active members provides a lump-sum payment approximately equal to the member's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired members are insured for \$7,500; this coverage is an "other postemployment benefit" or OPEB. As the SDBF covers both active and retiree members, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e., no assets are accumulated).

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is based on the mortality and service experience of all employees covered by the SDBF and the demographics specific to the workforce of the City. There is a one year delay between the actuarial valuation that serves as the basis for the City's contribution rate and the calendar year when the rate goes into effect. 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.

The contribution rate for the City was 0.25% and 0.27% for calendar years 2024 and 2023, respectively. The City's contribution to TMRS for the SDBF program for the year ended September 30, 2024 was \$26,492 and was equal to the required contributions.

Employees covered by benefit terms

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

Inactive employees or beneficiaries currently receiving benefits	49
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>146</u>
	<u>219</u>

Other postemployment benefits (OPEB) liability

The City's total OPEB liability of \$323,358 was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Other postemployment benefits (OPEB) (continued)

Actuarial assumptions

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

Inflation	2.50%
Salary increases	3.60% to 11.85% including inflation
Discount rate *	3.77%
Retirees' share of benefit-related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust 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 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 3.5% and 3% 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 (with immediate convergence) to account for future mortality improvements subject to the floor.

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

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

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Defined benefit pension plan (continued)

Other postemployment benefits (OPEB) (continued)

Changes in the OPEB liability

Balance at December 31, 2022	\$ 303,652
Changes for the year:	
Service cost	12,762
Interest on the OPEB liability	12,377
Changes of benefit terms	-
Difference between expected and actual experience	(11,928)
Change in assumptions or other inputs	15,330
Benefit payments	<u>(8,835)</u>
Net changes	<u>19,706</u>
Balance at December 31, 2023	<u>\$ 323,358</u>

Sensitivity of the OPEB liability to changes in the discount rate

The following presents the OPEB liability of the City, calculated using the discount rate of 3.77%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77%) or 1-percentage-point higher (4.77%) than the current rate:

	<u>1% Decrease in Discount Rate (2.77%)</u>	<u>Current Discount Rate (3.77%)</u>	<u>1% Increase in Discount Rate (4.77%)</u>
City's OPEB liability	<u>\$ 390,480</u>	<u>\$ 323,358</u>	<u>\$ 271,184</u>

OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense of \$5,675.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ -	\$ 36,860
Changes in actuarial assumptions	54,364	110,963
Difference between projected and actual investment earnings	-	-
Contributions made subsequent to the measurement date	<u>6,016</u>	<u>-</u>
Total	<u>\$ 60,380</u>	<u>\$ 147,823</u>

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Retirement plan (continued)

Other postemployment benefits (OPEB) (continued)

OPEB expense, deferred outflows of resources, and deferred inflows of resources related to OPEB (continued)

The City reported \$6,016 as deferred outflows of resources related to the OPEB liability resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the OPEB liability for the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>December 31,</u>	<u>Amortization Expense</u>
2024	\$ (17,549)
2025	(21,875)
2026	(29,282)
2027	(25,305)
2028	552
Thereafter	<u>-</u>
Total	<u>\$ (93,459)</u>

Plan description and benefits provided

The City provides medical insurance benefits through the City of Universal City Retiree Health Care Plan, a single employer benefit OPEB plan. This plan provides benefits for all permanent full-time employees in eligible classes. To be eligible, a participant must be at least age sixty (60) and have at least five (5) or more years of service or any age with at least (20) years of service.

Retirees are eligible for medical and prescription benefits as provided in the plan document. Upon the death of active employee or a covered retiree, covered dependents are eligible for coverage continuation through COBRA only.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Retirement plan (continued)

Other postemployment benefits (OPEB) (continued)

Postemployment health care coverage

Contributions

The City contributes to the blended Medical Plan as approved through the annual approved budget. Retirees not eligible for the City subsidy will be required to pay contributions as shown below:

	<u>Rates – Grandfathered (before 2023)</u>	<u>Rates – Not Grandfathered</u>
Retiree only – EPO Plan	\$ 591.30	\$1,034.78
Retiree + spouse – EPO Plan	\$1,292.49	\$2,261.86
Retiree only – HDHP Plan	\$ 418.01	\$1,128.42
Retiree + spouse – HDHP Plan	\$1,140.52	\$1,995.91

Contributions for postemployment benefits were recognized on a pay-as-you-go basis in the past. Contributions paid by the City during the fiscal year ended September 30, 2024, were \$17,305.

Employees covered by benefit terms

At the September 30, 2024 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	6
Inactive employees entitled to but not yet receiving benefit payments	0
Active members	<u>142</u>
	<u>148</u>

OPEB liability

The City’s total OPEB liability of \$33,860 was measured as of September 30, 2023, and was determined by an actuarial valuation as of October 1, 2023.

Actuarial valuation information:

Actuarial assumptions and other inputs - The total OPEB liability in the September 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Retirement plan (continued)

Other postemployment benefits (OPEB) (continued)

Postemployment health care coverage (continued)

Actuarial cost method	Entry age normal
Inflation	2.50% per annum
Salary increases	3.00% average which includes inflation
Discount rate	4.06% per annum which includes inflation
Mortality	Mortality rates are based upon the Public Plan mortality study recently completed by the Society of Actuaries PUB 2010 sex distinct general employee headcount weighted table with generational mortality improvement scale MP-2021.
Health care cost trend rates	Initial medical trend rate for pre-65 retirees decreasing to an ultimate rate of 4.14 in the year 2041.

Changes of assumptions: The discount rate has decreased from 4.77% to 4.06%.

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(6) Retirement plan (continued)

Other postemployment benefits (OPEB) (continued)

Postemployment health care coverage (continued)

Changes in the total OPEB liability

Balance at October 1, 2023	\$	300,091
Changes for the year:		
Service cost		12,546
Interest		14,030
Changes of benefit terms		-
Difference between expected and actual experience		(15,890)
Change of assumptions		(259,612)
Contributions - employer		(17,305)
Net changes		<u>(266,231)</u>
Balance at September 30, 2024	\$	<u>33,860</u>

Sensitivity of the total OPEB liability to changes in the discount rate and health care cost trend rates:

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.06%, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.06%) or 1 percentage point higher (5.06%) than the current rate.

<u>1% Decrease in Discount Rate (3.06%)</u>	<u>Discount Rate (4.06%)</u>	<u>1% Increase in Discount Rate (5.06%)</u>
\$ <u>37,807</u>	\$ <u>33,860</u>	\$ <u>30,812</u>

The following presents the total OPEB liability of the City, calculated using the current health care cost trend rates as well as what the City’s total OPEB liability would be if it were calculated using the trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

<u>1% Decrease</u>	<u>Current Health Cost Trend Rate Assumption</u>	<u>1% Increase</u>
\$ <u>30,586</u>	\$ <u>33,860</u>	\$ <u>37,854</u>

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS
September 30, 2024

(6) Retirement plan (continued)

Other postemployment benefits (OPEB) (continued)

Postemployment health care coverage (continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources as related to OPEB

For the year ended September 30, 2024, the City recognized OPEB expense of (\$21,975).

As of September 30, 2024, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ -	\$ 13,620
Changes in actuarial assumptions	-	259,632
Difference between projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$ 273,252

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

September 30,		
2025	\$	(48,551)
2026		(48,551)
2027		(48,551)
2028		(48,549)
2029		(39,690)
2030		(39,360)
Thereafter		-
Total	\$	(273,252)

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(7) Interfund transfers

Interfund transfers during the year ended September 30, 2024, were the result of normal transactions between the funds:

Transfer out	Transfer In							
	General Fund	Capital Projects Fund	Nonmajor Funds *	Water/Sewer Fund	Water Impact Fees *	Sewer Impact Fees *	Stormwater Fund	Golf Course Fund
General fund	\$ -	\$ 11,095	\$ 1,716,390	\$ -	\$ -	\$ -	\$ -	\$ -
American rescue plan fund	103,582	-	-	1,098,665	-	-	-	-
Nonmajor funds	550,000	-	-	-	-	-	-	1,312,000
Water/sewer fund	-	-	-	-	2,350,732	495,840	-	-
Golf course fund	-	-	-	-	-	-	450,000	-
Totals	<u>\$ 653,582</u>	<u>\$ 11,095</u>	<u>\$ 1,716,390</u>	<u>\$ 1,098,665</u>	<u>\$ 2,350,732</u>	<u>\$ 495,840</u>	<u>\$ 450,000</u>	<u>\$ 1,312,000</u>

*These transfers were due to the adoption of new funds and the initial separation of those beginning balances from the general and water/sewer fund for the initial year of using the new funds.

(8) Commitments and contingencies

The City has entered into contracts for future commitments as follows:

	Estimated Cost to City	Expended to Date	Estimated Future Commitment
General government:			
Fire truck - pumper and ladder	\$ 3,435,635	\$ -	\$ 3,435,635
Totals	<u>\$ 3,435,635</u>	<u>\$ -</u>	<u>\$ 3,435,635</u>

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amount, if any, 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.

CITY OF UNIVERSAL CITY, TEXAS
NOTES TO BASIC FINANCIAL STATEMENTS

September 30, 2024

(8) Commitments and contingencies (continued)

Risk management

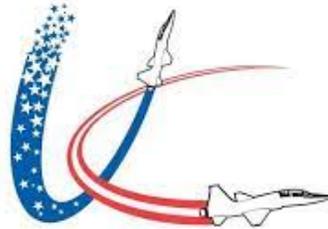
The City has identified possible risk of losses arising from events such as the following:

1. Torts
2. Theft of, damage to, or destruction of assets
3. Errors and omissions
4. Job-related illnesses or injuries to employees, and
5. Acts of God

The City contracts with the Texas Municipal League (TML) to provide insurance coverage for property/casualty and worker's compensation. TML is a multi-employer group that provides for a combination for risk sharing among pool participants and stop loss coverage. Contributions are set annually by TML Liability by the City is generally limited to the contributed amounts.

(9) Subsequent events

Subsequent events were evaluated by the City's management through February 18, 2025, the date which the financial statements were available to be issued. No subsequent events have occurred that require disclosure.

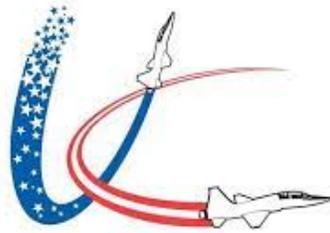


UNIVERSAL CITY Est. 1960
Gateway to Randolph AFB

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedule – General Fund
- Schedule of Changes in Net Pension Liability, OPEB and Related Ratios
- Schedule of Contributions – Net Pension Liability and OPEB



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

CITY OF UNIVERSAL CITY, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

For the year ended September 30, 2024

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem	\$ 8,716,201	\$ 8,716,201	\$ 8,905,991	\$ 189,790
Penalty and interest	50,000	50,000	33,690	(16,310)
Total taxes	<u>8,766,201</u>	<u>8,766,201</u>	<u>8,939,681</u>	<u>173,480</u>
Nonproperty taxes:				
Franchise taxes	1,657,468	1,657,468	1,311,402	(346,066)
Sales taxes	3,500,000	3,500,000	3,697,583	197,583
CPS funds - 1%	225,000	225,000	208,211	(16,789)
Mixed drink taxes	85,150	85,150	75,523	(9,627)
School crossing guard tax	<u>26,000</u>	<u>26,000</u>	<u>24,451</u>	<u>(1,549)</u>
Total nonproperty taxes	<u>5,493,618</u>	<u>5,493,618</u>	<u>5,317,170</u>	<u>(176,448)</u>
Licenses and permits	<u>953,000</u>	<u>953,000</u>	<u>875,589</u>	<u>(77,411)</u>
Grants	2,500	2,500	41,880	39,380
Contributions from component unit	<u>423,000</u>	<u>423,000</u>	<u>368,683</u>	<u>(54,317)</u>
Total government allocations	<u>425,500</u>	<u>425,500</u>	<u>410,563</u>	<u>(14,937)</u>
Municipal court fines	<u>1,267,600</u>	<u>1,267,600</u>	<u>1,228,244</u>	<u>(39,356)</u>
Donations and contributions	<u>68,500</u>	<u>68,500</u>	<u>106,966</u>	<u>38,466</u>
Utility department overhead	<u>205,000</u>	<u>205,000</u>	<u>205,000</u>	<u>-</u>
Other revenue:				
Sale or use of property	-	-	41,518	41,518
Interest and investment income	625,000	625,000	973,342	348,342
Miscellaneous	95,000	95,000	70,922	(24,078)
Golf and stormwater department overhead	361,000	361,000	361,000	-
Special events revenue	<u>-</u>	<u>-</u>	<u>61,785</u>	<u>61,785</u>
Total other revenue	<u>1,081,000</u>	<u>1,081,000</u>	<u>1,508,567</u>	<u>427,567</u>
Total revenues	<u>18,260,419</u>	<u>18,260,419</u>	<u>18,591,780</u>	<u>331,361</u>

CITY OF UNIVERSAL CITY, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

For the year ended September 30, 2024

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
Expenditures:				
Administrative:				
Payroll	\$ 665,522	\$ 665,522	\$ 628,868	\$ 36,654
Allowances	43,150	43,150	93,437	(50,287)
Communications	115,000	115,000	178,742	(63,742)
Support services	67,000	67,000	213,702	(146,702)
Contract services	489,975	489,975	333,452	156,523
Supplies and materials	13,650	13,650	15,072	(1,422)
Real property and equipment	-	-	3,550	(3,550)
Total administrative	<u>1,394,297</u>	<u>1,394,297</u>	<u>1,466,823</u>	<u>(72,526)</u>
Development services:				
Payroll	693,810	693,810	700,953	(7,143)
Allowances	11,075	11,075	6,309	4,766
Communications	1,550	1,450	1,108	342
Support services	240,000	240,000	190,883	49,117
Contract services	242,000	242,100	39,380	202,720
Supplies and materials	7,000	7,000	9,141	(2,141)
Real property and equipment	<u>1,750</u>	<u>1,750</u>	<u>-</u>	<u>1,750</u>
Total development services	<u>1,197,185</u>	<u>1,197,185</u>	<u>947,774</u>	<u>249,411</u>
Finance:				
Payroll	329,648	328,308	327,083	1,225
Allowances	5,000	6,340	8,632	(2,292)
Communications	650	650	755	(105)
Support services	43,000	43,000	59,591	(16,591)
Contract services	44,500	97,500	111,930	(14,430)
Supplies and materials	1,000	1,000	1,941	(941)
Real property and equipment	<u>212,662</u>	<u>159,662</u>	<u>29,017</u>	<u>130,645</u>
Total finance	<u>636,460</u>	<u>636,460</u>	<u>538,949</u>	<u>97,511</u>
Municipal court:				
Payroll	215,359	215,359	204,856	10,503
Allowances	2,700	2,700	622	2,078
Communications	1,500	1,500	1,212	288
Support services	55,000	55,000	50,529	4,471
Contract services	800	800	-	800
Supplies and materials	1,050	1,050	606	444
Real property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total municipal court	<u>276,409</u>	<u>276,409</u>	<u>257,825</u>	<u>18,584</u>

CITY OF UNIVERSAL CITY, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

For the year ended September 30, 2024

	Budget Amounts		Actual Amounts	Variance with Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
General services division:				
Payroll	\$ 973,903	\$ 977,903	\$ 879,712	\$ 98,191
Allowances	20,150	16,150	14,450	1,700
Communications	4,000	4,000	4,051	(51)
Utilities	97,500	97,500	48,166	49,334
Contract services	428,220	428,220	322,875	105,345
Supplies and materials	149,000	149,000	84,545	64,455
Real property and equipment	<u>270,350</u>	<u>270,350</u>	<u>250,255</u>	<u>20,095</u>
Total general services division	<u>1,943,123</u>	<u>1,943,123</u>	<u>1,604,054</u>	<u>339,069</u>
Police department:				
Payroll	4,238,095	4,238,095	3,939,437	298,658
Allowances	91,800	91,800	94,995	(3,195)
Communications	50,200	50,200	72,463	(22,263)
Support services	-	-	18,961	(18,961)
Utilities	-	-	8,500	(8,500)
Contract services	321,800	321,800	214,458	107,342
Supplies and materials	71,800	77,300	183,623	(106,323)
Real property and equipment	<u>305,500</u>	<u>300,000</u>	<u>198,785</u>	<u>101,215</u>
Total police department	<u>5,079,195</u>	<u>5,079,195</u>	<u>4,731,222</u>	<u>347,973</u>
Fire department:				
Payroll	2,444,343	2,444,343	2,393,032	51,311
Allowances	87,200	107,200	96,297	10,903
Communications	13,250	13,250	7,951	5,299
Utilities	20,400	20,400	23,050	(2,650)
Contract services	499,280	499,280	582,767	(83,487)
Supplies and materials	106,550	107,550	97,768	9,782
Real property and equipment	<u>138,000</u>	<u>117,000</u>	<u>103,582</u>	<u>13,418</u>
Total fire department	<u>3,309,023</u>	<u>3,309,023</u>	<u>3,304,447</u>	<u>4,576</u>
Vehicle and equipment maintenance:				
Payroll	224,336	224,336	215,727	8,609
Allowances	5,584	5,584	3,754	1,830
Communications	12,960	12,960	8,807	4,153
Contract services	5,600	5,100	3,032	2,068
Supplies and materials	29,800	32,800	71,210	(38,410)
Real property and equipment	<u>8,975</u>	<u>6,475</u>	<u>-</u>	<u>6,475</u>
Total vehicle and equipment maintenance	<u>287,255</u>	<u>287,255</u>	<u>302,530</u>	<u>(15,275)</u>

CITY OF UNIVERSAL CITY, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

For the year ended September 30, 2024

	Budget Amounts		Actual Amounts	Variance with Budget Positive (Negative)
	Original	Final		
Expenditures (continued):				
Animal shelter:				
Payroll	\$ 421,454	\$ 421,454	\$ 397,218	\$ 24,236
Allowances	7,250	7,250	4,130	3,120
Communications	7,800	7,800	6,848	952
Utilities	34,010	34,010	33,664	346
Contract services	94,641	94,641	88,347	6,294
Supplies and materials	27,414	27,414	54,757	(27,343)
Real property and equipment	<u>97,800</u>	<u>97,800</u>	<u>86,191</u>	<u>11,609</u>
Total animal shelter	<u>690,369</u>	<u>690,369</u>	<u>671,155</u>	<u>19,214</u>
Human resources:				
Payroll	141,726	141,726	150,665	(8,939)
Allowances	1,900	1,900	1,681	219
Communications	700	700	379	321
Contract services	6,725	6,725	4,449	2,276
Supplies and materials	500	500	352	148
Real property and equipment	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
Total human resources	<u>153,051</u>	<u>153,051</u>	<u>157,526</u>	<u>(4,475)</u>
Library:				
Payroll	283,433	283,433	243,152	40,281
Allowances	2,500	2,500	998	1,502
Communications	7,650	7,650	10,544	(2,894)
Utilities	19,900	19,900	19,056	844
Contract services	114,210	114,210	100,993	13,217
Supplies and materials	63,980	63,980	86,194	(22,214)
Real property and equipment	<u>13,100</u>	<u>13,100</u>	<u>7,220</u>	<u>5,880</u>
Total library	<u>504,773</u>	<u>504,773</u>	<u>468,157</u>	<u>36,616</u>
Parks and recreation:				
Payroll	357,440	357,440	341,008	16,432
Allowances	4,300	4,300	7,785	(3,485)
Communications	4,750	4,750	890	3,860
Contract services	491,650	491,650	486,181	5,469
Supplies and materials	88,500	88,500	96,464	(7,964)
Real property and equipment	<u>480,000</u>	<u>480,000</u>	<u>481,176</u>	<u>(1,176)</u>
Total parks and recreation	<u>1,426,640</u>	<u>1,426,640</u>	<u>1,413,504</u>	<u>13,136</u>

CITY OF UNIVERSAL CITY, TEXAS

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

For the year ended September 30, 2024

	Budget Amounts		Actual Amounts	Variance with Budget Positive (Negative)
	Original	Final		
Nondepartmental				
Contract services	\$ 1,742,200	\$ 1,205,200	\$ 1,116,378	\$ 88,822
Utilities	222,400	222,400	291,525	(69,125)
Other uses	25,000	25,000	-	25,000
Real property and equipment	-	537,000	989,533	(452,533)
Total nondepartmental	<u>1,989,600</u>	<u>1,989,600</u>	<u>2,397,436</u>	<u>(407,836)</u>
Total expenditures	<u>18,887,380</u>	<u>18,887,380</u>	<u>18,261,402</u>	<u>625,978</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(626,961)</u>	<u>(626,961)</u>	<u>330,378</u>	<u>957,339</u>
Other financing sources (uses):				
Transfers in	1,025,162	1,025,162	653,582	(371,580)
Transfers out	<u>(398,201)</u>	<u>(398,201)</u>	<u>(1,727,485)</u>	<u>(1,329,284)</u>
Total other financing sources (uses)	<u>626,961</u>	<u>626,961</u>	<u>(1,073,903)</u>	<u>(1,700,864)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(743,525)</u>	<u>\$ (743,525)</u>
Fund balance - beginning of year			<u>18,344,909</u>	
Fund balance - end of year			<u>\$ 17,601,384</u>	

Note: Transfers out exceeded the budget due to the implementation of new special revenue funds. See disclosure note 7 for additional details.

CITY OF UNIVERSAL CITY, TEXAS

**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM**

For the measurement year ended December 31,

	2023	2022	2021	2020
Total pension liability:				
Service cost	\$ 1,682,607	\$ 1,499,880	\$ 1,419,915	\$ 1,464,899
Interest (on the total pension liability)	3,468,437	3,239,636	3,055,144	2,850,807
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	46,632	621,430	337,908	423,878
Change of assumptions	(302,096)	-	-	-
Benefit payments, (including refunds of employee contributions)	(2,007,513)	(2,117,805)	(2,121,661)	(1,258,103)
Net change in total pension liability	2,888,067	3,243,141	2,691,306	3,481,481
Total pension liability - beginning	51,546,707	48,303,566	45,612,260	42,130,779
Total pension liability - ending (a)	\$ 54,434,774	\$ 51,546,707	\$ 48,303,566	\$ 45,612,260
Plan fiduciary net position:				
Contributions - employer	\$ 1,848,512	\$ 1,653,325	\$ 1,537,891	\$ 1,613,475
Contributions - employee	687,179	620,885	585,705	608,202
Net investment income	4,423,552	(2,996,434)	4,735,935	2,495,159
Benefit payments, (including refunds of employee contributions)	(2,007,513)	(2,117,805)	(2,121,661)	(1,258,103)
Administrative expense	(28,093)	(25,892)	(21,880)	(16,126)
Other	(195)	30,896	149	(628)
Net change in plan fiduciary net position	4,923,442	(2,835,025)	4,716,139	3,441,979
Plan fiduciary net position - beginning	38,154,270	40,989,295	36,273,156	32,831,177
Plan fiduciary net position - ending (b)	\$ 43,077,712	\$ 38,154,270	\$ 40,989,295	\$ 36,273,156
Net pension liability (a) - (b)	\$ 11,357,062	\$ 13,392,437	\$ 7,314,271	\$ 9,339,104
Plan fiduciary net position as a percentage of total pension liability	79.14%	74.02%	84.86%	79.53%
Covered payroll	\$ 9,816,841	\$ 8,869,781	\$ 8,367,207	\$ 8,688,606
Net pension liability as a percentage of total covered payroll	115.69%	150.99%	87.42%	107.49%

2019	2018	2017	2016	2015	2014
\$ 1,416,111	\$ 1,334,243	\$ 1,271,814	\$ 1,240,793	\$ 1,138,958	\$ 1,041,495
2,645,134	2,462,224	2,327,929	2,163,663	2,060,207	1,893,241
-	-	-	-	-	-
241,425	142,915	(419,015)	158,516	(132,778)	(28,233)
11,314	-	-	-	358,595	-
<u>(1,324,642)</u>	<u>(1,216,434)</u>	<u>(1,228,334)</u>	<u>(1,061,496)</u>	<u>(644,824)</u>	<u>(495,187)</u>
2,989,342	2,722,948	1,952,394	2,501,476	2,780,158	2,411,316
<u>39,141,437</u>	<u>36,418,489</u>	<u>34,466,095</u>	<u>31,964,619</u>	<u>29,184,461</u>	<u>26,773,145</u>
<u>\$ 42,130,779</u>	<u>\$ 39,141,437</u>	<u>\$ 36,418,489</u>	<u>\$ 34,466,095</u>	<u>\$ 31,964,619</u>	<u>\$ 29,184,461</u>
\$ 1,516,322	\$ 1,455,042	\$ 1,415,850	\$ 1,316,975	\$ 1,272,354	\$ 1,214,701
574,987	542,060	519,867	499,512	474,001	457,884
4,300,990	(835,200)	3,308,963	1,464,418	30,322	1,048,915
<u>(1,324,642)</u>	<u>(1,216,434)</u>	<u>(1,228,334)</u>	<u>(1,061,496)</u>	<u>(644,824)</u>	<u>(495,188)</u>
(24,275)	(16,129)	(17,139)	(16,532)	(18,467)	(10,949)
<u>(729)</u>	<u>(841)</u>	<u>(868)</u>	<u>(892)</u>	<u>(910)</u>	<u>(900)</u>
5,042,653	(71,502)	3,998,339	2,201,985	1,112,476	2,214,463
<u>27,788,524</u>	<u>27,860,026</u>	<u>23,861,687</u>	<u>21,659,702</u>	<u>20,547,226</u>	<u>18,332,763</u>
<u>\$ 32,831,177</u>	<u>\$ 27,788,524</u>	<u>\$ 27,860,026</u>	<u>\$ 23,861,687</u>	<u>\$ 21,659,702</u>	<u>\$ 20,547,226</u>
<u>\$ 9,299,602</u>	<u>\$ 11,352,913</u>	<u>\$ 8,558,463</u>	<u>\$ 10,604,408</u>	<u>\$ 10,304,917</u>	<u>\$ 8,637,235</u>
<u>77.93%</u>	<u>71.00%</u>	<u>76.50%</u>	<u>69.23%</u>	<u>67.76%</u>	<u>70.40%</u>
<u>\$ 8,214,100</u>	<u>\$ 7,743,718</u>	<u>\$ 7,424,492</u>	<u>\$ 7,122,810</u>	<u>\$ 6,771,449</u>	<u>\$ 6,541,206</u>
<u>113.22%</u>	<u>146.61%</u>	<u>115.27%</u>	<u>148.88%</u>	<u>152.18%</u>	<u>132.04%</u>

CITY OF UNIVERSAL CITY, TEXAS

**SCHEDULE OF CONTRIBUTIONS - PENSION
TEXAS MUNICIPAL RETIREMENT SYSTEM**

For the year ended September 30,

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Actuarially determined contributions	\$ 2,036,087	\$ 1,793,722	\$ 1,601,475	\$ 1,556,754
Contributions in relation to the actuarially determined contributions	<u>2,036,087</u>	<u>1,793,722</u>	<u>1,601,475</u>	<u>1,556,754</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 10,368,798</u>	<u>\$ 9,551,949</u>	<u>\$ 8,624,225</u>	<u>\$ 8,366,993</u>
Contributions as a percentage of covered payroll	<u>19.64%</u>	<u>18.78%</u>	<u>18.57%</u>	<u>18.61%</u>

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,550,326	\$ 1,495,419	\$ 1,444,955	\$ 1,395,967	\$ 1,348,979	\$ 1,262,196
<u>1,550,326</u>	<u>1,495,419</u>	<u>1,444,955</u>	<u>1,395,967</u>	<u>1,348,979</u>	<u>1,262,196</u>
<u>\$ -</u>					
<u>\$ 8,360,458</u>	<u>\$ 8,067,532</u>	<u>\$ 7,663,434</u>	<u>\$ 7,372,320</u>	<u>\$ 7,276,774</u>	<u>\$ 6,674,394</u>
<u>18.54%</u>	<u>18.54%</u>	<u>18.86%</u>	<u>18.94%</u>	<u>18.54%</u>	<u>18.91%</u>

CITY OF UNIVERSAL CITY, TEXAS

**SCHEDULE OF CHANGES IN OTHER POSTEMPLOYMENT BENEFIT LIABILITY (OPEB)
AND RELATED RATIOS
TEXAS MUNICIPAL RETIREMENT SYSTEM**

For the measurement year ended December 31,

	2023	2022	2021
OPEB liability :			
Service cost	\$ 12,762	\$ 24,835	\$ 22,591
Interest on the OPEB liability	12,377	8,670	9,002
Changes of benefit terms	-	-	-
Difference between expected and actual experience	(11,928)	(17,750)	(19,750)
Change of assumptions	15,330	(167,319)	15,031
Benefit payments	(8,835)	(7,096)	(6,695)
Net change in OPEB liability	19,706	(158,660)	20,179
OPEB liability - beginning	303,652	462,312	442,133
OPEB liability - ending	\$ 323,358	\$ 303,652	\$ 462,312
Covered payroll	\$ 9,816,841	\$ 8,869,781	\$ 8,367,207
OPEB liability as a percentage of covered payroll	<u>3.29%</u>	<u>3.42%</u>	<u>5.53%</u>

Note: GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the seventh year of implementation of GASB 75. The City will develop this schedule prospectively.

2020	2019	2018	2017
\$ 18,246	\$ 13,142	\$ 14,713	\$ 12,622
10,241	11,033	10,176	9,846
-	-	-	-
(8,423)	(8,100)	(9,613)	-
60,105	58,906	(22,512)	24,959
<u>(2,606)</u>	<u>(2,464)</u>	<u>(1,548)</u>	<u>(1,485)</u>
77,563	72,517	(8,784)	45,942
<u>364,570</u>	<u>292,053</u>	<u>300,837</u>	<u>254,895</u>
<u>\$ 442,133</u>	<u>\$ 364,570</u>	<u>\$ 292,053</u>	<u>\$ 300,837</u>
<u>\$ 8,688,606</u>	<u>\$ 8,214,100</u>	<u>\$ 7,743,718</u>	<u>\$ 7,424,492</u>
<u>5.09%</u>	<u>4.44%</u>	<u>3.77%</u>	<u>4.05%</u>

CITY OF UNIVERSAL CITY, TEXAS

**SCHEDULE OF CONTRIBUTIONS – OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEXAS MUNICIPAL RETIREMENT SYSTEM**

For the year ended September 30,

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially determined contributions	\$ 26,492	\$ 23,206	\$ 14,661
Contributions in relation to the actuarially determined contributions	<u>26,492</u>	<u>23,206</u>	<u>14,661</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 10,368,798</u>	<u>\$ 9,551,949</u>	<u>\$ 8,624,225</u>
Contributions as a percentage of covered payroll	<u>0.26%</u>	<u>0.24%</u>	<u>0.17%</u>

Note: GASB 75 requires 10 fiscal years of data to be provided in this schedule. This is the seventh year of implementation of GASB 75. The City will develop this schedule prospectively.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 14,458	\$ 15,049	\$ 14,335	\$ 13,385
<u>14,458</u>	<u>15,049</u>	<u>14,335</u>	<u>13,385</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 8,366,993</u>	<u>\$ 8,360,458</u>	<u>\$ 8,067,532</u>	<u>\$ 7,663,434</u>
<u>0.17%</u>	<u>0.18%</u>	<u>0.18%</u>	<u>0.17%</u>

CITY OF UNIVERSAL CITY, TEXAS

**SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFIT LIABILITY
(OPEB) – RETIREE HEALTH CARE PLAN**

For the year ended September 30,

	2024	2023
Total OPEB liability:		
Service cost	\$ 12,546	\$ 13,954
Interest	14,030	8,836
Changes of benefit terms	-	-
Difference between expected and actual experience	(15,890)	-
Change of assumptions	(259,612)	(62,025)
Contributions - employer	(17,305)	(17,267)
Net change in total OPEB liability	(266,231)	(56,502)
Total OPEB liability - beginning	300,091	358,311
Total OPEB liability - ending	\$ 33,860	\$ 301,809
Covered payroll	\$ 9,837,409	\$ 8,366,993
Total OPEB liability as a percentage of covered payroll	<u>0.34%</u>	<u>3.61%</u>

CITY OF UNIVERSAL CITY, TEXAS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the year ended September 30, 2024

(1) Budgetary information

The budget is prepared in accordance with accounting principles generally accepted in the United States of America. The City maintains strict budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council and as such is a good management control device. The following are the funds, which have legally adopted annual budgets: general fund, debt service fund, and capital projects funds. Budgetary controls are also utilized as a management tool for the enterprise funds.

Budgetary preparation and control is exercised at the department level. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances lapse at year end and do not constitute expenditures or liabilities because the commitments must be reappropriated and honored during the subsequent year.

(2) Actuary information

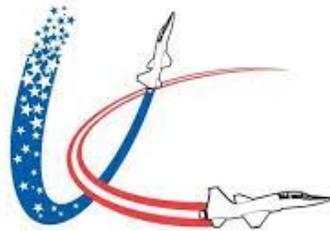
Valuation date:

Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22 years (longest amortization ladder)
Asset valuation method	10 year smoothed market, 12% soft corridor
Inflation	2.50%
Salary increases	3.6% 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 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).

Other information: There were no benefit changes during the year.



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Combining Statements – Nonmajor Funds
- Comparative Statements – General Fund
- Comparative Statements – Debt Service
- Comparative Statements – Water/Sewer Enterprise Fund

CITY OF UNIVERSAL CITY, TEXAS
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS

For the year ended September 30, 2024

	Hotel Occupancy Fund	Municipal Court Security Fund	Municipal Court Technology Fund	PEG Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Cash and temporary investments	\$ 483,649	\$ 144,250	\$ 109,924	\$ 328,496
Receivables: (net of allowances for uncollectibles)				
Accounts	40,551	-	-	981
Due from other governments	-	-	-	-
Prepaid	<u>-</u>	<u>-</u>	<u>16,430</u>	<u>-</u>
Total assets	<u>\$ 524,200</u>	<u>\$ 144,250</u>	<u>\$ 126,354</u>	<u>\$ 329,477</u>
Liabilities:				
Accounts payable	\$ 11,350	\$ -	\$ 2,010	\$ -
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>11,350</u>	<u>-</u>	<u>2,010</u>	<u>-</u>
Fund balances:				
Nonspendable:				
Prepaid	-	-	16,430	-
Restricted:				
PEG funds	-	-	-	329,477
Public safety	-	-	-	-
Hotel / motel	512,850	-	-	-
Child safety	-	-	-	-
Venue tax	-	-	-	-
Court technology	-	-	107,914	-
Court security	-	144,250	-	-
Assigned: Capital Projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>512,850</u>	<u>144,250</u>	<u>124,344</u>	<u>329,477</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 524,200</u>	 <u>\$ 144,250</u>	 <u>\$ 126,354</u>	 <u>\$ 329,477</u>

State Seized Property Fund	Federal Seized Property Fund	Venue Tax Fund	General Fund Capital Replacement Fund	Child Safety Fund	Total Nonmajor Funds
\$ 55,539	\$ 21,349	\$ 604	\$ 401,328	\$ 108,185	\$ 1,653,324
-	-	-	-	-	41,532
-	-	308,593	-	-	308,593
-	-	-	-	-	16,430
<u>\$ 55,539</u>	<u>\$ 21,349</u>	<u>\$ 309,197</u>	<u>\$ 401,328</u>	<u>\$ 108,185</u>	<u>\$ 2,019,879</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,360
-	-	200,763	-	-	200,763
<u>-</u>	<u>-</u>	<u>200,763</u>	<u>-</u>	<u>-</u>	<u>214,123</u>
-	-	-	-	-	16,430
-	-	-	-	-	329,477
55,539	21,349	-	-	-	76,888
-	-	-	-	-	512,850
-	-	-	-	108,185	108,185
-	-	108,434	-	-	108,434
-	-	-	-	-	107,914
-	-	-	-	-	144,250
-	-	-	401,328	-	401,328
<u>55,539</u>	<u>21,349</u>	<u>108,434</u>	<u>401,328</u>	<u>108,185</u>	<u>1,805,756</u>
<u>\$ 55,539</u>	<u>\$ 21,349</u>	<u>\$ 309,197</u>	<u>\$ 401,328</u>	<u>\$ 108,185</u>	<u>\$ 2,019,879</u>

CITY OF UNIVERSAL CITY, TEXAS

**COMBINING STATEMENTS OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS**

For the year ended September 30, 2024

	Hotel Occupancy Fund	Municipal Court Security Fund	Municipal Court Technology Fund	PEG Funds
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Revenues:				
Taxes	\$ 160,901	\$ -	\$ -	\$ -
Fees, licenses and permits	-	33,357	28,459	36,554
Fines and forfeitures	-	-	-	-
Interest	<u>25,666</u>	<u>6,987</u>	<u>6,252</u>	<u>19,023</u>
Total revenues	<u>186,567</u>	<u>40,344</u>	<u>34,711</u>	<u>55,577</u>
Expenditures:				
Current:				
Planning and development	69,198	-	-	-
Municipal court	-	38,111	29,796	-
General services division	-	-	-	112,065
Total expenditures	<u>69,198</u>	<u>38,111</u>	<u>29,796</u>	<u>112,065</u>
Excess (deficiency) of revenues over (under) expenditures	<u>117,369</u>	<u>2,233</u>	<u>4,915</u>	<u>(56,488)</u>
Other financing sources (uses):				
Transfers in	507,481	142,017	119,429	385,965
Transfer out	<u>(112,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>395,481</u>	<u>142,017</u>	<u>119,429</u>	<u>385,965</u>
Net change in fund balances	512,850	144,250	124,344	329,477
Fund balances at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances at end of year	<u>\$ 512,850</u>	<u>\$ 144,250</u>	<u>\$ 124,344</u>	<u>\$ 329,477</u>

State Seized Property Fund	Federal Seized Property Fund	Venue Tax Fund	General Fund Capital Replacement Fund	Child Safety Fund	Total Nonmajor Funds
\$ -	\$ -	\$ 1,848,791	\$ -	\$ -	\$ 2,009,692
-	-	-	-	15,368	113,738
3,951	2,791	-	-	-	6,742
<u>2,626</u>	<u>868</u>	<u>9,643</u>	<u>3,127</u>	<u>2,673</u>	<u>76,865</u>
<u>6,577</u>	<u>3,659</u>	<u>1,858,434</u>	<u>3,127</u>	<u>18,041</u>	<u>2,207,037</u>
-	-	-	-	-	69,198
-	-	-	-	-	67,907
-	-	-	-	6,501	118,566
-	-	-	-	6,501	255,671
<u>6,577</u>	<u>3,659</u>	<u>1,858,434</u>	<u>3,127</u>	<u>11,540</u>	<u>1,951,366</u>
48,962	17,690	-	398,201	96,645	1,716,390
-	-	(1,750,000)	-	-	(1,862,000)
<u>48,962</u>	<u>17,690</u>	<u>(1,750,000)</u>	<u>398,201</u>	<u>96,645</u>	<u>(145,610)</u>
55,539	21,349	108,434	401,328	108,185	1,805,756
-	-	-	-	-	-
<u>\$ 55,539</u>	<u>\$ 21,349</u>	<u>\$ 108,434</u>	<u>\$ 401,328</u>	<u>\$ 108,185</u>	<u>\$ 1,805,756</u>

CITY OF UNIVERSAL CITY, TEXAS

COMPARATIVE BALANCE SHEETS

GENERAL FUND

	September 30,	
	2024	2023
Assets:		
Cash and investments:		
Checking account	\$ 6,158,031	\$ 5,098,611
Savings account	-	4,880,424
TexPool	10,611,414	10,061,605
Petty cash	2,168	2,280
Total cash and investments	16,771,613	20,042,920
Delinquent taxes receivable:		
(net of allowances for uncollectibles of \$61,945 and \$70,466)	239,240	197,714
Other receivables	1,147,488	948,002
Due from other governments	614,964	670,070
Due from other funds	200,763	1,126,219
Due from component unit	-	214,374
Prepays	50,583	16,828
Total assets	\$ 19,024,651	\$ 23,216,127
Liabilities:		
Accounts payable	\$ 201,129	\$ 664,434
Salaries payable	29,590	211,988
Due to other funds	-	12,960
Deferred revenue	953,308	3,784,122
Total liabilities	1,184,027	4,673,504
Deferred inflows of resources:		
Unavailable revenue - property taxes	239,240	197,714
Fund balances:		
Nonspendable:		
Prepays	50,583	16,828
Restricted:		
PEG funds	-	385,965
Public safety	-	66,653
Fire	-	2,927
Library improvements	18,366	15,084
Hotel/motel	-	507,481
Child safety	-	96,645
Blue Santa	-	100
Animal shelter	29,377	40,528
Court technology	-	119,429
Court security	-	142,017
Northlake roads	150,000	150,000
Park improvements	1,478	-
Veterans park	13,142	13,434
Dog park	3,372	1,636
Assigned:		
Capital projects	-	670,082
Unreserved	17,335,066	16,116,100
Total fund balances	17,601,384	18,344,909
Total liabilities, deferred inflows of resources, and fund balances	\$ 19,024,651	\$ 23,216,127

CITY OF UNIVERSAL CITY, TEXAS

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

GENERAL FUND

	Year Ended September 30,	
	2024	2023
Revenues:		
Taxes	\$ 14,256,851	\$ 13,499,575
Licenses and permits	875,589	1,187,896
Intergovernmental	607,880	1,655,021
Contributions from component unit	368,683	220,332
Fines and forfeitures	1,228,244	1,173,666
Interest	973,342	1,031,959
Miscellaneous	<u>281,191</u>	<u>219,819</u>
Total revenues	<u>18,591,780</u>	<u>18,988,268</u>
Expenditures:		
Current:		
Administration	1,463,273	2,975,817
Planning and development	947,774	856,142
Finance	509,932	610,566
Municipal court	257,825	270,676
General services division	1,353,799	1,512,364
Police department	4,532,437	4,275,390
Fire department	3,200,865	2,924,803
Vehicle and equipment	302,530	230,451
Animal shelter	584,964	534,926
Library	460,937	414,035
Human resources	157,526	-
Parks and recreation	932,328	867,993
Nondepartmental	1,407,903	-
Capital outlay	<u>2,149,309</u>	<u>1,791,409</u>
Total expenditures	<u>18,261,402</u>	<u>17,264,572</u>
Excess of revenues over expenditures	<u>330,378</u>	<u>1,723,696</u>
Other financing sources (uses):		
Transfers in	653,582	491,395
Transfers out	<u>(1,727,485)</u>	<u>(650,623)</u>
Total other financing sources (uses)	<u>(1,073,903)</u>	<u>(159,228)</u>
Net change in fund balances	(743,525)	1,564,468
Fund balances at beginning of year	18,344,909	16,940,441
Restatement of fund balance	<u>-</u>	<u>(160,000)</u>
Fund balances at end of year	<u>\$ 17,601,384</u>	<u>\$ 18,344,909</u>

CITY OF UNIVERSAL CITY, TEXAS

COMPARATIVE BALANCE SHEETS

DEBT SERVICE FUND

	September 30,	
	<u>2024</u>	<u>2023</u>
Assets:		
Cash	\$ 817,559	\$ 1,262,173
Delinquent taxes receivable	68,559	61,133
Due from other funds	<u>-</u>	<u>293,987</u>
 Total assets	 <u>\$ 886,118</u>	 <u>\$ 1,617,293</u>
Liabilities:		
Due to other funds	<u>\$ 2,135</u>	<u>\$ 491,396</u>
 Total liabilities	 <u>2,135</u>	 <u>491,396</u>
Deferred inflows of resources:		
Unavailable revenue - property taxes	<u>68,559</u>	<u>61,133</u>
Restricted fund balance	<u>815,424</u>	<u>1,064,764</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u>\$ 886,118</u>	 <u>\$ 1,617,293</u>

CITY OF UNIVERSAL CITY, TEXAS

**COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

DEBT SERVICE FUND

	Year Ended September 30,	
	2024	2023
Revenues:		
Ad valorem taxes	\$ 1,768,770	\$ 2,090,182
Interest income	<u>97,147</u>	<u>72,818</u>
Total revenues	<u>1,865,917</u>	<u>2,163,000</u>
Expenditures:		
Bond principal	1,405,000	1,544,000
Bond interest	<u>710,257</u>	<u>568,121</u>
Total expenditures	<u>2,115,257</u>	<u>2,112,121</u>
Net change in fund balances	(249,340)	50,879
Fund balances at beginning of year	<u>1,064,764</u>	<u>1,013,885</u>
Fund balances at end of year	<u><u>\$ 815,424</u></u>	<u><u>\$ 1,064,764</u></u>

CITY OF UNIVERSAL CITY, TEXAS
COMPARATIVE STATEMENTS OF NET POSITION
WATER AND SEWER ENTERPRISE FUND

	September 30,	
	2024	2023
Current assets:		
Cash:		
Checking account	\$ 9,949,263	\$ 11,365,633
Savings account	-	1,185,594
Petty cash	1,007	1,007
Cash - restricted	8,706,244	8,286,611
Total cash and cash equivalents	18,656,514	20,838,845
Receivables:		
Customer (net of allowance for uncollectibles of \$69,161 and \$97,861)	1,214,195	1,266,300
Inventory of supplies, at cost	449,345	407,252
Prepaid expenses	115,325	244
Due from other funds	-	3,569
Total current assets	20,435,379	22,516,210
Capital assets:		
Land	757,199	492,908
Building and improvements	2,253,028	2,253,028
Utility plant and easements	34,168,804	32,556,997
Transportation and equipment	3,990,787	2,805,436
Water rights	8,917,267	8,633,818
Total capital assets	50,087,085	46,742,187
Less accumulated depreciation	(16,383,029)	(15,342,691)
Total capital assets	33,704,056	31,399,496
Total assets	54,139,435	53,915,706
Deferred outflows of resources:		
Deferred outflow - TMRS pension	367,056	576,225
Deferred outflow - TMRS OPEB	7,439	8,700
Total deferred outflows of resources	374,495	584,925
Total assets and deferred outflows of resources	\$ 54,513,930	\$ 54,500,631

CITY OF UNIVERSAL CITY, TEXAS
COMPARATIVE STATEMENTS OF NET POSITION
WATER AND SEWER ENTERPRISE FUND

	September 30,	
	2024	2023
Current liabilities (payable from current assets):		
Accounts payable	\$ 966,657	\$ 1,131,676
Accrued wages and benefits	4,986	31,890
Accrued vacation and sick leave	70,794	70,538
Due to other funds	-	1,061
Customer deposits	1,071,220	1,049,316
Total current liabilities (payable from current assets)	2,113,657	2,284,481
Current liabilities (payable from restricted assets):		
Accrued interest payable	28,166	30,807
Revenue and refunding bonds, current	986,160	961,160
Total current liabilities (payable from restricted assets)	1,014,326	991,967
Other liabilities:		
Net pension liability	1,453,907	1,649,948
OPEB liability	39,838	37,410
Revenue and refunding bonds and tax notes, noncurrent	9,019,330	10,005,490
Total other liabilities	10,513,075	11,692,848
Total liabilities	13,641,058	14,969,296
Deferred inflows of resources:		
Deferred inflow - TMRS pension	27,871	-
Deferred inflow - TMRS OPEB	18,212	22,259
Total deferred inflows of resources	46,083	22,259
Net position:		
Net investment in capital assets	32,404,810	25,065,541
Restricted - impact fees	-	2,846,572
Unrestricted	8,421,979	11,596,963
Total net position	40,826,789	39,509,076
Total liabilities, deferred inflows of resources, and net position	\$ 54,513,930	\$ 54,500,631

CITY OF UNIVERSAL CITY, TEXAS

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

WATER AND SEWER ENTERPRISE FUND

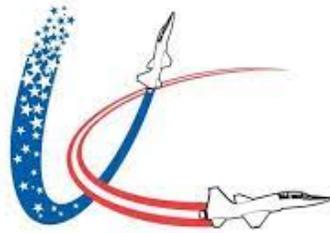
	Year Ended September 30,	
	2024	2023
Operating revenues:		
Water revenues	\$ 5,427,288	\$ 6,030,691
Sewer revenues	4,926,590	4,820,000
Fees and service charges	768,536	714,162
Miscellaneous income	46,374	279,761
Total operating revenues	11,168,788	11,844,614
Operating expenses (before depreciation):		
Public works:		
Payroll	547,613	488,965
Allowances	5,632	14,384
Communications	4,430	13,560
Utilities	3,920	6,189
Support services	535,809	387,185
Contract services	345,583	323,700
Supplies and materials	11,360	13,100
Total public works	1,454,347	1,247,083
Administration:		
Payroll	146,827	136,573
Allowances	208	2,286
Communications	57,644	63,829
Support services	29,291	14,793
Contract services	221,516	156,567
Supplies and materials	725	1,501
Total administration	456,211	375,549
Water department:		
Payroll	879,799	776,529
Allowances	23,882	13,916
Communications	12,838	7,670
Utilities	348,168	310,504
Contract services	1,263,187	931,368
Supplies and materials	484,315	293,493
Total water department	3,012,189	2,333,480

CITY OF UNIVERSAL CITY, TEXAS

**COMPARATIVE STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

WATER AND SEWER ENTERPRISE FUND

	Year Ended September 30,	
	2024	2023
Operating expenses (before depreciation):		
Sewer department:		
Payroll	\$ 149,370	\$ 167,846
Allowances	3,927	2,530
Contract services	2,838,211	2,641,744
Supplies and materials	28,843	18,919
Total sewer department	3,020,351	2,831,039
Total operating expenses before depreciation	7,943,098	6,787,151
Operating income before depreciation	3,225,690	5,057,463
Depreciation	1,040,338	808,205
Operating income	2,185,352	4,249,258
Nonoperating revenues (expenses):		
Transfer in (out)	(1,747,907)	-
Interest and investment income	1,092,754	838,968
Grants	100,000	-
Bond interest and fees	(312,486)	(469,284)
Total nonoperating revenues (expenses)	(867,639)	369,684
Change in net position	1,317,713	4,618,942
Net position at beginning of year	39,509,076	34,890,134
Net position at end of year	\$ 40,826,789	\$ 39,509,076



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

STATISTICAL SECTION

The following unaudited statistical tables reflect social and economic data, financial trends, and fiscal capacity of the City.

CITY OF UNIVERSAL CITY, TEXAS

NET POSITION BY COMPONENT

**Last 10 fiscal years
(Accrual basis of accounting)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Governmental activities:				
Net investment in capital assets	\$ 22,440,829	\$ 30,598,928	\$ 28,575,812	\$ 21,732,872
Restricted	12,649,407	2,606,663	2,762,237	5,999,830
Unrestricted	<u>11,605,265</u>	<u>10,124,022</u>	<u>8,805,312</u>	<u>9,554,394</u>
Total governmental activities net position	<u>\$ 46,695,501</u>	<u>\$ 43,329,613</u>	<u>\$ 40,143,361</u>	<u>\$ 37,287,096</u>
Business-type activities:				
Net investment in capital assets	\$ 39,560,875	\$ 31,358,361	\$ 29,645,185	\$ 27,612,752
Restricted	3,165,444	2,846,572	2,568,103	2,208,352
Unrestricted	<u>11,751,354</u>	<u>15,175,849</u>	<u>10,923,626</u>	<u>8,394,482</u>
Total business-type activities net position	<u>\$ 54,477,673</u>	<u>\$ 49,380,782</u>	<u>\$ 43,136,914</u>	<u>\$ 38,215,586</u>
Primary government:				
Net investment in capital assets	\$ 62,001,704	\$ 61,957,289	\$ 58,220,997	\$ 49,345,624
Restricted	15,814,851	5,453,235	5,330,340	8,208,182
Unrestricted	<u>23,356,619</u>	<u>25,299,871</u>	<u>19,728,938</u>	<u>17,948,876</u>
Total primary government net position	<u>\$ 101,173,174</u>	<u>\$ 92,710,395</u>	<u>\$ 83,280,275</u>	<u>\$ 75,502,682</u>

TABLE 1

2020	2019	2018	2017	2016	2015
\$ 18,296,519	\$ 13,904,490	\$ 14,423,010	\$ 12,601,894	\$ 10,125,743	\$ 12,635,873
8,074,683	9,413,578	7,407,605	8,458,711	9,585,046	6,415,569
<u>6,901,197</u>	<u>6,626,052</u>	<u>7,151,079</u>	<u>7,090,492</u>	<u>7,232,094</u>	<u>7,187,648</u>
<u>\$ 33,272,399</u>	<u>\$ 29,944,120</u>	<u>\$ 28,981,694</u>	<u>\$ 28,151,097</u>	<u>\$ 26,942,883</u>	<u>\$ 26,239,090</u>
\$ 25,558,767	\$ 21,906,113	\$ 19,158,985	\$ 15,651,211	\$ 16,638,510	\$ 15,250,748
1,716,449	1,475,803	-	-	-	-
<u>5,727,103</u>	<u>6,206,909</u>	<u>8,099,746</u>	<u>9,027,962</u>	<u>5,826,589</u>	<u>5,550,539</u>
<u>\$ 33,002,319</u>	<u>\$ 29,588,825</u>	<u>\$ 27,258,731</u>	<u>\$ 24,679,173</u>	<u>\$ 22,465,099</u>	<u>\$ 20,801,287</u>
\$ 43,855,286	\$ 35,810,603	\$ 33,581,995	\$ 28,253,105	\$ 26,764,253	\$ 27,886,621
9,791,132	10,889,381	7,407,605	8,458,711	9,585,046	6,415,569
<u>12,628,300</u>	<u>12,832,961</u>	<u>15,250,825</u>	<u>16,118,454</u>	<u>13,058,683</u>	<u>12,738,187</u>
<u>\$ 66,274,718</u>	<u>\$ 59,532,945</u>	<u>\$ 56,240,425</u>	<u>\$ 52,830,270</u>	<u>\$ 49,407,982</u>	<u>\$ 47,040,377</u>

CITY OF UNIVERSAL CITY, TEXAS

CHANGE IN NET POSITION

**Last 10 fiscal years
(Accrual basis of accounting)**

	2024	2023	2022	2021
Expenses:				
Governmental activities:				
Administrative	\$ 1,575,328	\$ 3,418,371	\$ 3,447,498	\$ 1,811,386
Planning and development	1,716,684	1,013,760	1,349,480	1,195,563
Finance	510,077	722,098	519,013	517,893
Municipal court	346,926	319,928	296,713	326,723
General services division	2,706,220	1,767,082	1,897,646	1,787,778
Police	4,768,827	4,777,695	3,988,012	3,695,403
Fire	3,312,890	3,537,731	2,982,503	2,727,044
Library	560,933	598,468	457,688	497,050
Vehicle and equipment maintenance	302,199	272,886	250,105	219,849
Animal shelter	663,050	631,753	587,446	611,489
Human Resources	478,069	-	-	-
Parks and recreation	1,264,754	998,620	982,579	870,386
Golf course	-	-	131,386	116,672
Nondepartmental	1,116,378	-	-	-
Interest and other fees	920,490	503,081	603,660	556,407
Total governmental activities	<u>20,242,825</u>	<u>18,561,473</u>	<u>17,493,729</u>	<u>14,933,643</u>
Business-type activities:				
Water and sewer utility	9,295,922	8,064,640	7,569,165	6,914,372
Golf course	3,652,303	2,845,852	2,332,768	2,158,998
Stormwater management	643,601	558,482	633,169	628,110
Total business-type activities	<u>13,591,826</u>	<u>11,468,974</u>	<u>10,535,102</u>	<u>9,701,480</u>
Total primary government expenses	<u>\$ 33,834,651</u>	<u>\$ 30,030,447</u>	<u>\$ 28,028,831</u>	<u>\$ 24,635,123</u>
Program revenues:				
Governmental activities:				
Charges for service:				
Administration	\$ 332,201	\$ 776,719	\$ 462,121	\$ 410,000
Planning and development	554,460	883,467	905,767	1,076,580
Municipal court	1,410,629	1,597,390	1,163,690	1,462,313
General services division	36,554	-	-	-
Police/fire	83,844	19,847	31,435	31,825
Library	2,177	130	570	62
Vehicle and maintenance equipment	-	-	-	18,374
Animal shelter	-	14,065	16,372	-
Parks and recreation	107,634	96,982	98,777	61,901
Golf course	310,000	50,205	50,978	39,992
Operating grants and contributions	-	-	-	75,097
Capital grants and contributions	3,054,573	1,121,643	2,158,292	2,317,264
Total governmental activities program revenues	<u>5,892,072</u>	<u>4,560,448</u>	<u>4,888,002</u>	<u>5,493,408</u>

TABLE 2

2020	2019	2018	2017	2016	2015
\$ 2,148,508	\$ 1,852,059	\$ 2,226,995	\$ 2,041,854	\$ 1,815,623	\$ 1,392,385
900,909	612,892	547,165	483,465	428,755	383,535
490,746	493,906	376,499	371,031	350,727	324,928
405,089	280,003	288,112	290,736	268,719	243,337
2,406,664	2,159,658	1,990,953	1,841,027	1,772,893	1,663,816
4,091,163	3,999,746	3,731,134	3,609,745	3,484,195	3,243,594
2,761,427	2,824,683	2,602,650	2,422,784	2,243,882	2,171,658
517,204	476,491	448,820	395,066	174,354	171,311
198,833	198,237	176,865	159,196	165,186	145,945
547,140	520,553	498,922	481,985	426,903	378,362
-	-	-	-	-	-
845,839	555,180	436,533	383,235	303,649	283,604
241,424	377,316	478,037	358,506	395,328	374,462
-	-	-	-	-	-
687,874	645,081	593,475	621,901	648,617	632,134
<u>16,242,820</u>	<u>14,995,805</u>	<u>14,396,160</u>	<u>13,460,531</u>	<u>12,478,831</u>	<u>11,409,071</u>
6,526,182	6,665,715	6,319,032	5,842,400	5,741,595	5,647,705
2,161,938	2,163,361	1,888,258	1,842,290	1,775,312	1,674,518
530,982	444,240	476,067	454,241	407,329	497,484
<u>9,219,102</u>	<u>9,273,316</u>	<u>8,683,357</u>	<u>8,138,931</u>	<u>7,924,236</u>	<u>7,819,707</u>
<u>\$ 25,461,922</u>	<u>\$ 24,204,653</u>	<u>\$ 23,079,517</u>	<u>\$ 21,599,462</u>	<u>\$ 20,403,067</u>	<u>\$ 19,228,778</u>
\$ 410,474	\$ 492,162	\$ 458,364	\$ 462,412	\$ 466,256	\$ 447,148
797,484	1,037,318	835,926	723,012	557,959	554,608
1,848,885	1,775,673	1,848,905	1,775,840	1,726,934	1,584,273
-	-	-	-	-	-
36,940	34,852	48,557	32,544	19,547	37,675
4,200	17,010	13,661	3,686	1,728	10,441
-	-	-	-	-	-
21,301	47,364	25,043	27,073	23,257	32,360
7,382	28,310	30,583	25,184	22,933	22,380
40,070	45,672	39,349	51,864	47,226	55,887
810,191	51,019	8,977	169,982	98,737	23,769
<u>1,704,760</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>413,493</u>
<u>5,681,687</u>	<u>3,529,380</u>	<u>3,309,365</u>	<u>3,271,597</u>	<u>2,964,577</u>	<u>3,182,034</u>

(continued)

CITY OF UNIVERSAL CITY, TEXAS

CHANGE IN NET POSITION

**Last 10 fiscal years
(Accrual basis of accounting)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Program revenues (continued)				
Business-type activities:				
Charges for service:				
Water and sewer utility	\$ 11,168,788	\$ 11,844,614	\$ 10,586,469	\$ 9,832,580
Water/sewer impact fees	235,129	-	-	-
Golf course	2,485,570	2,682,531	2,547,269	2,104,102
Stormwater management	904,322	800,744	702,128	661,764
Operating grants and contributions	-	-	-	20,636
Capital grants and contributions	<u>111,594</u>	<u>-</u>	<u>300,000</u>	<u>333,300</u>
Total business-type activities program revenues	<u>14,905,403</u>	<u>15,327,889</u>	<u>14,135,866</u>	<u>12,952,382</u>
Total primary government program revenues	<u>\$ 20,797,475</u>	<u>\$ 19,888,337</u>	<u>\$ 19,023,868</u>	<u>\$ 18,445,790</u>
Net (expense) revenues:				
Governmental activities	\$ (14,350,753)	\$ (14,001,025)	\$ (12,605,727)	\$ (9,440,235)
Business-type activities	<u>1,313,577</u>	<u>3,858,915</u>	<u>3,600,764</u>	<u>3,250,902</u>
Total primary government	<u>\$ (13,037,176)</u>	<u>\$ (10,142,110)</u>	<u>\$ (9,004,963)</u>	<u>\$ (6,189,333)</u>
Governmental revenues and other changes in net position:				
Governmental Activities:				
Taxes				
General property taxes	\$ 10,990,324	\$ 8,255,342	\$ 9,548,582	\$ 8,832,210
Franchise taxes	1,311,402	1,345,246	1,502,863	1,273,391
Sales and other taxes	5,782,539	5,792,335	5,119,328	4,939,064
Interest and investment earnings	1,761,088	1,353,325	246,936	30,209
Miscellaneous	281,953	219,634	216,398	326,389
Transfer	<u>(2,410,665)</u>	<u>381,395</u>	<u>(1,172,115)</u>	<u>(644,472)</u>
Total governmental activities	<u>17,716,641</u>	<u>17,347,277</u>	<u>15,461,992</u>	<u>14,756,791</u>

TABLE 2
(Continued)

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 9,114,381	\$ 8,590,246	\$ 8,274,631	\$ 7,566,943	\$ 7,226,060	\$ 6,869,755
-	-	-	-	-	-
1,580,522	1,393,672	1,488,538	1,424,400	1,449,305	1,522,115
670,690	654,224	675,762	627,294	593,453	684,861
30,608	-	-	100,000	-	-
<u>600,000</u>	<u>28,628</u>	<u>453,397</u>	<u>323,172</u>	<u>-</u>	<u>212,459</u>
<u>11,996,201</u>	<u>10,666,770</u>	<u>10,892,328</u>	<u>10,041,809</u>	<u>9,268,818</u>	<u>9,289,190</u>
<u>\$ 17,677,888</u>	<u>\$ 14,196,150</u>	<u>\$ 14,201,693</u>	<u>\$ 13,313,406</u>	<u>\$ 12,233,395</u>	<u>\$ 12,471,224</u>
\$ (10,561,133)	\$ (11,466,425)	\$ (11,086,795)	\$ (10,188,934)	\$ (9,514,254)	\$ (8,227,037)
<u>2,777,099</u>	<u>1,393,454</u>	<u>2,208,971</u>	<u>1,902,878</u>	<u>1,344,582</u>	<u>1,469,483</u>
<u>\$ (7,784,034)</u>	<u>\$ (10,072,971)</u>	<u>\$ (8,877,824)</u>	<u>\$ (8,286,056)</u>	<u>\$ (8,169,672)</u>	<u>\$ (6,757,554)</u>
\$ 8,587,434	\$ 7,732,888	\$ 7,221,714	\$ 6,722,826	\$ 5,950,098	\$ 5,711,957
1,433,123	1,453,164	1,489,453	1,477,080	1,449,764	1,425,441
4,258,004	3,927,697	3,609,575	3,501,296	3,044,166	2,695,414
118,274	112,842	45,712	50,426	26,692	14,002
82,577	126,260	150,165	37,520	55,543	41,981
<u>(590,000)</u>	<u>(924,000)</u>	<u>(408,768)</u>	<u>(392,000)</u>	<u>(308,216)</u>	<u>(170,000)</u>
<u>13,889,412</u>	<u>12,428,851</u>	<u>12,107,851</u>	<u>11,397,148</u>	<u>10,218,047</u>	<u>9,718,795</u>

(continued)

CITY OF UNIVERSAL CITY, TEXAS

CHANGE IN NET POSITION

**Last 10 fiscal years
(Accrual basis of accounting)**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Governmental revenues and other				
Changes in net position (continued):				
Business-type activities:				
Sales Tax	\$ -	\$ 1,761,756	\$ -	\$ -
Interest and investment earnings	1,372,649	1,004,592	148,449	16,034
Transfer	<u>2,410,665</u>	<u>(381,395)</u>	<u>1,172,115</u>	<u>644,472</u>
Total business-type activities	<u>3,783,314</u>	<u>2,384,953</u>	<u>1,320,564</u>	<u>660,506</u>
 Total primary government	<u>\$ 21,499,955</u>	<u>\$ 19,732,230</u>	<u>\$ 16,782,556</u>	<u>\$ 15,417,297</u>
 Changes in net position:				
Governmental activities	\$ 3,365,888	\$ 3,346,252	\$ 2,856,265	\$ 5,316,556
Business-type activities	<u>5,096,891</u>	<u>6,243,868</u>	<u>4,921,328</u>	<u>3,911,408</u>
 Total primary government	<u>\$ 8,462,779</u>	<u>\$ 9,590,120</u>	<u>\$ 7,777,593</u>	<u>\$ 9,227,964</u>

TABLE 2
(Continued)

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46,395	12,640	15,538	19,196	11,014	2,578
<u>590,000</u>	<u>924,000</u>	<u>408,768</u>	<u>392,000</u>	<u>308,216</u>	<u>170,000</u>
<u>636,395</u>	<u>936,640</u>	<u>424,306</u>	<u>411,196</u>	<u>319,230</u>	<u>172,578</u>
<u>\$ 14,525,807</u>	<u>\$ 13,365,491</u>	<u>\$ 12,532,157</u>	<u>\$ 11,808,344</u>	<u>\$ 10,537,277</u>	<u>\$ 9,891,373</u>
\$ 3,328,279	\$ 962,426	\$ 1,021,056	\$ 1,208,214	\$ 703,793	\$ 1,491,758
<u>3,413,494</u>	<u>2,330,094</u>	<u>2,633,277</u>	<u>2,314,074</u>	<u>1,663,812</u>	<u>1,642,061</u>
<u>\$ 6,741,773</u>	<u>\$ 3,292,520</u>	<u>\$ 3,654,333</u>	<u>\$ 3,522,288</u>	<u>\$ 2,367,605</u>	<u>\$ 3,133,819</u>

CITY OF UNIVERSAL CITY, TEXAS

FUND BALANCES – GOVERNMENTAL FUNDS

**Last 10 fiscal years
(Modified accrual basis of accounting)**

	YEAR			
	2024	2023	2022	2021
General fund:				
Nonspendable:				
Prepaid	\$ 50,583	\$ 16,828	\$ -	\$ 1,371
Restricted:				
PEG funds	-	385,965	404,940	353,999
Public safety	-	66,653	54,972	54,972
Fire	-	2,927	300	300
Library improvements	18,366	15,084	15,383	11,474
Hotel/motel	-	507,481	557,758	511,065
Parks	-	-	101,950	209,380
Child safety	-	96,645	69,947	91,882
Blue Santa	-	100	100	100
Animal shelter	29,377	40,528	59,699	67,935
Court technology	-	119,429	128,483	153,251
Court security	-	142,017	183,442	205,291
Northlake roads	150,000	150,000	150,000	150,000
Park improvements	1,478	-	-	-
Veterans park	13,142	13,434	14,276	14,642
Opioid abatement	3,372	-	-	-
Dog park	-	1,636	3,421	3,421
Animal shelter memorial	-	-	3,681	3,681
Committed:				
CPS	-	-	-	341,868
CPS 1%	-	-	-	479,870
Assigned:				
Capital projects	-	670,082	670,082	670,082
Unassigned	<u>17,335,066</u>	<u>16,116,100</u>	<u>14,522,007</u>	<u>14,411,455</u>
Total general fund	<u>\$ 17,601,384</u>	<u>\$ 18,344,909</u>	<u>\$ 16,940,441</u>	<u>\$ 17,736,039</u>
All other governmental funds:				
Nonspendable:				
Prepaid	\$ 16,430	\$ -	\$ -	\$ -
Restricted:				
Special revenue	1,387,998	-	-	-
Debt service	764,556	1,064,764	1,013,885	1,079,615
Capital projects	10,281,118	4,915,134	5,390,347	3,087,451
Assigned:				
Capital projects	401,328	-	-	-
Unassigned	<u>50,868</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 12,902,298</u>	<u>\$ 5,979,898</u>	<u>\$ 6,404,232</u>	<u>\$ 4,167,066</u>

TABLE 3

YEAR						
2020	2019	2018	2017	2016	2015	
\$ 1,371	\$ 1,251	\$ 1,588	\$ 910	\$ 1,077	\$ 1,146	
404,940	364,256	346,699	302,613	255,000	202,421	
54,972	54,147	54,147	49,936	45,221	44,982	
300	300	250	100	-	-	
15,383	10,122	2,823	310	73,133	22,725	
413,916	321,145	220,235	388,771	428,280	325,328	
101,950	-	-	36,398	36,398	29,678	
69,947	46,104	21,673	-	-	-	
100	100	100	-	-	-	
59,699	54,273	37,974	34,543	19,074	5,563	
128,483	126,806	120,342	116,538	167,791	158,366	
183,442	225,644	202,750	183,052	158,425	166,392	
150,000	150,000	150,000	150,000	150,000	150,000	
-	-	-	-	-	-	
14,276	80,898	78,461	51,401	46,138	34,089	
-	-	-	-	-	-	
3,421	3,421	3,401	3,401	3,401	3,401	
3,681	3,681	3,681	3,436	3,636	3,636	
341,868	341,868	401,263	450,169	800,169	808,395	
388,715	207,837	107,161	-	-	-	
670,082	710,065	810,942	751,614	611,306	580,108	
<u>12,608,243</u>	<u>12,287,650</u>	<u>10,897,201</u>	<u>11,489,568</u>	<u>11,074,969</u>	<u>10,723,804</u>	
<u>\$ 15,614,789</u>	<u>\$ 14,989,568</u>	<u>\$ 13,460,691</u>	<u>\$ 14,012,760</u>	<u>\$ 13,874,018</u>	<u>\$ 13,260,034</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	
2,295,473	2,032,723	2,206,297	2,406,231	2,191,636	2,043,374	
3,442,746	5,389,002	3,957,284	4,731,071	6,005,836	3,224,468	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>\$ 5,738,219</u>	<u>\$ 7,421,725</u>	<u>\$ 6,163,581</u>	<u>\$ 7,137,302</u>	<u>\$ 8,197,472</u>	<u>\$ 5,267,842</u>	

CITY OF UNIVERSAL CITY, TEXAS

CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS

**Last 10 fiscal years
(Modified accrual basis of accounting)**

	YEAR			
	2024	2023	2022	2021
Revenues:				
Taxes	\$ 18,035,313	\$ 15,589,757	\$ 16,383,383	\$ 15,250,516
Licenses and permits	989,327	1,187,896	1,170,445	1,410,596
Intergovernmental	3,293,770	1,655,021	2,322,302	2,513,656
Contributions from component unit	368,683	220,332	209,076	160,000
Fines and forfeitures	1,234,986	1,173,666	947,232	1,156,821
Interest	1,761,088	1,353,325	246,936	30,209
Miscellaneous	281,953	219,819	324,158	485,979
Total revenues	25,965,120	21,399,816	21,603,532	21,007,777
Expenditures:				
Administrative	1,463,273	2,975,817	3,388,877	1,768,319
Planning and development	1,016,972	856,142	857,735	712,745
Finance	509,932	610,566	517,047	518,278
Municipal court	325,732	270,676	278,454	306,423
General services division	1,993,834	1,512,364	1,376,915	1,245,127
Police	4,532,437	4,275,390	3,875,086	3,620,349
Fire	3,200,865	2,924,803	2,789,374	2,494,575
Vehicle and equipment maintenance	302,530	230,451	250,653	219,750
Animal shelter	584,964	534,926	540,270	567,099
Human resources	157,526	-	-	-
Library	460,937	414,035	333,897	321,419
Parks and recreation	932,328	867,993	648,020	535,876
Nondepartmental	1,407,903	-	-	-
Golf course	-	-	-	-
Promotion and development	-	-	-	-
Capital outlay	4,304,521	2,989,224	2,991,888	3,981,639
Debt service				
Principal	1,464,133	1,602,087	3,670,693	1,604,070
Interest and fiscal charges	938,432	576,603	721,522	615,680
Total expenditures	23,596,319	20,641,077	22,240,431	18,511,349
Excess (deficiency) of revenues over (under) expenditures	2,368,801	758,739	(636,899)	2,496,428
Other financing sources (uses)				
Transfers in	2,076,722	540,623	2,569,903	917,220
Transfers out	(4,487,387)	(159,228)	(3,742,018)	(1,561,692)
Premium on bonds	255,739	-	130,582	-
Bond issue proceeds	5,965,000	-	3,120,000	-
Payment to escrow agent	-	-	-	-
Capital lease	-	-	-	-
Total other financing sources (uses)	3,810,074	381,395	2,078,467	(644,472)
Net change in fund balances	\$ 6,178,875	\$ 1,140,134	\$ 1,441,568	\$ 1,851,956
Debt service as a percentage of noncapital expenditures	12.45%	12.34%	22.82%	15.28%

TABLE 4

		YEAR									
		2020	2019	2018	2017	2016	2015				
\$	14,486,094	\$	13,346,041	\$	12,461,442	\$	11,656,988	\$	10,468,485	\$	9,700,718
	1,069,933		1,377,252		1,279,233		1,318,050		1,118,237		1,124,459
	2,629,865		301,019		258,977		361,335		254,392		667,046
	160,474		242,162		208,364		204,864		192,922		182,475
	1,201,187		1,306,731		1,338,395		1,239,055		1,195,077		1,111,871
	118,274		112,842		45,712		50,426		26,692		14,002
	<u>313,433</u>		<u>235,538</u>		<u>276,780</u>		<u>162,492</u>		<u>235,512</u>		<u>104,776</u>
	<u>19,979,260</u>		<u>16,921,585</u>		<u>15,868,903</u>		<u>14,993,210</u>		<u>13,491,317</u>		<u>12,905,347</u>
	2,085,335		1,782,275		2,181,120		1,646,764		1,536,649		1,389,542
	878,972		586,080		540,359		478,528		428,095		376,955
	472,934		469,993		373,239		370,458		345,736		323,246
	378,424		238,876		259,502		268,605		246,135		223,739
	1,194,275		1,161,720		1,139,854		999,705		969,370		959,004
	3,898,188		3,666,982		3,553,370		3,380,890		3,240,082		3,042,100
	2,461,686		2,440,880		2,321,318		2,233,987		2,092,176		2,032,884
	193,544		189,744		176,400		157,693		165,283		146,683
	462,223		435,956		430,304		414,345		355,239		321,805
	-		-		-		-		-		-
	339,562		298,716		279,003		259,931		170,621		167,681
	838,064		542,439		431,578		393,589		300,413		284,152
	-		-		-		-		-		-
	87,568		32,321		-		-		46,915		26,049
	-		1,970		121,444		3,923		-		-
	4,461,724		4,197,100		3,237,811		3,576,807		3,346,191		1,308,826
	1,563,557		1,371,889		1,324,840		1,237,780		981,082		933,000
	<u>1,142,486</u>		<u>737,810</u>		<u>615,783</u>		<u>646,331</u>		<u>653,673</u>		<u>705,554</u>
	<u>20,458,542</u>		<u>18,154,751</u>		<u>16,985,925</u>		<u>16,069,336</u>		<u>14,877,660</u>		<u>12,241,220</u>
	<u>(479,282)</u>		<u>(1,233,166)</u>		<u>(1,117,022)</u>		<u>(1,076,126)</u>		<u>(1,386,343)</u>		<u>664,127</u>
	1,093,429		270,448		1,510,571		2,569,903		632,506		96,634
	(1,683,429)		(1,194,448)		(1,919,339)		(3,742,018)		(940,722)		(266,634)
	-		783,153		-		841,746		172,606		359,192
	-		7,705,000		-		-		4,935,000		3,015,000
	-		(3,532,966)		-		(1,233,746)		-		(3,289,605)
	<u>255,739</u>		<u>-</u>		<u>-</u>		<u>546,698</u>		<u>130,567</u>		<u>-</u>
	<u>(334,261)</u>		<u>4,031,187</u>		<u>(408,768)</u>		<u>(1,017,417)</u>		<u>4,929,957</u>		<u>(85,413)</u>
\$	<u>(813,543)</u>	\$	<u>2,798,021</u>	\$	<u>(1,525,790)</u>	\$	<u>(2,093,543)</u>	\$	<u>3,543,614</u>	\$	<u>578,714</u>
	16.92%		15.12%		14.12%		15.08%		14.18%		14.99%

CITY OF UNIVERSAL CITY, TEXAS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last 10 fiscal years

TABLE 5

<u>Fiscal Year Ended September 30,</u>	<u>Tax Roll</u>	<u>Total Direct Tax Rate</u>	<u>Percentage of Assessed to Estimated Full Value</u>	<u>Total Taxable Assessed Value</u>
2015	2014	0.560492	100%	\$ 994,173,349
2016	2015	0.543828	100%	1,101,012,604
2017	2016	0.562804	100%	1,202,521,484
2018	2017	0.561752	100%	1,290,253,549
2019	2018	0.576996	100%	1,360,690,742
2020	2019	0.601444	100%	1,450,192,073
2021	2020	0.585062	100%	1,505,808,896
2022	2021	0.589398	100%	1,695,643,812
2023	2022	0.540000	100%	1,890,345,643
2024	2023	0.517499	100%	2,132,417,155

CITY OF UNIVERSAL CITY, TEXAS

DIRECT AND OVERLAPPING PROPERTY RATES

Last 10 fiscal years

TABLE 6

Fiscal Year	City Direct Rates	Overlapping Rates					Total
		Schertz-Cibolo	Judson	Alamo		San Antonio	
		Universal City ISD	Independent School District	Bexar County	Community College District	River Authority	
2015	0.5604492	1.4900000	1.4250000	0.2838210	0.1491500	0.0175000	3.9259202
2016	0.5438280	1.4900000	1.4200000	0.2975000	0.1491500	0.0172900	3.9177680
2017	0.5628040	1.4900000	1.4700000	0.2932500	0.1491500	0.0172900	3.9824940
2018	0.5617520	1.4900000	1.4250000	0.2912290	0.1491500	0.0172900	3.9344210
2019	0.5769960	1.4900000	1.4400000	0.2774290	0.1491500	0.0185800	3.9521550
2020	0.6014440	1.4106400	1.3584000	0.2774290	0.1491500	0.0185800	3.8156430
2021	0.5850620	1.3950000	1.3584000	0.2774290	0.1491500	0.0185800	3.7836210
2022	0.5893980	1.3246000	1.2700000	0.2999990	0.1491500	0.0185800	3.6517270
2023	0.5400000	1.1392000	1.0346000	0.2999990	0.1491500	0.0180000	3.1809490
2024	0.5147990	1.1366900	1.0346000	0.2999990	0.1491500	0.0180000	3.1532380

CITY OF UNIVERSAL CITY, TEXAS

PRINCIPAL PROPERTY TAXPAYERS

September 30, 2024

TABLE 7

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percent of Assessed Value</u>
Int Grove, LLC	\$ 67,500,000	1	3.9
12900 East Loop1604 North LP	38,226,200	2	2.21
Frontline Sable Ridge, LP	29,500,000	3	1.70
Wal Mart Stores Inc., #2404	24,114,010	4	1.39
Westland SA 1 LLC	21,103,160	5	1.22
HEB Grocery Company, LP	21,079,610	6	1.22
Triangle Y Shops, LP	17,721,050	7	1.02
Tap Palisades Park LLC	17,000,000	8	0.98
Forum Crossing, LLC	14,891,920	9	0.86
Universal City Affiliates LTD	14,000,000	10	0.81

CITY OF UNIVERSAL CITY, TEXAS

PROPERTY TAX LEVIES AND COLLECTIONS

Last 10 fiscal years

TABLE 8

Fiscal Year Ended September 30,	Tax Roll Year	Tax Levied for the Fiscal Year	Current Tax Collections and Adjustments		Delinquent Tax Collections and Adjustments	Total Collections and Adjustments	
			Amount	Percent		Amount	Percent
2015	2014	\$ 5,574,016	\$ 5,509,281	98.84	\$ 16,139	\$ 5,525,420	99.13
2016	2015	5,989,772	5,921,439	98.86	30,700	5,952,139	99.37
2017	2016	6,770,432	6,756,980	99.80	11,341	6,768,321	99.96
2018	2017	7,208,257	7,148,198	99.17	(45,300)	7,102,898	98.54
2019	2018	7,853,794	7,658,488	97.51	9,105	7,667,593	97.63
2020	2019	8,724,422	8,633,875	98.96	18,417	8,652,292	99.17
2021	2020	8,994,967	8,920,572	99.17	656	8,921,228	99.18
2022	2021	9,514,827	9,408,592	98.88	(16,898)	9,391,694	98.71
2023	2022	10,131,990	10,023,207	98.93	51,141	10,074,348	99.49
2024	2023	10,662,993	10,532,023	98.77	799	10,532,822	99.98

CITY OF UNIVERSAL CITY, TEXAS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last 10 fiscal years

TABLE 9

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General	Capital	Certificates	Revenue	Certificates	Capital	Notes			
	Obligation	Leases	of Obligation	Bonds	of Obligation	Leases	Payable			
2015	\$ 12,345,000	\$ -	\$ 2,975,000	\$ 7,260,000	\$ 2,830,000	\$ 247,871	\$ 498,673	\$ 26,156,544	5.03	\$1,316
2016	16,431,000	118,485	2,855,000	6,625,000	2,765,000	367,601	361,385	29,523,471	5.11	1,477
2017	15,350,000	628,403	2,735,000	5,970,000	5,635,000	244,653	219,740	30,782,796	4.84	1,467
2018	14,224,000	554,563	2,610,000	5,300,000	5,435,000	189,171	69,606	28,382,340	4.36	1,342
2019	17,244,000	477,674	2,485,000	4,605,000	5,210,000	214,389	-	30,236,063	4.88	1,456
2020	15,475,000	398,117	2,360,000	3,700,000	4,980,000	553,628	-	27,466,745	4.94	1,448
2021	14,069,000	330,047	2,230,000	2,935,000	4,740,000	610,742	-	24,914,789	4.27	1,263
2022	13,714,000	269,354	2,095,000	2,470,000	4,490,000	406,949	-	23,445,303	3.61	1,184
2023	12,310,000	211,267	1,955,000	6,280,000	4,230,000	584,092	-	25,570,359	4.51	1,313
2024	17,015,000	152,134	1,810,000	5,640,000	3,965,000	460,393	-	29,042,527	4.82	1,544

Notes:

Details regarding the City’s outstanding debt can be found in note 6 of the financial statements.

See table 13 for personal income and population data for the City. These ratios are calculated using personal income and population for the year.

CITY OF UNIVERSAL CITY, TEXAS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

September 30, 2024

TABLE 10

	Debt Outstanding	Percentage Applicable to City	City's Share of Debt <u>2024</u>
Alamo Community College District	\$ 707,460,000	0.80%	\$ 5,659,680
Bexar County	2,222,135,000	0.80%	17,777,080
Bexar County Hospital District	1,280,820,000	0.80%	10,246,560
Guadalupe County	8,015,000	0.21%	16,832
Judson Independent School District	827,669,085	9.50%	78,628,563
Schertz-Cibolo-Universal City Independent School District	331,975,612	4.14%	<u>13,743,790</u>
Subtotal overlapping debt			126,072,505
Direct debt - City of Universal City			<u>22,790,000</u>
Total overlapping and direct debt			<u><u>\$ 148,862,505</u></u>

Source of data – compiled by Municipal Advisory Council of Texas, September 30, 2024

CITY OF UNIVERSAL CITY, TEXAS

DEBT MARGIN INFORMATION

Last 10 fiscal years

TABLE 11

Assessed valuation, 2023 Tax Roll \$2,132,417,155

Debt limit – Texas statutes do not provide a legal debt limit for cities;
 However, through accepted practice a practical “economic”
 Debt limit is considered to be 10% of the assessed value. \$ 213,241,716

Amount of applicable debt:

Bonded debt – general obligation bonds	\$25,570,359	
Less net assets in debt service fund	<u>(886,118)</u>	
		<u>24,684,241</u>

Debt margin \$ 188,557,475

	FISCAL YEAR				
	2024	2023	2022	2021	2020
Assessed value	<u>\$ 2,132,417,155</u>	<u>\$ 1,890,345,643</u>	<u>\$ 1,695,643,812</u>	<u>\$ 1,505,808,896</u>	<u>\$ 1,450,192,073</u>
Debt limit	\$ 213,241,716	\$ 189,034,564	\$ 169,564,381	\$ 150,580,889	\$ 145,019,207
Total net debt	<u>24,684,241</u>	<u>23,445,303</u>	<u>20,299,000</u>	<u>17,627,805</u>	<u>20,519,527</u>
Debt margin	<u>\$ 188,557,475</u>	<u>\$ 165,589,261</u>	<u>\$ 150,279,266</u>	<u>\$ 132,953,084</u>	<u>\$ 124,499,680</u>
Total net debt as a percentage of debt margin	13.09%	14.16%	13.26%	20.24%	20.24%
	FISCAL YEAR				
	2019	2018	2017	2016	2015
Assessed value	<u>\$ 1,360,690,742</u>	<u>\$ 1,290,253,549</u>	<u>\$ 1,202,521,484</u>	<u>\$ 1,101,012,604</u>	<u>\$ 994,173,349</u>
Debt limit	\$ 136,069,074	\$ 129,025,355	\$ 120,252,148	\$ 110,101,260	\$ 99,417,335
Total net debt	<u>22,906,277</u>	<u>20,062,703</u>	<u>21,313,769</u>	<u>19,859,364</u>	<u>16,106,626</u>
Debt margin	<u>\$ 113,162,797</u>	<u>\$ 108,962,652</u>	<u>\$ 98,938,379</u>	<u>\$ 90,241,896</u>	<u>\$ 83,310,709</u>
Total net debt as a percentage of debt margin	20.24%	21.54%	21.54%	22.01%	19.33%

CITY OF UNIVERSAL CITY, TEXAS

PLEDGED REVENUE COVERAGE

Last 10 fiscal years

TABLE 12

Year Ended September 30,	Water Revenue Bonds					Coverage
	Utility Services Charges	Less Operating Expense*	Net Available	Annual Average Requirements Revenue Bonds		
2015	\$ 6,869,755	\$ 4,484,302	\$ 2,385,453	\$ 605,851	3.94	
2016	7,226,060	4,804,274	2,421,786	636,833	3.80	
2017	7,566,943	4,814,566	2,752,377	750,777	3.67	
2018	8,274,631	5,270,561	3,004,070	721,353	4.16	
2019	8,590,246	5,632,231	2,958,015	729,080	4.06	
2020	9,114,381	5,450,198	3,664,183	697,175	5.26	
2021	9,832,580	5,929,448	3,903,132	575,226	6.79	
2022	10,586,469	6,569,263	4,017,206	551,016	7.29	
2023	11,844,614	6,787,151	5,057,463	722,201	7.00	
2024	11,168,788	7,943,098	3,225,690	691,508	4.66	

* Excluding depreciation/amortization/bond interest and fees

CITY OF UNIVERSAL CITY, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS

Last 10 fiscal years

TABLE 13

Year	Population	Personal		Median Age	Education Level	School Enrollment	Unemployment Rate
		Income	Capita Personal Income		in Years of Schooling		
2015	19,880	\$ 520,378,880	\$ 26,176	34.60	13-16	*	3.60
2016	19,986	578,194,980	28,930	35.00	13-16	*	3.90
2017	20,989	636,000,000	30,301	35.00	13-16	*	3.20
2018	21,144	650,283,720	30,755	35.60	13-16	*	3.10
2019	20,773	620,011,731	29,847	36.00	13-16	*	4.00
2020	18,967	556,529,714	29,342	36.00	13-16	*	10.00
2021	19,720	583,810,600	29,605	36.90	13-16	*	4.50
2022	19,808	649,266,624	32,778	36.30	13-16	*	3.50
2023	20,028	742,818,492	37,089	36.30	13-16	*	3.80
2024	20,019	771,812,526	38,554	37.20	13-16	*	4.20

CITY OF UNIVERSAL CITY, TEXAS

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION

Last 10 fiscal years

TABLE 14

	Full Time Equivalent Employees as of September 30,									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Function:										
General Manager:										
Management	3.5	3.5	3.5	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance	3.5	6.5	6.5	4.0	4.0	4.0	4.0	3.0	3.0	3.0
Human resources	1.5	1.5	-	-	-	-	-	-	-	-
Planning	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Building	7.0	7.0	7.0	7.0	5.0	4.0	4.0	4.0	4.0	4.0
Court	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Police:										
Officers	32.0	32.0	32.0	32.0	32.0	32.0	31.0	31.0	30.0	30.0
Civilians	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Fire:										
Firefighters/Officers	20.0	20.0	20.0	21.0	20.0	20.0	20.0	20.0	20.0	20.0
Civilians	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Works:										
Parks and recreation	6.0	6.0	5.0	4.0	4.0	4.0	4.0	4.0	6.0	6.0
General streets	11.0	11.0	12.0	12.0	11.0	11.0	11.0	11.0	11.0	11.0
Water	10.0	10.0	8.0	12.0	11.0	11.0	11.0	11.0	12.0	12.0
Sewage	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Administration	5.5	5.0	5.0	5.0	6.0	5.0	5.0	5.0	6.0	6.0
Equipment maintenance	3.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Animal control	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.0	5.0
Library	3.5	3.5	3.5	3.5	3.5	3.6	3.0	3.0	3.1	3.1
Golf Course	<u>26.5</u>	<u>26.5</u>	<u>26.5</u>	<u>25.0</u>	<u>25.0</u>	<u>24.0</u>	<u>23.5</u>	<u>23.5</u>	<u>23.5</u>	<u>23.5</u>
Totals	<u>158.00</u>	<u>159.50</u>	<u>156.00</u>	<u>154.50</u>	<u>151.50</u>	<u>148.60</u>	<u>146.50</u>	<u>145.50</u>	<u>148.13</u>	<u>148.13</u>

CITY OF UNIVERSAL CITY, TEXAS

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last 10 fiscal years

<u>Function / Program</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Police:				
Citations	6,410	6,772	6,264	5,177
Warnings	4,102	4,528	3,553	2,870
Calls for service	30,458	32,479	31,015	23,383
Arrests	726	699	1,033	979
Fire:				
Fire/miscellaneous calls	653	792	824	798
EMS calls	1977	2007	1867	1915
Inspections	336	279	131	155
Complaints	-	1	-	-
Library:				
Volumes in collection	24,690	23,860	22,719	23,786
Total volumes borrowed	36,441	31,495	30,381	16,097
General services (in man hours):				
Street maintenance	1,926	1,627	2,391	2,477
Street sweeping	553	332	356	348
Alley maintenance	348	340	64	591
ROW maintenance	297	86	2,072	2,512
Signage	449	245	1,216	790
Brush chipping	734	652	844	138
Crack sealing	21	-	120	512
Concrete work	332	192	1,384	1,482
Drain maintenance	90	81	1,321	1,081
Easement maintenance	509	405	830	554
Park maintenance	7,971	6,478	11,939	10,778
Pat Booker road maintenance	-	-	-	-
Special events	1,704	1,484	1,763	873
Janitorial	3,672	3,186	3,888	3,436
Splash pad construction	-	-	-	-
Water:				
Total consumption				
(thousand of gallons)	806,661	832,209	863,890	839,065
Daily average	2,200,000	2,442,000	2,366,822	2,298,808
Maximum daily demand				
(thousands of gallons)	4,415	4,875	4,177	4,855
Total customers	6,597	6,571	6,501	6,408
Average use per connection	122,276	126,648	132,886	130,940

TABLE 15

2020	2019	2018	2017	2016	2015
4,902	8,780	6,256	11,208	12,174	9,154
3,483	7,087	4,154	5,483	4,602	4,000
20,129	38,162	33,828	42,673	41,497	36,179
2,161	1,806	1,619	1,978	1,874	1,168
529	863	576	510	443	463
1551	1259	1552	1,538	1,499	1,434
93	189	106	200	1,186	1,189
-	-	-	-	-	-
24,798	25,786	25,623	24,232	22,841	22,931
14,876	35,019	36,065	30,620	12,041	10,551
1,457	1,899	1,019	1,991	1,990	2,185
332	512	467	416	1,200	1,140
704	614	316	-	192	304
2,274	1,937	1,165	908	2,100	1,595
998	1,028	1,326	200	288	1,150
349	843	544	624	1,080	795
352	-	600	-	600	248
1,524	440	485	96	420	1,671
1,463	497	367	408	960	687
480	730	16	381	360	722
11,614	7,735	5,774	5,597	1,200	9,127
-	-	-	-	200	-
2,399	1,703	2,189	672	2,200	1,833
3,914	3,980	2,365	3,314	4,400	4,076
-	2,436	-	-	-	-
823,743	817,054	834,473	759,777	800,262	740,012
2,256,830	2,238,504	2,286,227	2,081,580	2,192,556	2,027,430
4,293	4,102	4,561	3,581	3,817	4,172
6,271	6,190	6,110	6,069	5,984	5,929
131,358	131,996	136,574	125,190	133,734	124,812

CITY OF UNIVERSAL CITY, TEXAS

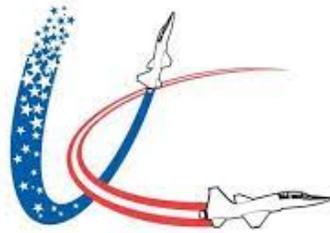
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last 10 fiscal years

TABLE 16

<u>Function / Program</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	22	22	21	19	19	19	19	21	20	20
Fire:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire vehicles	12	12	10	10	10	8	9	9	8	8
Animal Shelter:										
Control vehicle	2	2	2	2	2	2	2	2	2	2
Parks and Recreation:										
Playgrounds	8	8	8	8	8	8	5	5	7	7
Baseball/softball fields	6	6	6	6	6	6	6	6	6	6
Soccer/football	2	2	2	2	2	1	1	1	2	2
Golf course	1	1	1	1	1	1	1	1	1	1
Disc golf	1	1	1	1	1	1	1	1	1	1
Dog park	1	1	1	1	1	1	1	1	1	1
Pavilions	12	12	10	10	2	4	2	2	2	2
Clubhouse	1	1	1	1	1	1	1	1	1	1
Splash pad	1	1	1	1	1	1	-	-	-	-
Public Works:										
Streets	80	80	80	77	77	75	75	75	77	75
Traffic signals	4	4	4	4	4	4	4	4	3	3
Water:										
Storage units	7	7	12	12	12	7	7	7	7	7

COMPLIANCE SECTION



UNIVERSAL CITY
Gateway to Randolph AFB Est. 1960

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Universal City, Texas (the “City”) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated February 18, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

ABIP, PC

San Antonio, Texas
February 18, 2025

INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE FOR THE U.S. DEPARTMENT OF TREASURY
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS PROGRAM (CSLFRF) REQUIREMENTS FOR
AN ALTERNATIVE CSLFRF COMPLIANCE EXAMINATION ENGAGEMENT

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

We have examined the City of Universal City, Texas (the “City”) compliance with the compliance requirements “activities allowed or unallowed” and “allowable cost/cost principles” (the specified requirements) as described in Part IV “Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds” of the CSLFRF section of the 2024 OMB Compliance Supplement (referred to herein as “Requirements for an Alternative CSLFRF Compliance Examination Engagement”) during the year ended September 30, 2024. Management of the City is responsible for the City’s compliance with the specified requirements. Our responsibility is to express an opinion on the City’s compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in the “Requirements for an Alternative CSLFRF Compliance Examination Engagement.” Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City’s compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the specified requirements referenced above during the year ended September 30, 2024.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements that have a material effect on the City's compliance with the specified requirements and any other instances that warrant the attention of those charged with governance. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on the City's compliance with the specified requirements and not for the purpose of expressing an opinion on the internal control over the specified requirements or on compliance and other matters; accordingly, we express no such opinions. The results of our tests disclosed no matters that are required to be reported under *Government Auditing Standards*.

Intended Purpose

The purpose of this examination report is solely to express an opinion on whether the City of Universal City, Texas complied, in all material respects with the specified requirements referenced above during the year ended September 30, 2024. Accordingly, this report is not suitable for any other purpose.

ABIP, PC

San Antonio, Texas
February 18, 2025