

Notice of Meeting of the City Council of the City of Georgetown, Texas February 24, 2026

The Georgetown City Council will meet on February 24, 2026 at 10:00 AM at City Hall Large Conference Room, Georgetown City Hall, 808 Martin Luther King Jr. Street, Georgetown Texas, 78626.

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

Audit and Finance Sub Committee Meeting

Agenda Notice

Regular Session

1.a **Minutes from The Audit and Finance Sub Committee meeting from December 9th, 2025**

Consideration and possible action to approve minutes from December 9th, 2025, Audit and Finance Subcommittee meeting -- Kevin Pitts, Chair

1.b **FY2025 Annual Comprehensive Financial Report and Independent Audit**

Consideration and possible action to recommend to City Council acceptance of the Annual Comprehensive Financial Report (ACFR) and the Independent Audit for the fiscal year ending September 30, 2025 -- Christi Rawls, Controller

Adjournment

Certificate of Posting

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public as required by law, on the ____ day of _____, 2025, at _____, and remained so posted for at least 72 continuous hours preceding the scheduled time of said meeting.

Robyn Densmore, City Secretary

City of Georgetown, Texas
City Council
February 24, 2026

SUBJECT:

Minutes from The Audit and Finance Sub Committee meeting from December 9th, 2025

SUGGESTED ACTION:

Consideration and possible action to approve minutes from December 9th, 2025, Audit and Finance Subcommittee meeting -- Kevin Pitts, Chair

ITEM SUMMARY:

FINANCIAL IMPACT:

SUBMITTED BY:

Aaron St Pierre, Finance/Purchasing

ATTACHMENTS:

[draft Minutes_Sub Committee 12-9-25.pdf](#)

Minutes of the Finance Audit Sub Committee City of Georgetown, Texas Monday, December 9th, 2025

The City of Georgetown Staff and Finance Audit Sub Committee met on Monday, December 9th, 2025 at 1:00 PM at the Georgetown City Hall, 808 Martin Luther King Jr Blvd.

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The following Members were in attendance:

Present were: Kevin Pitts, Ben Stewart, Josh Schroeder (Mr. Shroeder arrived after the meeting started at 1:25 PM)

Staff Present were: David Morgan, Laurie Brewer, Wayne Nero, Nick Woolery, Leigh Wallace, Nathan Parras, Karrie Pursley, Eric Johnson, Jennifer Bettiol, Sarah Moody, Chris Bryce, and Danella Elliot

The meeting started on time at 1:00 PM

Public Wishing to Address the Board

On a subject that is posted on this agenda: Please fill out a speaker registration form which can be found on the table at the entrance to the meeting room. Clearly print your name and the letter of the item on which you wish to speak and present it to the Board Liaison prior to the start of the meeting. You will be called forward to speak when the Board considers that item. Only persons who have delivered the speaker form prior to the meeting being called to order may speak. Speakers will be allowed up to three minutes to speak. If you wish to speak for six minutes, it is permissible to use another requestor's granted time to speak. No more than six minutes for a speaker may be granted. The requestor granting time to another speaker must also submit a form and be present at the meeting.

On a subject not posted on the agenda: A request must be received by the Advisory Board or Commission Liaison prior to the day the agenda for this meeting is posted. Each speaker will be given three minutes to address the Board or Commission members. No action can be taken.

Regular Session

1.a Minutes from November 3rd, 2025

Consideration and possible action to approve minutes from November 3rd, 2025, Audit and Finance Subcommittee meeting -- Kevin Pitts, Chair

Moved by Kevin Pitts motion to approve the minutes of the November 3rd, 2025 Audit and finance Sub Committee meeting; seconded by Ben Stewart.

Motion Approved: 2- 0

Voting For: Kevin Pitts, Ben Stewart, (Mr. Shroeder was late and was not able to vote on this item)

Voting Against: None

1.b IT Datacenter Modernization Project

Presentation and possible discussion of a project to modernize the City of Georgetown's IT datacenter as a component of the new Customer Service Center building -- Chris Bryce, IT Director

Kevin asked some general questions about where the data would be located, how it is backed up, and how much data we have, create, and how many racks we need to store it. Chris explained that it will be hosted at the UT data center, but we have the ability to transfer it all back on site at any point. Chris is unsure how much data we create per year but explained we need 7 terabytes of data to store what we currently have and that can be done in 1 rack, but we are looking to lease 2-3 racks for future growth with this model.

Some general contract discussion was had. Chris informed the board that at the time they are in contract talks, the contract will be brought back to this board for discussion and approval.

Kevin asked to clarify the advantages of the recommended option. Chris explained the only additional charge is in connectivity, but that cost will be offset by eliminating end ware and other costs that are incurred by not partnering.

This was a discussion item only, no approval needed.

Motion to Adjourn

Moved by Kevin Pitts; seconded by Ben Stewart to Approve Motion to Adjourn the meeting.

Motion Approved: 3- 0

Voting For: Kevin Pitts, Ben Stewart, Josh Schroeder

The Meeting Adjourned at 1:34 PM

Adjournment

These minutes were approved at the meeting of _____

Chair

Attest

City of Georgetown, Texas
City Council
February 24, 2026

SUBJECT:

FY2025 Annual Comprehensive Financial Report and Independent Audit

SUGGESTED ACTION:

Consideration and possible action to recommend to City Council acceptance of the Annual Comprehensive Financial Report (ACFR) and the Independent Audit for the fiscal year ending September 30, 2025 -- Christi Rawls, Controller

ITEM SUMMARY:

City staff and the City's auditors will present the Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended September 30, 2025. Staff will present an overview of the results and the preliminary ACFR document. The City's external auditor, Adam McCane, CPA, with the firm of Weaver and Tidwell, LLP will also discuss the results of the auditors' independent audit, compliance with auditing standards, testing over internal controls and fraud risk assessment.

As of the posting date for this item, City staff and the auditors are still working to finalize various line items on some of the schedules. However, this does not materially affect the financials and will be finalized prior to the City Council presentation on March 10th.

The auditor is issuing an unmodified, or "clean," opinion.

FINANCIAL IMPACT:

The cost for the external auditing services and production of this report is \$105,000 and is budgeted in the Accounting Department for FY2026.

SUBMITTED BY:

Aaron St Pierre, Finance/Purchasing

ATTACHMENTS:

[City of Georgetown - Draft 02.17.pdf](#)

[2. AFR Presentation_GGAF 2025.pdf](#)

[GTX Audit Committee Presentation FY25 - FINAL.pdf](#)

FY2025 Annual Comprehensive Financial Report

For the Year Ended September 30, 2025



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City of Georgetown, Texas

Annual Comprehensive Financial Report For the Fiscal Year Ended September 30, 2025

Prepared by:

Division of Finance and Administration

Christi Rawls, Controller

Dana Card, Accounting Manager

City of Georgetown, Texas
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2025
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Introductory Section

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March XX, 2026

Honorable Mayor and City Council,
City Manager and Residents of Georgetown, Texas:

The annual comprehensive financial report of the City of Georgetown, Texas (the City) for the year ended September 30, 2025, is hereby submitted. The financial statements are presented in conformity with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and have been audited by independent auditors in accordance with generally accepted auditing standards.

Management Responsibility for Financial Information. The City's Finance Division has prepared the report and is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Reporting Entity. This report includes all the funds of the City, as well as the City's discretely presented component unit, the Georgetown Economic Development Corporation (GEDCO), its Texas 4A economic development corporation. The City provides a full range of services, which include police and fire protection; construction and maintenance of streets and other infrastructure; recreational activities and cultural events. In addition to general government activities, the City also provides electric, wastewater, water, stormwater drainage, solid waste and airport services which are included in the reporting entity. In addition, the City is financially accountable for Georgetown Transportation Enhancement Corporation (GTEC), a Texas 4B economic development corporation, which funds transportation projects that enhance economic development within the City. GTEC is presented as a blended component unit within the reporting entity.

Management Discussion and Analysis. Generally accepted accounting principles (GAAP) require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report located at the front of the financial section of this report.

DESCRIPTION OF THE CITY

Georgetown is a Home Rule Charter City and operates under a Council-Manager form of government. A mayor, elected at-large, and seven council members elected from single-member districts serve staggered, three-year terms. Georgetown is located on Interstate 35, the major corridor between Dallas and San Antonio, at the intersection of State Highway 130. Georgetown was founded in 1848 with a strong agricultural base, in the heart of Williamson County, 26 miles north of Austin. Georgetown serves as the county seat of Williamson County.

Georgetown's city limits are comprised of 60.11 square miles, with an extra-territorial jurisdiction (ETJ) extending to 121.42 square miles. Today, the estimated population of Georgetown is 100,638 within the city limits, compared to 67,176 in 2020, with annual growth of more than 10%. This represents a nearly 50% increase in population since 2020, with significant growth occurring in 2022 and 2023. During each of these years, Georgetown was designated the fastest growing City in the nation for Cities with a population over 20,000 by the U.S. Census Bureau. That population estimate increases to over 120,000 inclusive of extra-territorial jurisdiction (ETJ) residents.



Georgetown's economic development initiatives to diversify the tax base, expand retail, and create jobs have been balanced with a focus on maintaining the community's unique character and quality of life. The 2023 Georgetown Resident Satisfaction Survey indicated that 94% of residents said the overall quality of life in Georgetown was good or excellent and 70% said for city taxes paid, the value of city services was good or excellent.

The downtown commercial district, known as "The Most Beautiful Square in Texas," continues to expand its arts, culture, dining, and entertainment venues. Award-winning parks, extensive river trail systems along the North and South San Gabriel Rivers, and scenic Lake Georgetown combined with the low crime rate make Georgetown an attractive place to live and work.

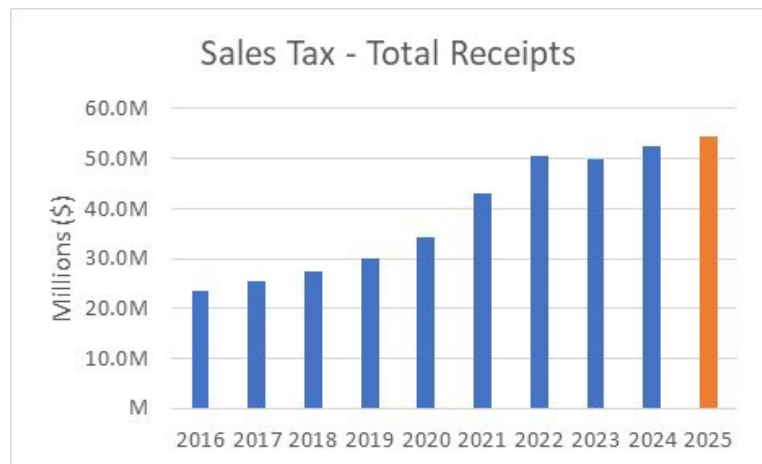
Southern Living magazine named Georgetown the "Best City to Live in the South" in 2018 and featured Georgetown in the "15 Affordable Small Towns We Love" list in 2022. Georgetown is also a well-managed city as evidenced by receiving the 2024 Community of the Year Award from the Texas Chapter of the American Planning Association. Additionally, S&P upgraded Georgetown's tax supported debt rating from AA+ to AAA in 2024 and upgraded the City's combined water and electric utility revenue bond rating from A+/positive to AA-/stable in 2025.

Georgetown is also home to Southwestern University, which continues to receive national recognition as a liberal arts institution. The University has been named to Kiplinger's list of the 100 best values in liberal arts colleges and has been noted as one of 'America's Best Value Colleges' by the *Princeton Review*. With an average enrollment of 1500 students and 442 employees, the University provides substantial economic and cultural contributions to Georgetown.

GEORGETOWN'S ECONOMIC OUTLOOK AND FINANCIAL CONDITIONS

Economic Outlook. Georgetown's economy continued to grow during 2025, mirroring the strong development in the Austin metro region in recent years. Sales tax revenue receipts totaled \$56.3M in 2025. An increase of 4.6% or \$2.6 million reflects a more moderate pace than 2024 sales tax growth. Total sales tax revenues are up more than 10% over the last four years, and sales tax trends in Georgetown demonstrate strong growth in the local economy since 2015 (see chart).

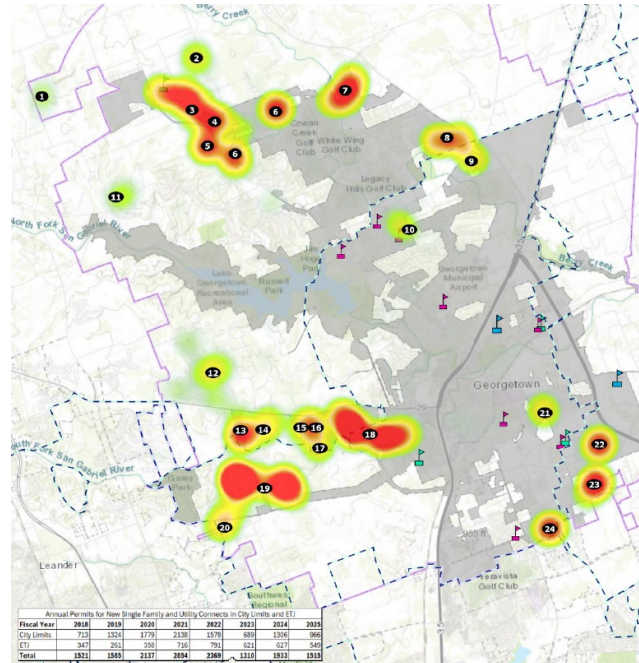
The City's total assessed property value has grown to over \$21 billion at the time of certification, representing an increase of over 11.4% from last year. The average homestead property in Georgetown has increased in taxable value by 4.3 percent, up to \$403,543 in FY2026 from \$386,749 in FY2025. The average homestead market value totals \$444,810.



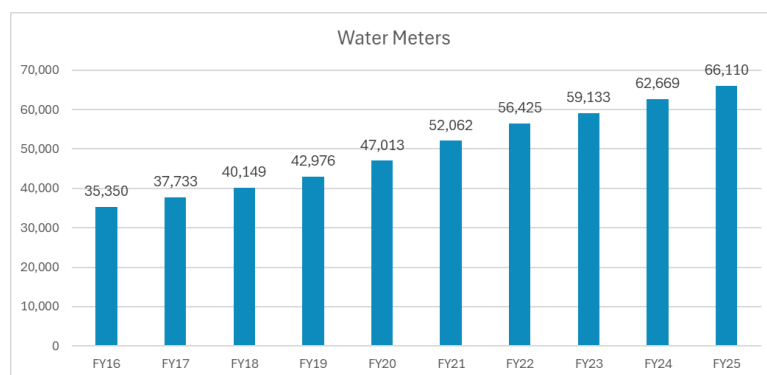


Beginning in 2024, Georgetown started to see housing starts, permits, water meters and sales tax revenue temper with the economy, however significant growth pressures remain. In the past five years, the city experienced record new housing starts at over 2,500 annually and approved agreements for more than 5 million square feet of industrial development. The heat map indicates zones experiencing the most growth within the City of Georgetown and its ETJ. Saddle Creek, Sun City, Wolf Ranch West, Shadow Canyon, and Berry Creek Highlands continue to expand single and multi-family living options, as well as increased restaurants and shops to support residential demands.

New single-family housing starts (totaling 1,493 in Fiscal year 2025) show the desirability for homes in the area. Fiscal year 2025 experienced building permits totaling 9,758, at a continued high level albeit lower than prior fast-growth fiscal years. Over the same period, new commercial projects totaled 239. This rapid growth has resulted in a population increase of more than 66% since 2013. Infrastructure and long-range planning continue to be a top priority to meet the needs of the community and the exponential growth to come, particularly in the areas of water supply and treatment, transportation infrastructure, safety, and quality of life.



The Georgetown water utility district continues to grow in customers. The district spans around 440 square miles, an area that is 7 times larger than the City of Georgetown itself (60.11 square miles). The amount of new residential and commercial development continues to add customers to water utility systems within and outside of Georgetown city limits. In 2025, the City of Georgetown saw 3,441 new meter connections, up from 2,941 in 2024. The total number of meters citywide increased by 5.49%.



The City's growth has resulted in an average 3,819 new meters per year for the last five years. The City expects this trend to continue and is planning infrastructure to meet the need of the continued growth. The Central Texas region continues to see strong growth in new jobs and in retail sales. The City's commercial and job base continued to grow with the expansion of several small commercial and retail centers, as well as growth in the school district, county, and city governments.



New Economic Developments. The City adopted a new economic strategic plan in 2024 which builds upon the successful implementation of the previous 5-year strategic plan. The plan centers around three goals which are:

1. Business Development
2. Talent Development
3. Quality Placemaking

Each goal has multiple subgoals that are all geared towards helping to continue the diversification of Georgetown's local economy and taxbase, building on our competitive business and residential services, and protecting the community against potential economic shocks.

This strategic approach has helped Georgetown to secure significant levels of capital investment which have created thousands of jobs available to local residents and diversified the city's tax base. Since 2019, more than 4.5 million square feet of industrial space has been leased or sold to primary employers.

Fiscal year 2025 saw a total of \$650 million in capital investment, 1,230 total jobs created, and 573,000 square feet of commercial and industrial space utilized by economic development projects. Notable examples of these projects and large commercial projects are listed below:

Pegatron Corporation Pegatron Corporation, a Global Fortune 500 company and one of the largest electronics manufacturers in the world, has announced an \$85 million capital investment in Georgetown. The Taiwan-based company has acquired a 168,784 square foot facility in the Blue Springs Business Park. The project is the company's first manufacturing facility in the United States. Pegatron plans to create several hundred full-time positions at the new facility.

Texas Municipal Center & Headquarters for TML & TMLIRP Georgetown has been selected as the location for the new Texas Municipal Center and headquarters for the Texas Municipal League (TML) and TML Intergovernmental Risk Pool (TMLIRP). TML and TMLIRP will acquire a 64,000 square foot space located at 205 E. University Avenue and will complete a full renovation and revitalization of the site. The selected location is located just three blocks from Georgetown's town square and will host TML conferences, trainings, and bring visitors from across the state to the most beautiful town square in Texas.

Total Site Solutions Total Site Solutions opened its new 213,000 square foot facility in the summer of 2025. The project involved an estimated capital investment of \$30 million and is anticipated to create up to 330 full-time jobs in Georgetown.

Blueprint Projects Data Center Blueprint Projects announced a multi-phase data center project that could involve a capital investment of up to \$480 million. Project plans call for two phases of construction totaling 45,000 square feet of data center space in each phase for a total of 90,000 square feet. Construction is planned to start on the first phase of the project by early 2026 and be completed in early 2027.

GAF Energy Headquarters Relocation GAF Energy announced that it has relocated its corporate headquarters to Georgetown from San Jose, California. The relocation includes centralizing all operations, manufacturing, and research & development at the existing 450,000 square foot facility in Georgetown. GAF Energy, an industry leading manufacturer of solar powered shingles, opened its \$100 million facility in March 2024.



Loram Technologies, Inc. Formerly known as GREX, Loram is a global rail maintenance and rail services company that began construction on a new 92,000 square foot, \$20+ million-dollar innovation center on South Austin Avenue in 2023. The facility opened its doors in 2025 and will allow the company to nearly double their local workforce to more than 300 employees in the coming years.

Georgetown Gateway Business Park Mac Haik Enterprises announced plans for a 147-acre Class A industrial and manufacturing development. The project will provide more than 1.6 million square feet across a total of 6 buildings. The project is located along Interstate 35 and CR 142. Space will be available for lease, build-to-suit, or for sale.

Shake Shack, Velvet Taco, Paris Baguette and More Announced at Bluebonnet Plaza Endeavor Real Estate has announced several new retailers and restaurants for the upcoming Bluebonnet Plaza shopping center. Construction on the first phase of the project has commenced and multiple tenants have been announced including Shake Shack, Velvet Taco, Paris Baguette, Chipotle, Mountain Mike's Pizza, and Frost Bank. Additional tenants are expected to be announced in early 2026.

Home Goods Construction for a new HomeGoods store began in May 2025 at the Cedar Breaks West Shopping Center. The business is planned to open in early 2026.

Parmer Ranch Marketplace H-E-B Project The H-E-B Anchored Parmer Ranch Marketplace opened in September 2025. The 113,837 square foot store is H-E-B's third location in Georgetown. Parmer Ranch Marketplace will provide 40,000 square feet of additional retail, restaurant, and medical uses in addition to 5 pad sites within the development.

Sprouts Marketplace Sprouts opened its new location within the Cedar Breaks West Shopping Center in November 2024. The 23,000 square foot store is Sprouts newest location and is the chains first location in Georgetown. The Cedar Breaks West shopping center commenced construction in 2022 and will provide a total of 115,677 square feet of commercial space. Additional businesses within this new development include Petco, Panera Bread, and Chase Bank.

Lowe's Home Improvement Store Lowe's Home Improvement held its grand opening on June 20th, 2025. The 110,241 square foot location is the company's first location in Georgetown.

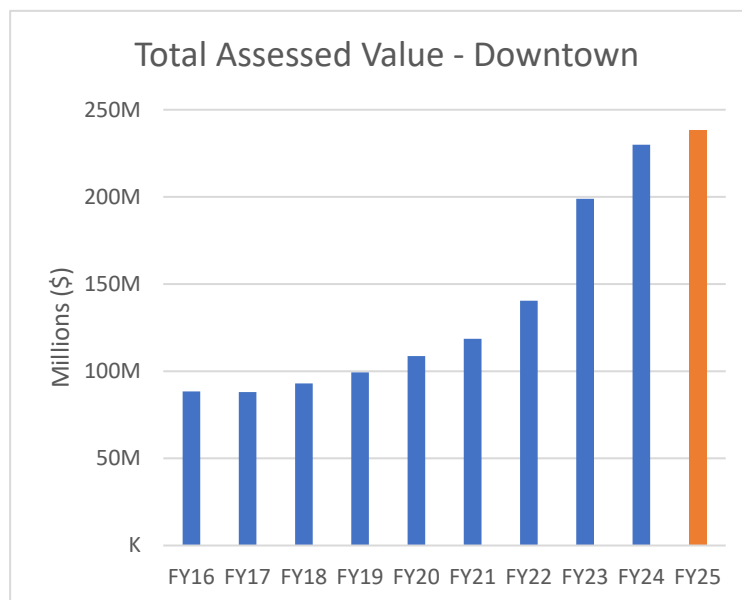
Downtown Development. The City's pedestrian-oriented downtown environment continues to thrive, offering a unique and attractive investment opportunity. In 2025, downtown experienced a record-setting \$27.6 million in reinvestment activity, driven by property sales, new construction, building renovations, and new business openings. Six new businesses opened downtown, including one retail store, four restaurants, and one brewery/coffee shop. The total assessed value downtown decreased by \$15 million from fiscal year 2024 to fiscal year 2025. Economic conditions led to decreased values that weren't fully offset by new developments.

To support private investment, the Georgetown Main Street Program awarded \$50,023.50 in façade and sign grants. In addition, the Downtown Master Plan, adopted in May 2024, has moved from vision to action. Since adoption, City Council has directed staff to begin implementation planning, starting with preliminary engineering for the Austin Avenue corridor, Downtown Square enhancements, and a comprehensive wayfinding program. Looking ahead to 2026, a continued focus will include strategic conversations with Williamson County regarding several county-owned properties downtown, as the County explores long-term relocation outside the Downtown Overlay District.



Overall, 2025 was a banner year for Downtown Georgetown, marked by significant recognition and milestone projects. Downtown Georgetown was named the inaugural recipient of the Best Texas Downtown Award by the Texas Downtown Association at its annual conference in November. The City was also recognized by the Texas Chapter of the American Planning Association with the Best Urban Design Award for the Downtown Master Plan. In November 2025, the City's downtown parking garage opened, adding 315 new parking spaces to support continued growth and accessibility.

Another major milestone was the completion of the Light & Waterworks District Plaza, a new civic gathering space connecting the Georgetown Public Library, the historic Light & Waterworks building, City Hall, and the Council & Court building as part of the broader City Center project. Shaped by years of planning and public input, the \$2.25 million plaza features a performance stage, event lawn, shaded pavilion, food truck area, and public art, and was funded through bond revenues and the Downtown Tax Increment Reinvestment Zone.



INITIATIVES

Mobility Improvements. Georgetown continues to invest more heavily than ever in infrastructure to ensure mobility needs are met for the future. The final projects from the 2015 Voter Approved 10 Year Road Bond Program, DB Wood Road (SH29 to Oak Ridge) and Southwestern Blvd (Raintree to SE Inner Loop), will be open to traffic in early 2026. Previously completed projects from that program include Southwest Bypass, Wolf Ranch Parkway, Rivery Boulevard, and the Northwest Blvd Bridge over IH35.

Georgetown voters approved the 2021 mobility bond in the May 1, 2021 election authorizing \$90 million for various street and transportation infrastructure projects. The bond initially estimated a 3-cent tax raise for residents, but due to significant growth in the tax base it did not raise taxes. Instead, the tax rate was lowered from \$0.418 in fiscal year 2021 to \$0.3647 in fiscal year 2025. All mobility bond projects continue to move forward. Rockride, Austin Avenue Bridge Rehabilitation, and Shell Road are actively under construction. SE Inner Loop, DB Wood (Oak Ridge to Williams), and Williams Drive Corridor improvements are in the final stages of right-of-way/easement acquisition and permitting and are expected to be in construction in 2026. The 2021 Road Bond program also included funding for multiple pedestrian/sidewalk and intersection/signal projects that are occurring in numerous locations all around the city.

Maintenance also continues to be a high priority for the city of Georgetown. The city continues to allocate a quarter cent of sales tax revenue towards street maintenance, currently amounting to over \$6 million annually. In 2025, approximately 66 miles of roadway was resurfaced and/or sealed under our voter approved street maintenance program, in addition to daily operational efforts.



In 2025, staff and Council also worked on additional mobility improvements including an innovative partnership rideshare voucher program called rideGTX, initiated an update to the city's ADA Transition Plan, and secured well over \$10 million in grant funding for other transportation projects throughout the city. In addition, updates to both our transportation development code standards and impact fees occurred this past year.

QUALITY GROWTH

Growth in the residential and commercial sectors of Georgetown is sustainable due to disciplined long-range planning in the utility areas. Growth within the utilities continues to have strong positive impacts to the financial and economic conditions of Georgetown.

Electric Utility. The electric utility ended the 2025 fiscal year with reserves balances that align with the City's Fiscal and Budgetary Policy of about \$47 million. The City continues to follow various strategies to maintain financial performance including enhanced portfolio management and the development of a more robust risk management policy. The City's net purchased power expenses for fiscal year 2025 totaled \$73 million which was lower than the anticipated budget of \$77 million.

To better manage growth, especially AI and related demand, the electric utility has updated the line extension/load interconnection processes, risk management policies, cost of service and fee models, and retail rates. The retail rates for all customers increased by 2% for FY26, and a new rate rider has been implemented to better manage and recover the energy costs from the Very Large Load Customers (greater than 10 MW). The risk management policy and the portfolio management practices have been updated to treat the very large load customers, and the rest of the retail customers as two separate portfolios. The electric utility currently serves multiple new large customers in the datacenter and AI server manufacturing domain.

The City of Georgetown electric utility was awarded diamond-level status in 2025 under the American Public Power Association's Reliable Public Power Provider (RP3) program, for the seventh year in a row. The electric utility's annual customer average interruption duration was 49 minutes, which is 58% less than the national average. Additionally, the utility maintained zero OSHA recordable incidents and earned the APPA Safety Award of Excellence.

Water Utility. Developing new water supplies and constructing new and expanded capital infrastructure to meet growth demands was a high priority area of work in 2025.

The South Lake Water Treatment Plant Phase I (22 MGD) was brought online in June 2025 to meet treatment needs, with Phase II (22 MGD) to come online in fiscal year 2026 for a total of 44 MGD of additional treatment capacity. To meet the projected supply needs, the City is actively negotiating water supply contracts from ground water sources east of the service area. The city has also begun engineering and planning work to construct a 30-mile pipeline to transport water received from the east into its service territory. Along with new supply, the city has begun work on a Bed and Banks permit to allow the city to reclaim its treated effluent for future water supplies.

In addition to working to obtain additional resources, Georgetown completed the coordination of the Integrated Water Resource Plan (IWRP) projects into the Region G Water Plan. The Region G Plan has subsequently been submitted to the state for incorporation into the State Water Plan. By coordinating City-proposed projects into the Region G and State Water Plan, the City becomes eligible for state funding for the listed projects.



To significantly reduce the need to purchase new water supply, the City announced in August of 2025 that it would seek buyers for the portions of its water territory outside the city limits. If successful, this project is estimated to take several years and requires a vote of city residents and Public Utility Commission approval.

The Georgetown Water Utility updated the Impact Fee Study and the 10-year Capital Improvement Plan in 2025 and is in the process of updating the Water and Wastewater Master Plan. These plans show significant investment needed to meet treatment, transmission, and sources of supply needed to meet future growth projections.

Significant investment on wastewater collection and reclamation facilities is needed to meet growth demands and to meet stricter TCEQ regulatory discharge limits. In fiscal year 2025, Georgetown began design efforts on the Three Forks (7-10 MGD) and Northlands (1.5-3 MGD) Water Reclamation Facilities. These facilities are expected to be bid in fiscal year 2026 through Construction Manager at Risk (CMAR) contracts and should be online by 2030.

In 2019, the City of Georgetown completed a Water Conservation Plan, which outlines several objectives such as: reduce overall water consumption, reduce the loss or waste of water, improve efficiency in the use of water, and document recycling and reuse efforts. In fiscal year 2025, the conservation rebate program was increased to up to \$5,000 per residential customer, and new rebate programs were added to incentivize conservation. Conservation also worked with local nurseries to identify and label native plants, making it easier for customers to select native, drought tolerant plants.

The western district meter replacement project was also substantially completed in FY2025. This allows the City to see interval usage to be used to identify customer leaks and wrong day watering and allows customers to see their interval usage so that they can actively manage their consumption, check for leaks, and set notification thresholds.

In 2021, the City of Georgetown began a cost-of-service water rate study that has been updated annually. The rates are aimed at achieving Council's goals of equity and conservation while considering the accelerated infrastructure cost impacts. Council has adopted water and sewer rate increases in 2022, 2023, 2024, and 2025. Georgetown water rates have remained competitive within the region. The study anticipates rates need to increase similarly over the next five years as additional infrastructure is constructed and new water sources are developed.

QUALITY OF LIFE

The City Council's vision statement for the City is "Georgetown: A welcoming and safe community, honoring our past and planning for a vibrant future". The Council and staff continue to strive to excel in creating places and conditions that make the community a special place to live with a high quality of life as well as an exceptional place to visit.

Public Safety. The Council continued its investments in quality of life for Georgetown residents through increasing resources towards public safety. The new police firing range was completed in early 2024 and adds the capability of more on demand firearms training. The department continues to hold successful events such as several Junior Police Academies, National Night Out, Blue Santa, and Chase the Chief. In addition, a Crisis Intervention unit was activated in early 2024 to address mental health challenges in Georgetown. The Department continues to work towards its vision of "being the standard in law enforcement". In 2023, the Department achieved its first re-recognition under the Texas Police Chief's Association Accreditation Program and those efforts continued in 2025.



In 2025, the Police Department successfully completed the International Association of Chiefs of Police (IACP) Trust Building Campaign, a nationally recognized initiative focused on strengthening public trust, transparency, and legitimacy in law enforcement. Georgetown is one of only 158 law enforcement agencies worldwide, and just 11 agencies in Texas, to complete this campaign. Participation required the department to formally assess and document its practices across key trust-building areas, including leadership and culture, policy and accountability, community engagement, and officer wellness. Completion signifies that the Georgetown Police Department meets nationally recognized standards and best practices for fostering trust and maintaining strong relationships with the community it serves.

The Georgetown Fire Department maintained its accreditation designation with the Commission on Fire Accreditation International (CFAI) in 2025. Less than 1% of all fire departments are accredited and this designation serves as Georgetown Fire's commitment to excellence. The Department recently concluded an operational audit and finalized the revised 5-year strategic plan and 10-year master plan. These plans play an integral role in our ability to match emergency resources with dynamic community growth and needs.

The Fire Department received a total of 15,828 calls in fiscal year 2025, of which 10,607 were medical calls not including vehicle collisions. The medical call category had the highest year over year change and increased by approximately 6%. Overall, calls have increased significantly from around 10,000 in 2018 and 14,000 in 2023.

The Fire Department continues to integrate single-function paramedic positions into the operational deployment model. This allows the City to better manage the growing demand for pre-hospital services and manage increasingly complex medical needs. Fire crews were able to begin proactive fuel mitigation in urban interface areas to reduce wildfire threats. The Fire Marshal's Office continues to explore alternative code language and practices that balance developer needs with community safety.

Parks and Recreation. The City of Georgetown continues to implement the Parks and Recreation Master Plan adopted in 2022. A master plan for San Gabriel Park Phase IV was completed in May 2025. This master plan includes the redevelopment of the baseball and soccer fields to increase efficiency of the space to add more fields and update amenities. The Blue Hole Park Master Plan was completed in November 2025 as a plan to redevelop that park into a downtown destination while preserving the natural beauty and amenities the park has to offer. This master plan sets up future design in 2026.

Construction on Phase II of Garey Park started in March 2025. With the generous donation of \$20 million by Jack Garey, the 525-acre Garey Park will continue to be developed into a destination park.

The City continues to implement the Cost Recovery Policy adopted in 2022 by adjusting fees for services and recognizing where subsidies are being applied, determining if it is at an appropriate level, and expressing how and why services are priced as they are. Another result of the articulated cost recovery philosophy is to help explain the costs of and justify pricing of new Parks and Recreation services.

LONG RANGE PLANNING

2023 Bond Election. After the passage of four propositions in the November 2023 bond election, the City is implementing a \$130 million bond package over the next few years. Bond-funded projects include a new 3-story Customer Service Building to house Planning, Inspections, Engineering, Information Technology, the utility and AskGTX call center, among other smaller departments and expanding the City's animal shelter capacity by partnering with the Williamson County Regional Animal Shelter. There is also a project to renovate and expand the City's recreation center, as well as to partner with the YMCA to build and operate a new recreation facility on the west side of town.



OTHER

Financial Information. The City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City's Chief Financial Officer, Controller, and other key staff in the Finance Division design and maintain the internal control structure. These controls are under continual review by management, and under annual review by the independent auditors. During the year, the Finance Division performs internal audits on selected procedures and operations throughout the city organization. The selection of priorities and timing of audits are determined by the Chief Financial Officer, along with the City Manager.

Single Audit. As a recipient of federal and state financial assistance, the City is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management. The tests relating to the receipt of such funds are known as Single Audit testing. These tests are made to determine the adequacy of internal controls, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The compliance section is included in the final section of this document.

Budgetary Controls. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by division and department within an individual fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are reserved at year-end and carried forward into the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

OTHER INFORMATION

Independent Audit. The City Charter requires an annual audit by independent certified public accountants. The accounting firm of Weaver and Tidwell, LLP was selected by the City Council. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2025, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion and that the City's financial statements for the fiscal year ended September 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report on the basic financial statements and schedules are included in the financial section of this report.



Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Georgetown for its Annual Comprehensive Financial Report for the fiscal year that ended September 30, 2024. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such Annual Comprehensive Financial Reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The City has received a Certificate of Achievement for thirty-seven (38) consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

We are also proud to report that the GFOA has presented the Distinguished Budget Presentation Award to the City of Georgetown for each of the past thirty-four (35) years including FY2025.

Acknowledgments. The presentation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Division. We would like to express our appreciation to all members of the division who assisted and contributed to its presentation. Special acknowledgment goes to the accounting and budget staff, for their dedication in preparing this report.

We would also like to thank the Mayor and City Council. The preparation of this report would not be possible without their leadership and support.

A handwritten signature in blue ink that reads 'David S. Morgan'.

David S. Morgan
City Manager

A handwritten signature in black ink that reads 'Laurie Brewer'.

Laurie Brewer, CGFO
Assistant City Manager

A handwritten signature in black ink that reads 'Leigh Wallace'.

Leigh Wallace, CGFO
Chief Financial Officer

A handwritten signature in black ink that reads 'Sarah Moody'.

Sarah Moody
Assistant Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

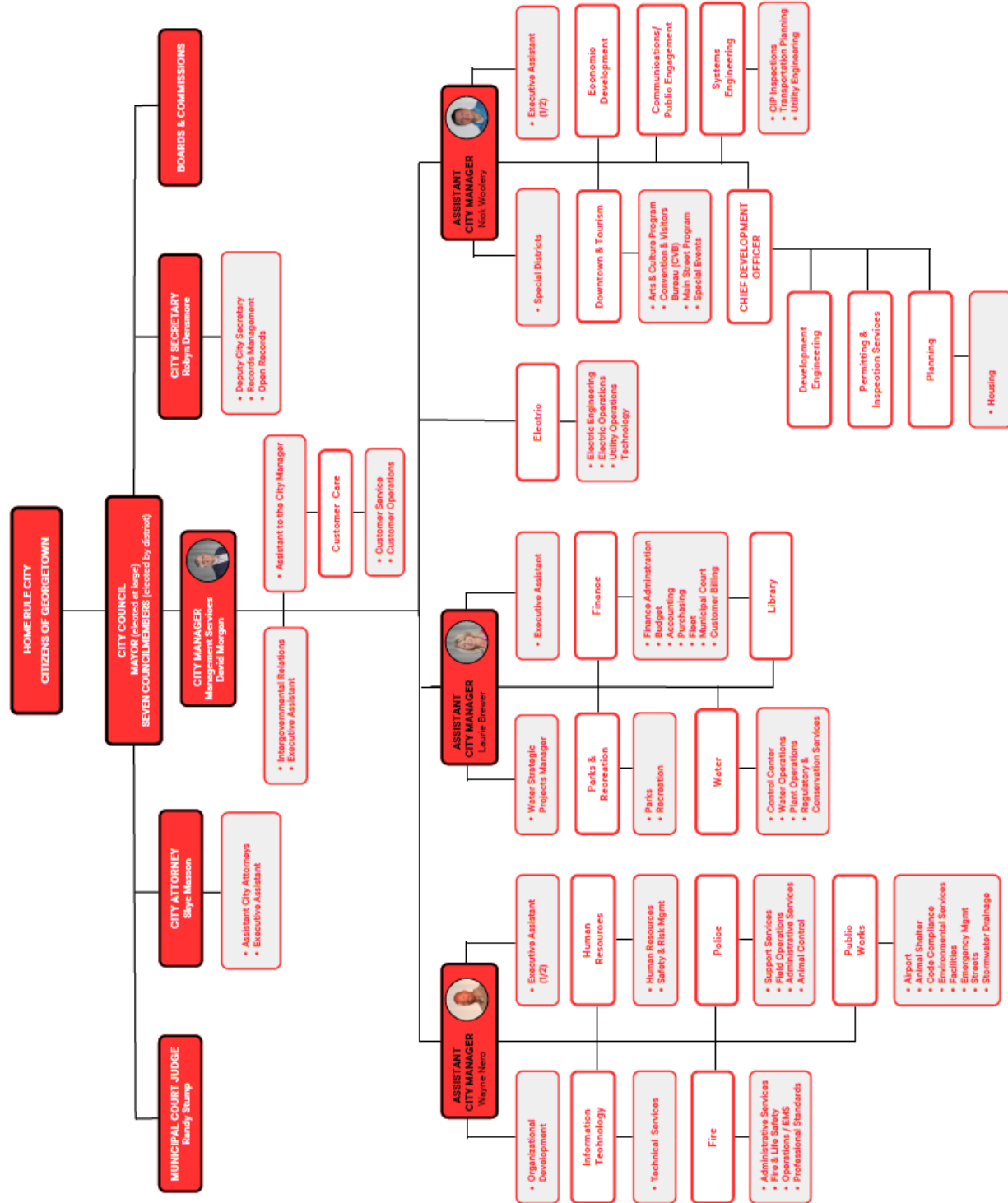
**City of Georgetown
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO



City Of Georgetown, Texas
Elected Officials and Administrative Officers
September 30, 2025

Elected Officials

Mayor	Josh Schroeder
City Council Member, District 1	Amanda Parr
City Council Member, District 2,	Shawn Hood
City Council Member, District 3	Ben Butler
City Council Member, District 4	Ron Garland
City Council Member, District 5, Mayor Pro Tem	Kevin Pitts
City Council Member, District 6	Joseph "Jake" French
City Council Member, District 7	Ben Stewart

Appointed Officials

City Manager	David Morgan
City Attorney	Skye Masson
City Secretary	Robyn Densmore
Municipal Court Judge	Randy Stump

Other City Officials

Assistant City Manager	Laurie Brewer
Assistant City Manager	Nick Woolery
Assistant City Manager	Wayne Nero
Chief Financial Officer	Leigh Wallace
Fire Chief	John Sullivan
Police Chief	Cory Tchida

Financial Section

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Independent Auditor's Report

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

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. 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.

Responsibilities of Management for the Financial Statements

The City's 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Texas Municipal Retirement System schedules and ratios, and Other Post-employment Benefits schedules and ratios as listed in table 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 combining and individual major and nonmajor fund financial statements and schedules, as listed in the table of contents, and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements

The Combining and Individual Major and Nonmajor Fund Financial Statements and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Combining and Individual Major and Nonmajor Fund Financial Statements and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises the Introductory Section and Statistical Section, as listed in the table of contents, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists; we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February XX, 2026 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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.

[NAME OF FIRM]

Austin, Texas
February XX, 2026

CITY OF GEORGETOWN, TEXAS MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the City of Georgetown financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

General Fund

- At the end of the current fiscal year, the fund balance of the General Fund was \$37,074,032 or 2.8% lower than FY 2024 fund balance. The fund had \$20.8 million of committed fund balance, \$23 thousand of non-spendable fund balance and \$16.1 million of unassigned fund balance. Revenues were \$2.1 million more than the original budget estimates.
- General Fund revenues increased \$900 thousand, an increase of 1% from FY 2024. This increase is mainly due to continued strength in investment income, a 4.5% increase in sales taxes, and an increase in Franchise tax.
- General Fund expenditures increased by \$7.9 million, an increase of 7.7% over FY 2024. This increase was due to increased public safety costs including market increases. The General Fund also saw increases in new positions, the city-wide salary increases for non-civil service merit and market adjustments, increases in allocation of administrative costs, and increased economic development costs. Additionally, the General Fund transferred \$2.4 million of one time funds for the pedestrian bridge project.

Governmental Activities

- On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$99.8 million. General revenues and transfers totaled \$158.8 million, resulting in an increase in net position of \$58.9 million.
- As of September 30, 2025, the City's governmental activities reported combined ending net position balances of \$642.7 million. The largest element of this balance is the value of the City's net investment in capital assets which totaled \$515.1 million. Capital assets include the value of streets, parks and facilities, vehicles and equipment.
- During fiscal year ended September 30, 2025, the City issued approximately \$38,235,000 in General Obligation, and \$66,405,000 Certificates of Obligation bonds. Some of the major programs funded in these issues include just over \$90 million for roads and mobility, \$8 million for Parks, trails, and an Animal Shelter Regional partnership. Finally, just over \$6 million was programmed for Public Safety vehicles and equipment. The City's general obligation debt is rated AAA by Standard & Poor's as of September 30, 2025.

Business-Type Activities

- The net position of the City's business-type activities had a current year increase of \$194 million. The growth for the Water Utility is due to an increased number of meters and customer base of the utility systems. The Water, Sewer, and Solid Waste Utility also had rate increases on 10/01. All business type funds had continued increases due to the rapid growth and continued strength in developer contributions. The City received \$101.2 million of infrastructure assets contributed by developers for commercial projects and residential subdivisions.
- The City issued \$315,000 in Certificates of Obligation debt for the Airport. The City also issued \$101.36 million in Utility Revenue Bonds which included \$18.4 million for the Electric Utility, \$33.7 million for the Water Utility and \$54.4 million for the Wastewater utility. The City's Standard & Poor's rating is AA- on the utility system revenue debt as of Sept. 30, 2025.

CITY OF GEORGETOWN, TEXAS

MD&A

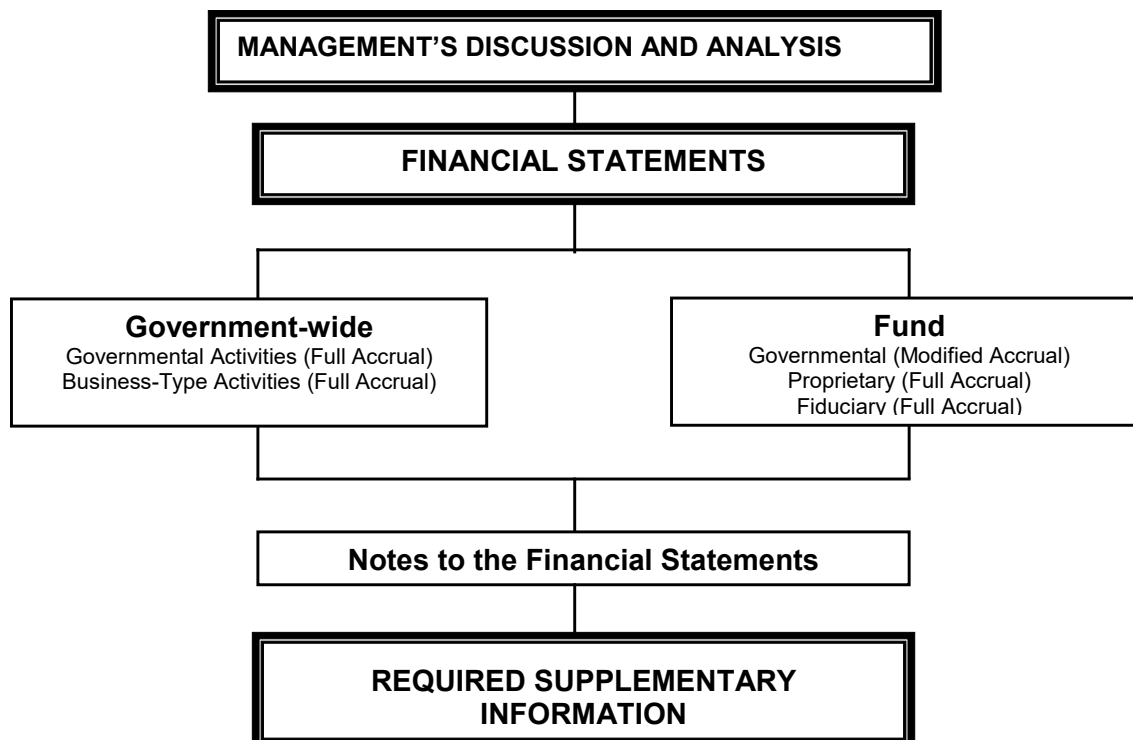
- To address the long-term demands of population growth in our water service area, on August 9, 2023, the City entered into a reservation agreement with EPCOR to secure additional raw-water supply. The City allowed this reservation agreement to expire in August of FY2025 because new opportunities became available. The City is actively negotiating a water supply contract and hopes to reach final agreement this fiscal year. The infrastructure used to transport the groundwater from would also transport water from the Brazos River Authority, along with water stored in the City's future aquifer storage and recovery site and wells drilled into the Hosston and Trinity Aquifers on the same site.
- The City also announced in 2025 that it proposes to sell a portion of its water service territory outside of city limits. This would significantly reduce the amount of new water supply needed in the future.

Entity-Wide

The City's total net position on a government-wide basis was \$1.915 billion at September 30, 2025, an increase of 15.2% over September 30, 2024. Most of this balance is invested in capital assets or restricted for specific purposes.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

This Annual Comprehensive Financial Report consists of three sections: introductory, financial and statistical. As illustrated in the following chart, the financial section of this report has three components: management's discussion and analysis (this section), the basic financial statements, and required supplementary information.



CITY OF GEORGETOWN, TEXAS

MD&A

Components of the Financial Section

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information about the City as a whole, using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. The statement of activities accounts for all current year revenues and expenses. Both are reported using full accrual basis of accounting, meaning recognizing events during the accounting period, regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position, which is the difference between the City's assets and deferred outflows and liabilities and deferred inflows, are one way to measure the financial health of the City. Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City, one needs to consider other non-financial factors such as changes in the City's property tax base and condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

Governmental Activities – Most of the City's basic services are included here, such as police, fire and other public safety services, parks and recreation, public library, street maintenance, and general administration. Property and sales taxes, return on investment from the City's utility services, and charges for services finance most of these activities.

Business-type Activities – The City's Water Services Fund, which includes water, wastewater and irrigation services, as well as its Electric utility, are reported here. Stormwater Drainage, Solid Waste Services and the City's Airport are also reported in these activities. Rates and fees charged to customers fund the costs of providing these services

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant funds and will be more familiar to traditional users of government financial statements. The focus is now on major funds rather than fund types.

The City has three types of funds:

Governmental Funds – General Fund, Special Revenue Funds, Capital Projects Funds and the Debt Service Fund are governmental funds, which focus on:

- (1) How cash and other financial assets can readily be converted to cash flow (in and out), and
- (2) Year-end balances readily available for spending.

Consequently, the governmental funds statements provide a short-term view that helps determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided with the governmental fund financial statements that explain the reconciliation between the fund statements and the government-wide statements.

CITY OF GEORGETOWN, TEXAS

MD&A

Proprietary Funds – Services for which the City collects fees and rates intended to fully recover the cost of providing the service are reported in proprietary funds. Two types of proprietary funds are allowed in governmental accounting: enterprise funds and internal service funds. These funds, similar to government-wide statements, provide both long-term and short-term financial information. The City's enterprise funds are substantially the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its airport, electric, water services, solid waste, and stormwater drainage activities. The City uses internal service funds to report activities that provide supplies and services for the City's other programs, activities and funds. The City's internal service funds are used in providing facility maintenance, fleet services, joint services (providing administrative functions to the other funds), as well as information technology services and self-funded health insurance.

Fiduciary Funds – The City is the trustee, or fiduciary, for certain amounts held on behalf of others, and for certain pass-through arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The City's fiduciary activities are reported in a separate statement of fiduciary net position. Assets for assessment collections for the City's public improvement districts are held in fiduciary funds. These fiduciary activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Statement of Net Position:

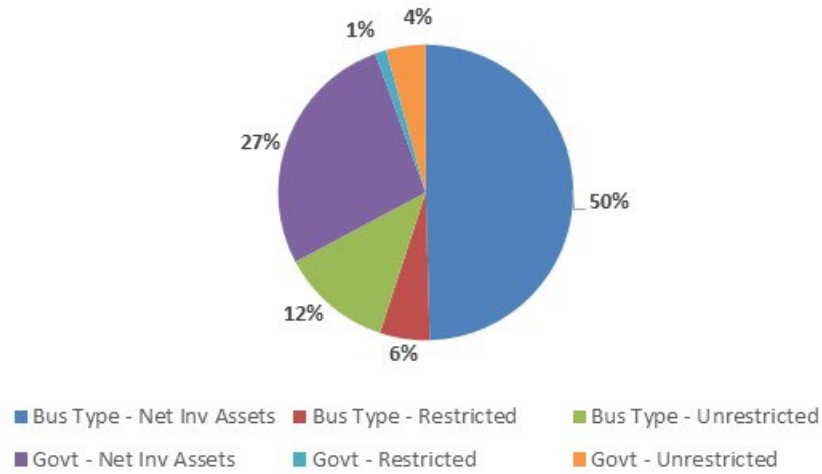
The following table reflects the condensed Statement of Net Position (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 511,422	\$ 426,274	\$ 688,938	\$ 680,519	\$ 1,200,360	\$ 1,106,793
Capital assets	698,497	640,816	1,365,046	1,087,441	2,063,543	1,728,257
Total assets	1,209,919	1,067,090	2,053,984	1,767,960	3,263,903	2,835,050
Deferred outflows	16,184	17,488	4,768	4,518	20,952	22,006
Long-term liabilities	528,669	455,108	717,811	629,718	1,246,480	1,084,826
Other liabilities	50,247	43,184	61,206	61,956	111,453	105,140
Total liabilities	578,916	498,292	779,017	691,674	1,357,933	1,189,966
Deferred inflows	4,435	2,486	7,310	2,775	11,745	5,261
Net investment in capital assets	515,173	465,612	938,155	830,107	1,453,328	1,295,719
Restricted	45,805	23,085	103,464	69,205	149,269	92,290
Unrestricted	81,774	95,103	230,806	178,717	312,580	273,820
Total net position	\$ 642,752	\$ 583,800	\$ 1,272,425	\$ 1,078,029	\$ 1,915,177	\$ 1,661,829

CITY OF GEORGETOWN, TEXAS

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Primary Government Net Position - 9/30/2025



CITY OF GEORGETOWN, TEXAS

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Statement of Activities:

The following table reflects the condensed Statement of Activities (in thousands):

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	\$ 25,539	\$ 27,907	\$ 326,123	\$ 260,894	\$ 351,662	\$ 288,801
Operating grants and contributions	25,985	15,226	531	1,144	26,516	16,370
Capital grants and contributions	25,179	18,787	101,195	85,268	126,374	104,055
General revenues						
Property taxes	62,607	59,231	-	-	62,607	59,231
Sales taxes	52,787	50,489	-	-	52,787	50,489
Other taxes	2,885	2,670	-	-	2,885	2,670
Franchise taxes	9,765	8,480	299	-	10,064	8,480
Interest	20,595	19,881	27,501	29,491	48,096	49,372
Other	5,934	11,769	-	-	5,934	11,769
Total revenues	231,276	214,440	455,649	376,797	686,925	591,237
Expenses						
Culture/recreation	27,020	19,763	-	-	27,020	19,763
Development	15,124	6,891	-	-	15,124	6,891
Fire	36,548	34,440	-	-	36,548	34,440
General government	20,956	53,592	-	-	20,956	53,592
Interest on long-term debt	19,630	14,495	-	-	19,630	14,495
Police	30,522	27,367	-	-	30,522	27,367
Streets	26,639	8,826	-	-	26,639	8,826
Environmental services	163	165	-	-	163	165
Electric	-	-	111,463	109,260	111,463	109,260
Water services	-	-	113,864	92,047	113,864	92,047
Airport	-	-	6,357	6,347	6,357	6,347
Stormwater	-	-	8,695	7,680	8,695	7,680
Solid Waste	-	-	16,596	15,718	16,596	15,718
Total expenses	176,602	165,539	256,975	231,052	433,577	396,591
Change in net position before transfers	54,674	48,901	198,674	145,745	253,348	194,646
Transfers	4,278	(1,241)	(4,278)	1,241	-	-
Change in net position	58,952	47,660	194,396	146,986	253,348	194,646
Net position - beginning	583,800	527,767	1,078,029	940,866	1,661,829	1,468,633
Change in accounting principle	-	(778)	-	(672)	-	(1,450)
Adjustment - changes in reporting entity	-	9,151	-	(9,151)	-	-
Net position - beginning, as restated	583,800	536,140	1,078,029	931,043	1,661,829	1,467,183
Net position - ending	\$ 642,752	\$ 583,800	\$1,272,425	\$1,078,029	\$ 1,915,177	\$1,661,829

The City's combined net position increased by \$253.3 million to \$1.915 billion from \$1.662 billion in FY 2024.

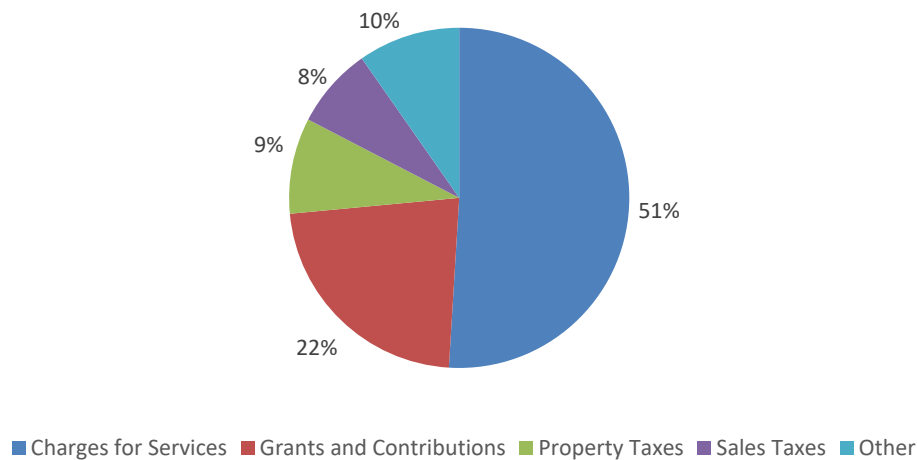
- Net position of Governmental Activities was \$642.8 million. Most of these assets are invested in capital assets or restricted for particular purposes, such as \$9 million for Street Maintenance projects or other capital projects, \$3.8 million for Tax Incremental reinvestment Zones (TIRZ), and \$2.3 million for debt service.
- The City's unrestricted net position for governmental activities, which can be used to finance day to day operations, totaled \$81.8 million.
- Net investment in capital assets for governmental activities increased \$49.6 million, primarily due to developer contributions and additions to capital assets.
- Current year net position for business-type activities increased by \$194 million, due to the growth in the customer base, increased water and wastewater rates, developer contributed capital, and capital assets.

CITY OF GEORGETOWN, TEXAS

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- During 2025, the City invested \$ 215 million towards improving and expansion of utility infrastructure, compared to \$182 million in 2024. The recently completed water and wastewater master plan includes projects for new and expanded water treatment plants, rehabilitation for two 30+ year old wastewater treatment plants, transmission lines, and backup power for extreme weather conditions.

Primary Government Revenues



REVENUES

Program revenues are derived from the program itself and reduce the cost of the function to the City. Total program revenues for both governmental and business-type activities are described below.

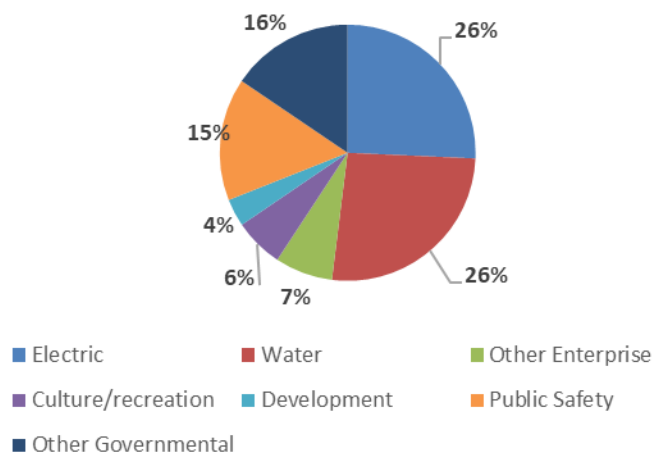
- Governmental activities program revenue** for the fiscal year ended September 30, 2025 was \$76.7 million. The *Charges for Services* category represents receipts primarily from development and building inspection fees, parks fees, fire billing for services and court fines. *Charges for Services* decreased \$2.4 million. Other governmental program revenues included *operating and capital grants and contributions* for parks, fire and police programs, and streets. Capital grants and contributions totaled \$25.2 million compared to \$18.8 million last fiscal year due to donations from Garey Estate for progress on improvements to Garey Park and Interlocal Agreement with Williamson County for SE Inner Loop.
- Business-type activities program revenue** totaled \$427.8 million, 23.1% increase over prior year. Capital grants and contributions increased \$15.9 million over the prior year due to increased developer contributions. *Charges for Services*, which represent receipts from utility customers for electric, water, and wastewater, and solid waste services increased \$62.2 million. The Water Utility saw a rate increase in FY2025, effective October 1, 2024. One rate increase for water of 11.75%, and a wastewater rate increase of 11.25%. These rate increases were adopted by Council in order to support operations, infrastructure needs, and fees for new supply. The estimated impact on the average water (6,000 gallons per month) and wastewater customer is approximately \$11.80 per month. Electric charges for services increased due to increased customer growth and some new large load customers who came online in FY2025. Additionally in FY2025, there was a rate increase for solid waste customers of 4.5% for residential, and 9.5% increase for commercial customers. Other program revenues include airport fuel sales, hangar rentals and stormwater drainage fees.
- General revenues** are revenues from taxes levied on behalf of the general government and other revenues used for general government activities not specific to a program or service. These revenues and notable changes are described below.
- Property taxes* totaled \$62.6 million. Included in these taxes are real and personal property levies which are assessed October 1, and payable before the following January 31.

CITY OF GEORGETOWN, TEXAS

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- Certified assessed valuations in FY 2025 increased 12.5% over FY2024. The total growth in assessed valuations is \$2 billion, with over \$1.12 billion attributed to new value.
- The ad valorem tax rate for fiscal year 2025 was \$0.3647 per \$100 of assessed valuation. This is a decrease from the prior year's rate of \$0.374. The adopted tax rate is .000086 below the voter approval rate.
- **Sales taxes**, the City's second largest source of general revenue, totaled \$56.3 million for fiscal year 2025, which was an increase of 4.6% compared to the prior year. This increase is primarily driven by a full-year impact of Costco, the addition of a second HEB at Wolf Lakes, and Lowes coming online in summer of FY2025. Sales tax revenues represented 34% of the general government revenue total in 2025, excluding the payment in lieu of taxes from the utility funds.
- Hotel/motel taxes totaled \$2.181 million compared to \$ 1.942 million in FY 2024 and are included in *other* taxes. This increase is the result of the new hotels in the City and increased tourism City events such as Two Step Inn and Red Poppy Festival.

Primary Government Expenses



Expenses for governmental activities totaled \$176.6 million, versus \$165.5 million in FY 2024. Total governmental expenses increased by \$11.1 million compared to the prior year. Annual salary increases implemented during the fiscal year included significant increases for public safety based on new meet and confer agreements and annual merit and market increases for non-public safety employees effective January 2025. Other explanations for the changes are noted below.

- Inflation for various supplies, vehicles, and other commodities
- Increased capital project spending for parks, roads, and public safety
- Expenses for the new Ask GTX (311-like) call center – full year impact
- Increased debt service payments

Expenses for business-type activities totaled \$256.9 million, a 11.2% increase over the prior year, which provided electric, water, and wastewater services for customers, as well as airport, solid waste services and stormwater drainage programs. Salary increases implemented during the fiscal year included annual merit and market increases for employees effective January 2025. Notable explanations for the changes are explained below.

- Electric increased 14.5%. The increase in expenses for electric is the result of growth in development and the addition of new large load customers
- Water services increased 24.7% mainly due to growth in development and increased debt related expense
- The increased costs in the Solid Waste fund is mainly due to capital expenses for the new transfer station.

CITY OF GEORGETOWN, TEXAS

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FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds: The City's fund balance is the accumulated difference between assets and liabilities within **governmental funds**, and it allows the City to meet its contractual obligations, fund disaster or emergency costs, provide cash flow for timing purposes and fund non-recurring expenses appropriated by City Council.

For the fiscal year ended September 30, 2025, the City's governmental funds reflect a combined fund balance of \$412.7 million.

The General Fund had a fund balance of \$37.1 million for FY 2025, an decrease of approximately \$0.9 million from FY 2024. According to the Fiscal and Budgetary Policy of the City, the use of excess fund balance is limited to non-recurring one time only expenses. Excess funds are transferred to the Council Special Revenue fund for future designation.

Along with the increases in property taxes and some sales taxes increases already mentioned above, the General Fund and other funds received the benefit of continued favorable interest rates for investment income in FY2025. Increased staffing due to rapid growth in the General Fund also contributed to some increased costs.

Debt Service fund balance increased from \$4 million to \$5.2 million in FY25 due to investment income of \$1.1 million.

General Capital Project Fund had a fund balance of \$219.4 million for FY2025 compared to \$191.5 million for FY2024 mainly as a result of the additional \$84 million in bond proceeds received for facility, parks, and road projects.

Non-major governmental funds include an increase in fund balance mainly due to increases in tree mitigation fees for development growth along with increased investment income.

Georgetown Transportation Enhancement Corporation (GTEC), the City's blended component unit had a 5.5% increase in fund balance due to bond proceeds of \$44.6 million increased investment income and sales taxes. GTEC contributed \$6.1 million in transportation improvements to facilitate economic development in 2025.

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

Total unrestricted net position as of September 30, 2025 totaled \$230.8 million, which included \$97.7 million for Electric, \$123.3 million for Water and \$9.8 million for all other Non-Major funds. The Water fund also has restricted net position of \$103.5 million for funding of future plant expansions. The change in net position for FY 2025 was \$194 million resulting primarily from increased investment income, continued growth in the City's utility systems, and development funded capital improvements. Development growth has greatly impacted the Utilities. Georgetown's population increased 11.6% year over year and the overall number of meters being read increased 9% in FY2025.

CITY OF GEORGETOWN, TEXAS

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GENERAL FUND BUDGETARY HIGHLIGHTS

The original and final budget of the General Fund changed due to budget amendments for increased revenues related to Winter Storm Mara, along with increased costs associated with additional public safety and Ask GTX call center staffing and equipment, and economic development agreements. The variance between the actual ending fund balance at September 30, 2024 of \$38.4 million and the final budgetary fund balance of \$30.6 million is attributed to increased investment income, increased sales taxes, and increased charges for services along with savings from anticipated departmental expenses.

CAPITAL ASSETS

The City's governmental activities (including the internal service funds) had invested \$698.5 million in a variety of capital assets and infrastructure. The City has \$1.365 billion invested in its business-type activities capital assets. The detail is reflected in the following schedule:

(Dollars in thousands)	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Land	\$ 36,790	\$ 27,893	\$ 3,330	\$ 3,329	\$ 40,120	\$ 31,222
Land rights	21,009	21,009	1,723	1,723	22,732	22,732
Buildings	109,037	108,901	13,364	12,873	122,401	121,774
Furniture, machinery, and equipment	53,067	46,011	4,969	4,336	58,036	50,347
Vehicles	42,799	46,427	18,877	99	61,676	46,526
Streets	422,776	382,107	1,339	821	424,115	382,928
Distribution system	15,505	15,252	1,115,878	1,019,815	1,131,383	1,035,067
Bridges	21,287	21,223	-	-	21,287	21,223
Improvements	109,613	99,388	23,361	7,337	132,974	106,725
Right-of-use-asset - leases	3,652	3,652	2,813	-	6,465	3,652
Right-of-use-asset - subscriptions	7,115	8,992	77	104	7,192	9,096
Construction in progress	121,058	85,271	515,778	335,675	636,836	420,946
Accumulated depreciation	(265,211)	(225,310)	(336,463)	(298,671)	(601,674)	(523,981)
Total capital assets	<u>\$ 698,497</u>	<u>\$ 640,816</u>	<u>\$ 1,365,046</u>	<u>\$ 1,087,441</u>	<u>\$ 2,063,543</u>	<u>\$ 1,728,257</u>

In FY2025, the City budgeted approximately \$5.4 million of General Fund revenues for on-going street maintenance projects, along with the staff and maintenance costs of the street department. In addition, the City also budgeted \$13 million of funds received in dedicated 1/4 cent sales tax for street maintenance. The maintenance funds are allocated among various projects identified by the pavement condition analysis and council goals. Total Street Maintenance expenditures for FY2025 were \$16.1 million.

CITY OF GEORGETOWN, TEXAS

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Utility infrastructure maintenance is budgeted within the utility funds. For fiscal year 2025, funding for electric and water services infrastructure maintenance was approximately \$5.2 million.

Major capital assets added in FY 2025 are noted below:

- General Capital Projects:
 - Construction in process projects \$87,473,367
 - DB Wood (SH 29 to Oak Ridge)
 - Downtown Austin Ave Parking Garage
 - Rockride Lane
 - Austin Ave Bridges
 - Southeast Inner Loop – MB21
 - Southern Blvd
 - DB Wood (Oak Ridge to Williams Dr)
 - Leander Rd (Norwood-Swbypass)
 - FM 971 Widening (Gantt-SH130)
- Completed projects:
 - IH35 and Inner Loop \$8,894,882
 - Rabbit Hill Road \$4,183,680
 - Sam Houston Ave Ext/SE1/Wilco Corridor \$3,923,605
 - Downtown Sidewalk Improvements \$2,358,733
 - Intersection Improvements (Lakeway @ Williams Dr) \$1,737,022
 - Old Town Southeast Sidewalk Improvements \$1,065,164
 - FM 1460 @ La Conterra Traffic Signal \$550,747
- Utility Infrastructure and Capital Projects:
 - Electric distribution system expansion (including developers) \$17,890,630
 - Water and Wastewater treatment and distribution system \$497,096,462
 - Solid Waste Transfer Station \$126,642
 - Stormwater improvements \$503,127

For more detailed notes about the City's capital assets, please see Note 5 to the financial statements.

CITY OF GEORGETOWN, TEXAS

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OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 438,045	\$ 364,879	\$ 71,279	\$ 77,436	\$ 509,324	\$ 442,315
Sales tax revenue bonds	1,580	2,320	-	-	1,580	2,320
Special assessment revenue bonds	7,219	7,423	-	-	7,219	7,423
Revenue bonds	-	-	585,780	499,085	585,780	499,085
Premiums	29,817	27,881	41,842	37,597	71,659	65,478
Arbitrage	7,007	3,613	5,618	4,533	12,625	8,146
Compensated absences payable	13,106	12,348	3,819	3,374	16,925	15,722
Net pension liability	23,321	25,593	7,774	7,645	31,095	33,238
Other post-employment benefits	5,105	4,777	1,642	-	6,747	4,777
Lease liabilities	921	1,883	57	-	978	1,883
Subscription liabilities	2,548	4,391	-	48	2,548	4,439
Total long-term liabilities	<u>\$ 528,669</u>	<u>\$ 455,108</u>	<u>\$ 717,811</u>	<u>\$ 629,718</u>	<u>\$ 1,246,480</u>	<u>\$ 1,084,826</u>

- As of September 30, 2025, the City had a total of \$509.3 million in general obligation debt outstanding. This represents a 15.1% increase over prior year. This increase reflects \$38,235,000 of 2025 General Obligation Bonds, \$66,405,000 of 2025 Certificates of Obligation, and \$106,495,000 in 2025 Revenue Bonds being issued.
- The state limits the legal amount of tax levy available for general obligation debt service to \$1.50 per \$100 valuation. The City's 2025 debt levy equaled \$0.239592 per \$100 assessed valuation, or 16.% of the maximum allowed.
- Other long-term debts included are compensated absence payable, net pension obligation, arbitrage liability and other post-employment benefits. These experienced an increase from FY 2025 of \$3.2 million due to increased arbitrage liabilities, an increase in GASB 87 lease liabilities, and GASB101 resulting in higher compensated absences. The major driver for the decrease in the Net Pension Liability are changes in investment returns. Subscription Liabilities also increased due to an increased number and dollar amounts on IT subscriptions.
- A detailed analysis of the City's long-term debt is located in Note 9 to the financial statements.

CITY OF GEORGETOWN, TEXAS

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ECONOMIC FACTORS

During FY 2025, the City continued to see some growth in the local and regional economy. Total sales tax receipts grew to \$2.3 million, or 4.5% over FY2024. The growth in residential and commercial development continued in FY2025, while unemployment increased to 4.5% from 4.3% in 2024. The residential growth in the City's utility service area, which includes both the city limits and the City's extra territorial jurisdiction (ETJ), continued at a steady 5% growth rate.

DISCRETELY PRESENTED COMPONENT UNIT

The Georgetown Economic Development Corporation (GEDCO) has been included in the reporting entity as a discretely presented component unit since it provides benefits to other entities aside from the City. Separate audited financial statements are not issued for GEDCO.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This report is designed to provide City Council, citizens, customers, bond rating agencies, investors and creditors with a general overview of the City's

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Basic Financial Statements

City of Georgetown, Texas

Statement of Net Position

September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Georgetown Economic Development Corporation
ASSETS				
Cash and cash equivalents	\$ 76,033,052	\$ 125,720,849	\$ 201,753,901	\$ 5,483,363
Cash and cash equivalents - restricted	167,143,721	175,240,353	342,384,074	-
Investments	98,755,574	163,292,601	262,048,175	10,144,131
Investments - restricted	137,319,042	116,420,088	253,739,130	-
Prepaid items	224,402	15,652,893	15,877,295	-
Accounts receivable				
Services (net of allowance for uncollectibles)	-	41,715,712	41,715,712	-
Taxes and other	26,738,124	4,831,363	31,569,487	561,642
Internal balances	(214,313)	214,313	-	-
Other assets	-	1,689,460	1,689,460	-
Inventories	3,409,982	674,606	4,084,588	-
Long-term receivables	2,012,588	6,285,818	8,298,406	-
Regulatory asset, net	-	37,200,000	37,200,000	-
Capital assets				
Land	36,790,351	3,329,683	40,120,034	-
Land rights	21,009,247	1,723,151	22,732,398	-
Buildings	109,036,899	13,363,993	122,400,892	-
Furniture, machinery, and equipment	53,065,531	4,969,217	58,034,748	-
Vehicles	42,799,104	18,877,121	61,676,225	-
Streets	422,776,303	1,339,317	424,115,620	-
Distribution system	15,504,854	1,115,878,293	1,131,383,147	-
Bridges	21,286,699	-	21,286,699	-
Improvements	109,613,280	23,359,921	132,973,201	139,740
Right-to-use asset - leases	3,652,349	2,813,173	6,465,522	-
Right-to-use asset - subscriptions	7,115,443	76,500	7,191,943	-
Construction in progress	121,057,974	515,778,421	636,836,395	-
Accumulated depreciation and amortization	(265,211,333)	(336,463,039)	(601,674,372)	-
Total assets	1,209,918,873	2,053,983,807	3,263,902,680	16,328,876
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	14,304,724	4,768,243	19,072,967	-
Deferred outflow related to OPEB	1,391,306	-	1,391,306	-
Deferred charge on refunding	487,921	-	487,921	-
Total deferred outflows of resources	16,183,951	4,768,243	20,952,194	-
LIABILITIES				
Accounts payable	22,508,679	33,043,714	55,552,393	976,379
Unearned revenue	20,095,869	643,022	20,738,891	-
Accrued interest	3,631,956	4,499,927	8,131,883	6,867
Payable from restricted assets				
Construction contracts and retainages	3,583,373	17,950,364	21,533,737	-
Customer deposits payable from restricted assets	427,119	5,068,459	5,495,578	-
Noncurrent liabilities, due within one year	38,061,789	29,687,654	67,749,443	233,203
Noncurrent liabilities, due in more than one year				
Lease liability	351,899	702,972	1,054,871	-
Subscription liability	1,021,613	31,875	1,053,488	-
Accrued employee benefits	9,175,220	2,392,438	11,567,658	-
Net pension liability	23,321,224	7,773,742	31,094,966	-
Other post employment benefits	5,040,688	-	5,040,688	-
Arbitrage	6,996,667	5,142,145	12,138,812	-
Long-term debt	444,699,839	672,080,354	1,116,780,193	1,747,549
Total liabilities	578,915,935	779,016,666	1,357,932,601	2,963,998
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	2,188,802	729,600	2,918,402	-
Deferred inflows related to OPEB	2,069,405	-	2,069,405	-
Deferred inflows related to leases	177,067	6,580,152	6,757,219	-
Total deferred inflows of resources	4,435,274	7,309,752	11,745,026	-
NET POSITION				
Net investment in capital assets	515,173,019	938,155,295	1,453,328,314	139,740
Restricted for				
Debt service	2,306,985	-	2,306,985	-
Hotel/Motel tax	3,877,331	-	3,877,331	-
Street maintenance tax	9,074,075	-	9,074,075	-
PEG Fees	911,240	-	911,240	-
Municipal court	276,062	-	276,062	-
Police	614,470	-	614,470	-
Public improvement districts	2,207,314	-	2,207,314	-
Tax Increment zone improvements	3,852,910	-	3,852,910	-
Sidewalks	160,099	-	160,099	-
Park improvements	22,444,367	-	22,444,367	-
Streetlight maintenance	79,996	-	79,996	-
Capital Projects	-	103,464,695	103,464,695	-
Unrestricted	81,773,747	230,805,642	312,579,389	13,225,138
TOTAL NET POSITION	\$ 642,751,615	\$ 1,272,425,632	\$ 1,915,177,247	\$ 13,364,878

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas
Statement of Activities
For the Fiscal Year Ended September 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Georgetown Economic Development Corporation
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
PRIMARY GOVERNMENT								
Governmental activities								
Culture / recreation	\$ 27,020,145	\$ 8,042,359	\$ 449,672	\$ 1,346,175	\$ (17,181,939)	\$ -	\$ (17,181,939)	
Development	15,124,445	7,493,087	67,116	-	(7,564,242)	-	(7,564,242)	
Fire	36,547,582	6,028,672	5,979,908	-	(24,539,002)	-	(24,539,002)	
General government	20,956,255	1,194,675	16,644,513	806,653	(2,310,414)	-	(2,310,414)	
Police	30,522,037	966,840	843,827	-	(28,711,370)	-	(28,711,370)	
Streets	26,638,510	485,974	2,000,000	23,025,844	(1,126,692)	-	(1,126,692)	
Environmental services	162,543	1,327,106	-	-	1,164,563	-	1,164,563	
Interest on long-term debt	19,629,830	-	-	-	(19,629,830)	-	(19,629,830)	
Total governmental activities	176,601,347	25,538,713	25,985,036	25,178,672	(99,898,926)	-	(99,898,926)	
Business-type activities								
Electric	111,462,940	114,553,215	393,467	25,998,679	-	29,482,421	29,482,421	
Water	113,864,226	181,588,685	-	56,557,158	-	124,281,617	124,281,617	
Airport	6,356,549	5,678,713	123,000	-	-	(554,836)	(554,836)	
Stormwater	8,695,087	6,455,687	-	18,638,990	-	16,399,590	16,399,590	
Solid Waste	16,595,528	17,846,651	14,042,00	-	-	1,265,165	1,265,165	
Total business-type activities	256,974,330	326,122,951	530,509	101,194,827	-	170,873,957	170,873,957	
TOTAL PRIMARY GOVERNMENT	\$ 433,575,677	\$ 351,661,664	\$ 26,515,545	\$ 126,373,499	(99,898,926)	170,873,957	70,975,031	
COMPONENT UNIT - GEORGETOWN ECONOMIC DEVELOPMENT CORPORATION								
	\$ 2,668,116	\$ -	\$ -	\$ -				\$ (2,668,116)
				General Revenues				
				Property tax	62,606,779	-	62,606,779	-
				Sales tax	52,786,878	-	52,786,878	3,518,820
				Franchise taxes	9,765,456	299,440	10,064,896	-
				Hotel occupancy tax	2,181,192	-	2,181,192	-
				Mixed beverage tax	393,226	-	393,226	-
				Auto inventory tax	310,741	-	310,741	-
				Investment income	20,594,970	27,500,617	48,095,587	646,194
				Other	5,934,128	-	5,934,128	505,767
				Transfers	4,277,586	(4,277,586)	-	-
				Total general revenues and transfers	158,850,956	23,522,471	182,373,427	4,670,781
				Change in net position	58,952,030	194,396,428	253,348,458	2,002,665
				Net position, beginning of the year	583,799,585	1,078,029,204	1,661,828,789	11,362,213
				NET POSITION, END OF THE YEAR	\$ 642,751,615	\$ 1,272,425,632	\$ 1,915,177,247	\$ 13,364,878

The Notes to the Financial Statements are an integral part of this statement.

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Fund Financial Statements

City of Georgetown, Texas

Balance Sheet – Governmental Funds

September 30, 2025

	General	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 17,142,062	\$ 3,429,167	\$ -	\$ 10,757,498	\$ 22,288,185	\$ 53,616,912
Cash and cash equiv. - restricted	-	64,637,047	5,257,085	96,414,405	835,184	167,143,721
Investments	22,264,976	4,453,977	-	13,972,382	28,949,022	69,640,357
Investments - restricted	-	28,122,780	-	109,196,262	-	137,319,042
Accounts receivable, net						
Property taxes	376,899	-	593,079	-	16,868	986,846
Sales tax	5,054,781	2,246,570	-	-	1,123,285	8,424,636
Grants	5,934	-	-	4,713,167	22,395	4,741,496
Interest	4,336	-	-	-	-	4,336
EMS	4,975,978	-	-	-	-	4,975,978
Other	939,057	-	-	-	5,608,760	6,547,817
Due from other funds	1,183,349	-	-	758,824	525	1,942,698
Long-term receivables	152,588	-	-	-	-	152,588
Prepaid items	23,392	-	-	-	-	23,392
TOTAL ASSETS	\$ 52,123,352	\$ 102,889,541	\$ 5,850,164	\$ 235,812,538	\$ 58,844,224	\$ 455,519,819
LIABILITIES						
Accounts payable and accrued liabilities	\$ 6,774,315	\$ 1,068,367	\$ -	\$ 7,009,951	\$ 5,331,611	\$ 20,184,244
Due to other funds	-	-	-	-	1,402,758	1,402,758
Unearned revenue	7,721,039	-	-	11,104,747	1,270,083	20,095,869
Total liabilities	14,495,354	1,068,367	-	18,114,698	8,004,452	41,682,871
DEFERRED INFLOWS OF RESOURCES						
Deferred inflow leases receivables	177,067	-	-	-	-	177,067
Deferred property taxes	376,899	-	593,079	-	16,868	986,846
Total deferred inflows of resources	553,966	-	593,079	-	16,868	1,163,913
FUND BALANCE						
Nonspendable	23,392	-	-	-	-	23,392
Restricted	-	4,815,000	5,257,085	217,697,840	43,497,864	271,267,789
Committed	20,876,742	97,006,174	-	-	7,325,040	125,207,956
Unassigned	16,173,898	-	-	-	-	16,173,898
Total fund balance	37,074,032	101,821,174	5,257,085	217,697,840	50,822,904	412,673,035
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 52,123,352	\$ 102,889,541	\$ 5,850,164	\$ 235,812,538	\$ 58,844,224	\$ 455,519,819

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position September 30, 2025

Total fund balance - total governmental funds \$ 412,673,035

Amounts reported for governmental activities in the statement of net position are different because:

The City uses internal service funds to charge the costs of certain activities, such as capital assets, administrative services and information technology to the City's other funds. The assets and liabilities of the internal service funds are included in governmental functions in the statement of net position. 76,212,805

Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet. 667,750,521

Long-term debt is not due and payable using available resources and is not recorded in the governmental funds balance sheet. The impact of recognizing long-term debt, and related items is as follows:

Bonds payable	(446,844,418)
Premiums on bond issuance	(29,817,135)
Deferred charge on refunding bonds	487,921
Accrued interest	(3,543,179)
Arbitrage liability	(7,006,825)

Other long-term liabilities, and related amounts, are not due and payable using available resources and are not recorded in the governmental funds balance sheet. The impact of recognizing these items is as follows:

Lease liability	(533,040)
Subscription liability	(28,982)
Compensated absences	(12,457,784)
Net pension liability	(23,321,224)
Deferred outflow related to pension	14,304,724
Deferred inflow related to pension	(2,188,802)
Other post-employment benefits	(5,104,749)
Deferred outflow related to other post-employment benefits	1,391,306
Deferred inflow related to other post-employment benefits	(2,069,405)

Revenues from property taxes are deferred in the governmental fund balance sheet until they are considered available to fund current expenditures, but such revenues are recognized in the government-wide statements. 986,846

Some long-term receivables are not recognized in the governmental fund balance sheet until the funds are considered available to fund current expenditures. 1,860,000

Net position of governmental activities \$ 642,751,615

City of Georgetown, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds For the Fiscal Year Ended September 30, 2025

	General Fund	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 21,650,945	\$ -	\$ 38,585,752	\$ -	\$ 2,334,135	\$ 62,570,832
Sales tax	31,673,955	14,075,282	-	-	7,037,641	52,786,878
Franchise taxes	9,669,369	-	-	-	96,087	9,765,456
Other taxes	703,967	-	-	-	2,778,299	3,482,266
Charges for service	17,214,270	-	-	746,832	6,729,035	24,690,137
Fines and forfeitures	654,997	-	-	-	193,579	848,576
Donations and grants	7,217,121	-	-	6,713,167	14,095,139	28,025,427
Investment income	1,793,270	2,842,114	1,110,885	9,720,048	2,369,215	17,835,532
Other revenue	1,189,236	-	922	835,846	1,031,593	3,057,597
Total revenues	91,767,130	16,917,396	39,697,559	18,015,893	36,664,723	203,062,701
EXPENDITURES						
Current						
Culture / recreation	16,437,516	-	-	-	2,804,767	19,242,283
Development	7,195,532	1,376,732	-	-	130,406	8,702,670
Fire services	33,644,309	-	-	-	181,043	33,825,352
General government	15,718,666	-	-	-	2,037,935	17,756,601
Highways and streets	7,471,848	-	-	234,614	40,190	7,746,652
Police	28,911,949	-	-	-	191,825	29,103,774
Environmental services	-	-	-	-	162,543	162,543
Capital outlay	473,593	6,127,844	-	55,777,498	22,751,407	85,130,342
Debt service						
Principal retirement	-	740,000	27,048,256	-	151,333	27,939,589
Interest and fiscal charges	-	305,090	15,477,904	677,926	355,333	16,816,253
Total expenditures	109,853,413	8,549,666	42,526,160	56,690,038	28,806,782	246,426,059
Excess (deficiency) of revenues over (under) expenditures	(18,086,283)	8,367,730	(2,828,601)	(38,674,145)	7,857,941	(43,363,358)
OTHER FINANCING SOURCES (USES)						
Transfers in	20,669,394	-	4,032,901	9,396,426	1,090,000	35,188,721
Transfers out	(3,685,501)	(3,309,149)	-	(4,281,710)	(4,334,462)	(15,610,822)
Issuance of bonds	-	42,735,000	-	57,620,000	-	100,355,000
Premiums	-	1,864,020	-	2,123,203	-	3,987,223
Total other financing sources (uses)	16,983,893	41,289,871	4,032,901	64,857,919	(3,244,462)	123,920,122
Net change in fund balances	(1,102,390)	49,657,601	1,204,300	26,183,774	4,613,479	80,556,764
Fund balances, beginning of year	38,176,422	52,163,573	4,052,785	191,514,066	46,209,425	332,116,271
FUND BALANCES, end of year	\$ 37,074,032	\$ 101,821,174	\$ 5,257,085	\$ 217,697,840	\$ 50,822,904	\$ 412,673,035

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities – Governmental Funds For the Fiscal Year Ended September 30, 2025

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS

\$ 80,556,764

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

The City uses internal service funds to charge the costs of certain activities, such as fleet management and information technology to appropriate functions in other funds. The change in net position of internal service funds is recognized in governmental activities in the statement of activities.

(7,334,228)

Current year capital outlays are expenditures in the fund statements, but are shown as increases in capital assets in the government-wide financial statements. The effect of removing the current year capital outlays is to increase net position. Depreciation is not recognized as an expenditure in governmental funds since it does not require the use of current financial resources.

Capital outlay	85,130,342
Depreciation	(41,738,766)
Net book value of current year disposals	(57,921)

Capital assets contributed or donated to the City are not recognized in governmental funds since they do not provide current financial resources, but are recognized in the statement of activities as program revenues

23,025,844

Proceeds from issuance of long-term debt are recognized as other financing sources in the governmental funds, but are treated as an increase in liabilities in the governmental activities. Principal payments on long-term debt are recognized as expenditures in the governmental funds, but are treated as reductions of liabilities in the governmental activities. Deferred charges on refunding bonds are recognized in the governmental activities, and amortized with the related long-term debt. Premiums on long-term debt issuances are recognized as other financing sources in the governmental funds, but are presented as a component of long-term debt and amortized in the governmental activities.

Bond payments	28,132,256
Issuance of bonds	(100,355,000)
Premium on bond issuance	(3,987,223)
Amortization of bond premiums, net	2,050,590
Amortization of deferred charge on refunding, net	(226,009)
Increase in arbitrage liability	(3,393,981)

Interest is accrued on outstanding debt in the governmental activities statement of net position, but in the governmental fund financial statements the expenditure is reported when due.

(1,341,640)

Compensated absences, other post-employment benefit obligations, pension liability, lease liabilities, subscription liabilities, and related deferred inflows and outflows of resources are not recognized in the governmental funds as they will not be settled with current financial resources; however these obligations are recognized in the governmental activities statement of net position. The change in these amounts for the current year is:

Net pension liability	2,272,160
Deferred outflow related to pension	(820,451)
Deferred inflow related to pension	(2,058,992)
Other post employment benefits	(327,393)
Deferred outflow related to other post-employment benefits	(257,727)
Deferred inflow related to other post-employment benefits	76,370
Compensated absences	(639,645)
Lease liability	322,420
Subscription liability	28,313

Changes to revenue deferred in the governmental funds but recognized in the governmental activities and to long-term note receivables not recorded in the governmental funds for the current year are:

Long-term receivable	(140,000)
Unavailable property taxes	35,947

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 58,952,030

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – General Fund For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts		Actual	Variance to
	Original	Final	Budgetary	Final
			Basis	Budget
REVENUES				
Property taxes	\$ 22,813,842	\$ 22,813,842	\$ 21,650,945	\$ (1,162,897)
Sales tax	30,304,757	30,304,757	31,673,955	1,369,198
Franchise taxes	9,668,215	9,668,215	9,669,369	1,154
Other taxes	750,000	750,000	703,967	(46,033)
Charges for services	18,847,704	19,012,704	19,440,721	428,017
Fines and forfeitures	522,650	522,650	654,997	132,347
Donations and grants	6,541,657	6,551,657	7,217,121	665,464
Investment income	1,800,000	1,800,000	1,793,270	(6,730)
Miscellaneous	386,136	387,636	1,189,236	801,600
Total revenues	91,634,961	91,811,461	93,993,581	2,182,120
EXPENDITURES				
Culture / recreation	16,697,257	16,731,484	16,437,516	293,968
Development	6,723,480	8,765,636	7,210,290	1,555,346
Fire services	33,449,387	33,956,377	33,801,909	154,468
General government	17,516,439	17,356,450	18,106,608	(750,158)
Highways and streets	7,702,932	8,147,263	7,471,848	675,415
Police services	29,863,778	30,087,068	29,051,693	1,035,375
Total expenditures	111,953,273	115,044,278	112,079,864	2,964,414
Excess (Deficiencies) of revenues over expenditures	(20,318,312)	(23,232,817)	(18,086,283)	5,146,534
OTHER FINANCING SOURCES (USES)				
Transfers in	19,345,950	20,561,167	20,669,394	(108,227)
Transfers out	(2,490,000)	(3,685,501)	(3,685,501)	-
Total other financing sources (uses)	16,855,950	16,875,666	16,983,893	(108,227)
Net change in fund balance	(3,462,362)	(6,357,151)	(1,102,390)	5,254,761
Fund balances, beginning of year	32,219,275	38,427,314	38,176,422	(250,892)
FUND BALANCES, end of year	\$ 28,756,913	\$ 32,070,163	\$ 37,074,032	\$ 5,003,869

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Statement of Net Position

Proprietary Funds

September 30, 2025

					Governmental Activities
	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 21,412,090	\$ 100,628,631	3,680,128	\$ 125,720,849	\$ 22,416,140
Cash and cash equivalents - restricted	20,750,725	151,904,177	2,585,451	175,240,353	-
Investments	27,811,106	130,701,559	4,779,936	163,292,601	29,115,217
Investments - restricted	5,088,649	111,331,439	-	116,420,088	-
Prepaid expenses	11,517,812	4,135,081	-	15,652,893	201,010
Accounts receivable, net					
Services	17,454,874	20,865,887	3,394,951	41,715,712	1,057,015
Grants	393,467	-	100,000	493,467	-
Interest receivable	-	-	7,231	7,231	-
Other	888,244	2,613,698	828,723	4,330,665	-
Other assets	1,689,460	-	-	1,689,460	-
Due from other funds	279,576	-	20,005	299,581	14,037
Inventories	603,248	9,743	61,615	674,606	3,409,982
Total current assets	107,889,251	522,190,215	15,458,040	645,537,506	56,213,401
Noncurrent assets					
Long-term receivables	-	120,752	6,165,066	6,285,818	-
Regulatory asset, net	37,200,000	-	-	37,200,000	-
Capital assets					
Land	635,073	1,559,074	1,135,536	3,329,683	695,992
Land rights	153,607	66,006	1,503,538	1,723,151	-
Buildings	24,637	9,483,138	3,856,218	13,363,993	510,121
Furniture, machinery, and equipment	1,866,271	2,463,174	639,772	4,969,217	19,235,488
Vehicles	6,505,412	9,195,448	3,176,261	18,877,121	42,441,001
Streets	-	-	1,339,317	1,339,317	-
Distribution system	276,242,498	690,248,844	149,386,951	1,115,878,293	3,281,970
Improvements	173,421	802,666	22,383,834	23,359,921	1,194,203
Construction in progress	17,890,630	497,096,462	791,329	515,778,421	1,075
Right-to-use asset - leases	-	2,813,173	-	2,813,173	2,072,696
Right-to-use asset - subscriptions	76,500	-	-	76,500	7,000,816
Less accumulated depreciation and amortization	(102,697,682)	(190,566,422)	(43,198,935)	(336,463,039)	(45,687,182)
Total capital assets (net of accumulated depreciation and amortization)	200,870,367	1,023,161,563	141,013,821	1,365,045,751	30,746,180
Total noncurrent assets	238,070,367	1,023,282,315	147,178,887	1,408,531,569	30,746,180
TOTAL ASSETS	345,959,618	1,545,472,530	162,636,927	2,054,069,075	86,959,581
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflow related to pension	2,098,027	2,288,756	381,460	4,768,243	-
Total deferred outflows of resources	2,098,027	2,288,756	381,460	4,768,243	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 348,057,645</u>	<u>\$ 1,547,761,286</u>	<u>\$ 163,018,387</u>	<u>\$ 2,058,837,318</u>	<u>\$ 86,959,581</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Statement of Net Position – Continued

Proprietary Funds

September 30, 2025

					Governmental Activities
	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
CURRENT LIABILITIES					
Accounts payable	\$ 12,600,983	\$ 18,700,868	\$ 1,741,863	\$ 33,043,714	\$ 5,907,808
Accrued employee benefits	612,117	700,165	114,682	1,426,964	232,689
Due to other funds	-	85,268	-	85,268	768,290
Unearned revenue	133,222	366,482	143,318	643,022	-
Current portion of long-term debt	10,065,168	15,506,213	1,249,622	26,821,003	-
Arbitrage	-	475,358	-	475,358	-
Accrued interest	701,530	3,689,565	108,832	4,499,927	88,777
Current portion of lease liability	-	938,829	-	938,829	387,964
Current portion of subscription liability	25,500	-	-	25,500	1,496,839
Total	24,138,520	40,462,748	3,358,317	67,959,585	8,882,367
Construction contracts and retainages payable	2,712	17,929,872	17,780	17,950,364	-
Customer deposits	4,803,143	251,881	13,435	5,068,459	427,119
Total current liabilities payable from restricted assets	4,805,855	18,181,753	31,215	23,018,823	427,119
Total current liabilities	28,944,375	58,644,501	3,389,532	90,978,408	9,309,486
NONCURRENT LIABILITIES					
Accrued employee benefits	1,057,164	1,139,160	196,114	2,392,438	415,677
Long-term debt	116,169,911	535,597,329	20,313,114	672,080,354	-
Arbitrage	-	5,142,145	-	5,142,145	-
Net pension liability	3,420,446	3,731,396	621,900	7,773,742	-
Lease liability	-	702,972	-	702,972	-
Subscription liability	31,875	-	-	31,875	1,021,613
Total noncurrent liabilities	120,679,396	546,313,002	21,131,128	688,123,526	1,437,290
TOTAL LIABILITIES	149,623,771	604,957,503	24,520,660	779,101,934	10,746,776
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	321,024	350,208	58,368	729,600	-
Deferred inflow related to leases	-	-	6,580,152	6,580,152	-
TOTAL DEFERRED INFLOWS OF RESOURCES	321,024	350,208	6,638,520	7,309,752	-
NET POSITION					
Net investment in capital assets	100,414,575	715,721,964	122,018,756	938,155,295	27,839,764
Restricted for capital projects	-	103,464,695	-	103,464,695	-
Unrestricted	97,698,275	123,266,916	9,840,451	230,805,642	48,373,041
Total net position	198,112,850	942,453,575	131,859,207	1,272,425,632	76,212,805
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 348,057,645</u>	<u>\$ 1,547,761,286</u>	<u>\$ 163,018,387</u>	<u>\$ 2,058,837,318</u>	<u>\$ 86,959,581</u>

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds For the Fiscal Year Ended September 30, 2025

	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
OPERATING REVENUES					
Service charges					
Electric	\$ 105,834,126	\$ -	\$ -	\$ 105,834,126	\$ -
Water	-	88,804,861	-	88,804,861	-
Wastewater	-	34,975,307	-	34,975,307	-
Other	5,527,095	9,381,957	29,482,717	44,391,769	73,475,529
Total operating revenues	111,361,221	133,162,125	29,482,717	274,006,063	73,475,529
OPERATING EXPENSES					
Electric	24,222,990	-	-	24,222,990	-
Water	-	39,946,273	-	39,946,273	-
Wastewater	-	2,935,790	-	2,935,790	-
Depreciation and amortization	8,205,517	17,744,833	4,544,681	30,495,031	9,444,410
Utility contracts	75,007,759	13,666,865	-	88,674,624	-
Plant management	-	11,410,519	-	11,410,519	-
Other	-	3,900,553	26,609,909	30,510,462	61,121,129
Total operating expenses	107,436,266	89,604,833	31,154,590	228,195,689	70,565,539
Net operating income (loss)	3,924,955	43,557,292	(1,671,873)	45,810,374	2,909,990
NONOPERATING REVENUES (EXPENSES)					
Investment income	3,792,336	22,603,739	1,104,542	27,500,617	2,759,438
Donations and grants	393,467	-	137,042	530,509	-
Interest and fiscal charges	(4,040,222)	(24,270,329)	(498,494)	(28,809,045)	(95,204)
Gain(loss) on disposed assets	13,548	10,936	5,920	30,404	(13,905)
Franchise taxes	-	-	299,440	299,440	-
Other	3,191,994	48,426,560	498,334	52,116,888	2,293,329
Total nonoperating revenues (expenses)	3,351,123	46,770,906	1,546,784	51,668,813	4,943,658
Income (loss) before contributions and transfers	7,276,078	90,328,198	(125,089)	97,479,187	7,853,648
CONTRIBUTIONS AND TRANSFERS					
Capital contributions	25,998,679	56,557,158	18,638,990	101,194,827	112,437
Transfers in	7,122,164	9,703,753	3,564,949	20,390,866	6,723,952
Transfers out	(6,920,917)	(11,207,137)	(6,540,398)	(24,668,452)	(22,024,265)
Total contributions and transfers	26,199,926	55,053,774	15,663,541	96,917,241	(15,187,876)
Change in net position	33,476,004	145,381,972	15,538,452	194,396,428	(7,334,228)
Net position, beginning of period	164,636,846	797,071,603	116,320,755	1,078,029,204	83,547,033
TOTAL NET POSITION, end of period	\$ 198,112,850	\$ 942,453,575	\$ 131,859,207	\$1,272,425,632	\$ 76,212,805

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2025

	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 118,721,833	\$ 175,237,073	\$ 26,178,839	\$ 320,137,745	\$ 76,658,819
Payments to suppliers	(91,916,154)	(69,015,192)	(24,798,347)	(185,729,693)	(43,232,626)
Payments to employees for services	(5,746,589)	(10,940,500)	2,327,204	(14,359,885)	(16,157,750)
Net cash provided by (used in) operating activities	21,059,090	95,281,381	3,707,696	120,048,167	17,268,443
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out	(6,920,917)	(11,207,137)	(6,540,398)	(24,668,452)	(22,024,265)
Transfers in	7,122,164	4,298,640	2,186,577	13,607,381	6,723,952
Net cash provided by (used in) noncapital financing activities	201,247	(6,908,497)	(4,353,821)	(11,061,071)	(15,300,313)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(5,723,282)	(184,964,889)	(1,555,759)	(192,243,930)	(158,906)
Sale of capital assets	-	-	-	-	(19,868)
Donations and grants	393,467	-	137,042	530,509	-
Proceeds from issuance of long-term debt	17,490,000	83,870,000	1,000,000	102,360,000	-
Principal paid on revenue and certificates of obligation bonds	(9,280,397)	(11,423,487)	(1,152,819)	(21,856,703)	-
Interest paid on revenue and certificates of obligation bonds	(3,914,603)	(17,360,978)	(1,133,789)	(22,409,370)	-
Principal paid on leases	-	(924,551)	-	(924,551)	(639,446)
Interest paid on leases	-	(34,368)	-	(34,368)	-
Principal paid on subscriptions	(67,557)	-	-	(67,557)	(2,290,340)
Interest paid on subscriptions	(6,375)	-	-	(6,375)	(93,003)
Net cash used in capital and related financing activities	(1,108,747)	(130,838,273)	(2,705,325)	(134,652,345)	(3,201,563)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	3,842,309	22,511,650	1,081,849	27,435,808	2,759,438
Change in temporary investments	(6,409,242)	80,770,290	1,814,069	76,175,117	1,388,047
Net cash provided by (used in) investing activities	(2,566,933)	103,281,940	2,895,918	103,610,925	4,147,485
Net change in cash and cash equivalents	17,584,657	60,816,551	(455,532)	77,945,676	2,914,052
CASH AND CASH EQUIVALENTS, beginning of year	24,578,158	191,716,257	6,721,111	223,015,526	19,502,088
CASH AND CASH EQUIVALENTS, end of year	\$ 42,162,815	\$ 252,532,808	\$ 6,265,579	\$ 300,961,202	\$ 22,416,140
CLASSIFIED AS					
Current assets	\$ 21,412,090	\$ 100,628,631	\$ 3,680,128	\$ 125,720,849	\$ 22,416,140
Restricted assets	20,750,725	151,904,177	2,585,451	175,240,353	-
TOTAL	\$ 42,162,815	\$ 252,532,808	\$ 6,265,579	\$ 300,961,202	\$ 22,416,140
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital asset purchases on account (accrued but not paid)	\$ 2,712	\$ 17,929,872	\$ 1,965	\$ 17,934,549	\$ -
Capital asset acquisitions under subscriptions (SBITAs)	76,500	-	-	76,500	474,880
Developer contributions	25,998,679	56,557,158	18,638,990	101,194,827	112,437
OPERATING INCOME (LOSS)	\$ 3,924,955	\$ 43,557,292	\$ (1,671,873)	\$ 45,810,374	\$ 2,909,990
Adjustments to reconcile operating income (loss) to cash provided by operating activities					
Depreciation and Amortization	8,205,517	17,744,833	4,544,681	30,495,031	9,444,410
Regulatory asset	2,400,000	-	-	2,400,000	-
Gain/loss on disposal of asset	13,548	10,936	5,920	30,404	(13,905)
Other income	3,191,994	48,426,560	797,774	52,416,328	2,293,329
Decrease (increase) in prepaid expenses	(2,031,187)	(322,337)	-	(2,353,524)	(1,010)
Decrease (increase) in inventories	-	(7,314)	1,374	(5,940)	(1,092,576)
Decrease (increase) in accounts receivable	4,089,739	(6,362,148)	(4,089,697)	(6,362,106)	476,747
Decrease (increase) in other assets	(47,423)	-	-	(47,423)	-
Increase (decrease) in due to/from other funds	(279,576)	85,268	(20,005)	(214,313)	718,643
Increase (decrease) in accounts payable	990,669	(8,316,123)	251,241	(7,074,213)	1,987,278
Increase (decrease) in customer deposits	255,504	(400)	7,430	262,534	427,119
Increase (decrease) in unearned revenue	(142,750)	-	(25,305)	(168,055)	-
Increase (decrease) in net pension liability	267,078	278,845	3,867,940	4,413,863	-
Increase (decrease) in accrued employee benefits	221,022	185,969	38,216	445,207	118,418
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 21,059,090	\$ 95,281,381	\$ 3,707,696	\$ 120,048,167	\$ 17,268,443

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas
Statement of Fiduciary Net Position
Custodial Fund
September 30, 2025

	Custodial Fund
ASSETS	
Investments	\$ 659,623
Total assets	659,623
LIABILITIES	
Accounts payable	362,767
Total liabilities	362,767
NET POSITION	
Restricted for:	
PID development	296,856
Total net position	296,856
TOTAL LIABILITIES AND NET POSITION	\$ 659,623

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas

Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Fiscal Year Ended September 30, 2025

	Custodial Fund
ADDITIONS	
Property taxes	\$ 293,616
Total additions	293,616
DEDUCTIONS	
Administrative expenses	336,145
Total deductions	336,145
Net increase (decrease) in fiduciary net position	(42,529)
Net position, beginning of period	339,385
NET POSITION, END OF PERIOD	\$ 296,856

Notes Section

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City of Georgetown, Texas

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

The accounting and reporting policies of the City of Georgetown, Texas, (the City), included in the accompanying basic financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Annual Comprehensive Financial Report.

A. Reporting Entity

The City of Georgetown was incorporated under the laws of the State of Texas in 1848 and operates under a Council-Manager form of government. The City's financial statements include the accounts of all City operations. Generally accepted accounting principles require all funds that are controlled by or are dependent on the City Council to be included in the City's financial statements. The reporting entity is the primary government, or the City, and those component units for which the primary government is financially accountable. Financial accountability is defined as the appointment of a voting majority of the potential component unit's board and either the ability to impose its will by the primary government or the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with the data of the primary government. Based upon these considerations, the City's financial statements include the Georgetown Transportation Enhancement Corporation (GTEC) as a blended component unit. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the primary government, and whose exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these considerations, the City's financial statements include the Georgetown Economic Development Corporation (GEDCO) as a discretely presented component unit.

Blended Component Units

GTEC, the City's 4B economic development corporation, is a legally separate entity from the City that was created in May 2001 by voters approving an additional sales tax. GTEC is governed by a seven-member board appointed by City Council, of which two are Council members. The City Council maintains budgetary control over the corporation. The City Manager serves as the General Manager of the corporation and the City's Finance Director acts as the Financial Manager. For financial reporting purposes, GTEC is presented as a blended component unit within City operations because its sole purpose is to utilize sales tax revenues for the improvement of the City's transportation system. The revenues and expenditures for GTEC are accounted for in a general capital projects fund. The City issues debt on behalf of GTEC in exchange for pledged sales tax revenue that is transferred to the City to reimburse for debt service related to the bonds. GTEC's debt is shown in the Governmental Activities in the Statement of Net Position. Separately issued financial statements are not available.

The Parks at Westhaven Public Improvement District (Westhaven PID) was created in March 2021 for the purpose of financing the development and constructions costs for improvements made within or related to the Parks at Westhaven Development Project. The Westhaven PID meets the financial accountability tests and is considered to be a blended component unit. Specifically, the government body is made up of City Council members and management of the primary government has operational responsibility for the Westhaven PID. Separately issued financial statements are not available.

City of Georgetown, Texas

Notes to the Financial Statements

Discretely Presented Component Unit

GEDCO has been included in the reporting entity as a discretely presented component unit. GEDCO cannot be considered a blended component unit because the revenues are not only for the benefit of the City. GEDCO was created by the City in May 2005, under the Texas Development Act of 1979 for the purpose of promoting, assisting, and enhancing economic and development activities on behalf of the City. It is funded through voter authorized sales tax. The seven member Board, which includes two City Council members, is appointed by and serves at the discretion of the City Council. City Council approval is required for annual budgets and bonded debt issuance, therefore the City can impose its will on GEDCO. In the event of dissolution, net position of GEDCO shall be converted to the City. Accordingly, the City accounts for GEDCO as a discretely presented component unit on the government-wide financial statements. GEDCO is audited as part of the City of Georgetown. Separately issued financial statements are not available.

Related Organizations

The Mayor and City Council are responsible for appointing a voting majority of the members of some local boards and commissions, but the City's accountability for these organizations does not extend beyond making the appointments. This entity is the Georgetown Housing Authority.

B. Basis of Presentation

Basic Financial Statements

The basic financial statements include both government-wide financial statements (based on the City as a whole) and fund financial statements. Both sets of financial statements classify activities as either governmental, which are supported by taxes and intergovernmental revenues, or business-type activities, which rely on fees and charges for support.

Government-Wide Financial Statements

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given program or function is offset by the program's revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. The effect of interfund activity within the governmental and business-type activities columns has been removed from these statements.

Fund Financial Statements

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Each fund is considered a separate accounting entity and the operations of each fund are accounted for using a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Separate statements are presented for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

The government-wide focus is on the sustainability of the City as an entity and the change in net financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides a different focus, which allows the reader to compare and analyze the information to enhance the usefulness of the statements.

City of Georgetown, Texas

Notes to the Financial Statements

Governmental Fund Types

Governmental Funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds (in the fund financial statements) is on the sources, uses, and balance of current financial resources and include the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. The individual funds are described as follows:

Major Governmental Funds

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Georgetown Transportation Enhancement Corporation – This capital projects fund is used to account for the City's 4B Corporation activities, created to administer the voter approved half-cent sales tax for transportation improvements that aid in economic development efforts.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

General Capital Projects Fund – This capital projects fund is used to account for financial resources to be used for the acquisition or construction of parks, buildings, and other facilities. Such resources are derived from proceeds of general obligation bonds or other sources of revenue specifically set aside for capital projects.

Nonmajor Governmental Funds

Special Revenue Funds – The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specified purposes.

Proprietary Fund Types

The Proprietary Fund Types are used to account for the City's organization and activities which are similar to those often found in the private sector. These funds are financed and operated in a manner similar to private business enterprises – where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered mainly through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal on-going operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Major Proprietary Funds

Electric Fund – This fund accounts for the City's electric utility, including operations, maintenance of the infrastructure and expansion of the system within the City's service territory.

Water Services Fund – This fund accounts for the City's water, sewer and water reuse systems, including operations, contracted maintenance, internal maintenance, expansion of the system within the City's service territory and the costs of environmental mandates that arise.

City of Georgetown, Texas

Notes to the Financial Statements

Non-Major Proprietary Funds

Enterprise Funds – The funds that are operated as enterprise funds within the City but are not considered major funds are the Stormwater Drainage, Airport, and Solid Waste Funds.

Internal Service Funds – The Internal Service Funds, which provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. The financial statements of the internal service funds are allocated in the governmental column when presented at the government-wide level. Various operations are accounted for as internal service funds, such as operational costs associated with automobile and heavy equipment owned by the City and made available to various departments, costs related to maintaining and repairing City owned facilities, operational costs associated with the City's computer equipment within various departments, as well as jointly shared administrative departments.

Fiduciary Fund Type – Custodial Fund

The City's fiduciary fund is presented in total in the fund financial statements. Since by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, this fund is not incorporated in the government-wide statements. The City's fiduciary fund accounts for the operations of Cimarron Hills Public Improvement District in which taxes are received from the taxable value in Cimarron Hills and subsequently disbursed to the developer.

C. Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus refers to what is being measured and basis of accounting refers to timing of revenue and expenditure recognition in the financial statements.

The government-wide statements and fund financial statements for proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled utility services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within sixty (60) days after year-end. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from current available financial resources.

Ad valorem, sales, hotel, and franchise tax revenues recorded in the Governmental Fund Types are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

City of Georgetown, Texas

Notes to the Financial Statements

D. Budgets

At least 30 days prior to the end of each fiscal year, the City Manager submits a proposed budget presenting a complete financial plan for the ensuing fiscal year to the City Council (the Council). Public hearings are conducted, at which time all interested persons' comments concerning the budget are heard. The budget must be legally adopted by the Council through passage of an ordinance no later than the 27th day of the last month of the fiscal year.

Formal budgetary integration is employed as a management control device during the year for all Governmental and Proprietary Fund Types. Budgets for all funds were legally adopted for the period. Budgetary control is exercised at the department level. All budgets are prepared on the budgetary basis, recognizing encumbrances outstanding at year-end as expenditures against that year's appropriation. These encumbrances are reconciled to generally accepted accounting principles where appropriate.

The Council may transfer any unencumbered appropriation balance or portion thereof from one department, office, department, or agency to another at any time. The City Manager has authority, without Council approval, to transfer appropriation balances from one expenditure account to another within a single department, office, department, or agency of the City; however, unbudgeted transfers between funds are prohibited.

The Council may authorize by a majority plus one vote, an emergency expenditure as an amendment to the original budget, but only in a case of grave public necessity, to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable, diligent thought and attention. The governing body may make changes to the budget for other municipal purposes.

Budget amounts are as originally adopted, or as transferred pursuant to authorization of the City Manager or amended by the City Council. Individual amendments were not material in relation to the original appropriations, with the exception of amendments related to capital projects and grant expenditures, whose actual costs were unknown when the budget was adopted. Unencumbered appropriations lapse each year at September 30.

The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual –General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are reconciled to the actual results for this comparison.

E. Encumbrances

Encumbrance account is employed as an extension of formal budgetary control in all governmental and proprietary funds. Encumbrance account is a process whereby purchase orders, contracts, and other commitments for the expending of monies are recorded in order to reserve that portion of the applicable appropriation.

F. Cash and Investments

For cash flow purposes, cash and cash equivalents consist of demand deposits, certificates of deposits and deposits in authorized investment pools.

City of Georgetown, Texas

Notes to the Financial Statements

The operating cash balances from all funds are consolidated in pooled cash and investment accounts. Excess pooled balances are invested in U.S. Treasury securities, U.S. Government agency securities, fully collateralized money market funds and local government investment pools. Maturities on all investments are consistent with the City's cash flow requirements. Investments, except for the investment pools, for the City are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Interest earnings are then allocated to each fund based on average monthly pooled equity balances. Separate cash and investment accounts are maintained for restricted cash such as debt service and bond proceeds reserved for future construction.

G. Restricted Assets

Certain cash and investments are restricted by various legal and contractual obligations. Included in the restricted assets are capital recovery fees (impact fees) restricted by law for future capital improvements, customer deposits, and specific bond proceeds restricted for use.

H. Inventories and Prepaid Items

Inventories consist of electric materials, jet fuel, office and other supplies valued at the weighted average cost method and are recognized as expenditures or expenses when used. The prepaid items consist of required payments made to a vendor for a contract in the following fiscal year. These items are accounted for using the consumption method.

I. Interfund Receivables and Payables

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts.

J. Note Receivable

Long-term note receivable, which consists of the principal amount of the loan, is reported in the governmental fund statements with an offset to non-spendable fund balance as resources are not available for expenditure. Long-term note receivable reported in the governmental activities on the government-wide statement of net position is not offset by unavailable revenue as it is recorded on an accrual basis at its net realizable value.

K. Interfund Transactions

All legally authorized transfers have been appropriately presented as interfund transfers and are included in the fund financial statements of both Governmental and Proprietary Fund types. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

L. Intergovernmental Revenues

Intergovernmental revenues represent entitlements and shared revenues which are accounted for within the fund financed. Such revenues, received for purposes normally financed through the general government, are accounted for within the Special Revenue Funds.

M. Accrued Employee Benefits

All employees, with the exception of firefighters, may accumulate a maximum of two times their annual vacation, up to a cap of 240 hours, or 30 days paid upon separation. Firefighters who work shift roles may accrue up to a maximum cap of 360 hours and firefighter administration may accrue up to a maximum of 257 hours that can be paid out upon separation.

City of Georgetown, Texas

Notes to the Financial Statements

Full-time employees earn a maximum of 96 hours of sick leave each year. Upon termination, non-Civil Service employees will not receive payment of sick leave, unless they have a balance that originated prior to October 1, 2004. These employees were grandfathered under the old policy of receiving payment for one-half of their balance of sick leave up to 60 days at the rate of pay when the hours were banked. Upon termination, Civil Service employees are paid for the balance of their Civil Service sick leave earned after July 30, 2003 or October 31, 2005 (the effective date of the regulations in the City for fire civil service and police civil service employees, respectively), up to a maximum of 720 hours or 1,080 hours for those Firefighters on a 56 hour a week schedule on an annual basis. Civil Service employees hired prior to the effective date of the adoption of Civil Service regulations are also eligible under city policy to receive payment for one-half of their sick leave up to 60 days at the rate of pay when the hours were banked.

Accumulated vacation leave which is expected to be liquidated with expendable available financial resources, is reported as expenditure and a fund liability of the governmental fund that will pay it. Accumulated sick leave which is more likely than not to be used by employees and expected to be liquidated with expendable available financial resources, is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts of accumulated vacation and sick leave within governmental funds that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability on the statement of net position. No expenditure is reported for these amounts in the fund financial statements unless the benefits have matured, i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement. Accumulated vacation and sick leave of proprietary fund types are recorded as an expense and liability of those funds as the benefits accrue to employees.

N. Capital Assets

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, have an original cost of \$5,000 or more and an expected useful life of over one year.

Depreciation for assets is computed using the straight-line method on the composite assets based upon the estimated useful lives as follows:

Distribution systems	25 to 50 years
Buildings and improvements	10 to 20 years
Furniture, fixtures, and equipment	3 to 10 years
Streets and drainage	20 to 30 years

The City records capital contributions to proprietary funds as revenue. Total capital contributions to the enterprise funds in fiscal year 2025 totaled \$101,194,827. Contributed capital is not recorded for governmental type funds but is recognized on the government-wide statements and totaled \$23,025,844 for the year ended September 30, 2025.

City of Georgetown, Texas

Notes to the Financial Statements

O. Leases

Lessee

The City is a lessee for a non-cancelable lease of equipment and a facility. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more. At the commencement of the a lease, the City initially measures the lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amounts of the lease liability, adjusted for least payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The City is a lessor for non-callable leases of facilities and land. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

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

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

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

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

Lease receivables are reported with other accounts receivable and deferred inflow related to leases are reported with deferred inflows on the statement of net position.

City of Georgetown, Texas

Notes to the Financial Statements

P. Subscription-Based Information Technology Arrangements (SBITAs)

The City has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The City recognizes a subscription liability, reported with long-term debt, and a right-of-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide and proprietary fund financial statements.

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

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the City is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

Q. Regulatory Asset

Recognizing a regulatory asset is consistent with GASB 62 Regulatory Asset Treatment due to the extraordinary expenses related to Winter Storm Uri in February 2021. This treatment allows for the capitalization of the \$48 million in purchase power costs in the Electric Fund associated with the storm rather than expensing these costs all in one year. This regulatory asset is set up with an amortization schedule to match the expected cost recovery of the capitalized costs, which has been approved by the City Council. The financial impacts of the amortization are included in the electric cost of service study. The council has the flexibility to expedite the amortization of the regulatory asset based on future financial conditions. Fiscal Year 2025 contained purchase power amortization costs of \$2.4 million on the Statement of Revenues, Expenses and Changes in Net Position with a net asset value as of September 30, 2025 of \$37.2 million on the statement of net position for the proprietary funds.

City of Georgetown, Texas

Notes to the Financial Statements

R. Long-term Obligations

The portion of long-term general obligation debt used to finance proprietary fund operations and payable from the revenues of the Enterprise Funds is recorded in such funds. General obligation bonds and other forms of long-term debt supported by general revenues are obligations of the City as a whole and not its individual funds. Accordingly, such unmatured obligations of the City are accounted for on the statement of net position and payments of principal and interest relating to the general obligation bonds are recorded as expenditures when they are paid in the fund statements. Self-supporting general obligation debt, which will be repaid from non-general revenue sources, is recorded in the appropriate proprietary fund.

S. Pensions and Other Post-employment Benefits

For purposes of measuring the net pension liability and net OPEB liability, related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the applicable plans and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported. 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. Information regarding the City's Total Pension Liability and OPEB liability for life insurance benefits is obtained from TMRS through reports prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable Governmental Accounting Standards Board (GASB) standards. Information regarding the City's OPEB liability for retiree healthcare benefits is obtained through reports prepared for the City by its consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable GASB standards.

T. Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Specifically, the actuarial calculations used to determine the annual required contributions and related liabilities of the City's retirement plan and post-employment obligations are based on assumptions about the possibility of events far into the future. Accordingly, actual results could differ from those estimates.

U. Risk Financing Activity

The City of Georgetown is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. During fiscal year 2025, the City purchased general liability and property insurance from Texas Municipal League Intergovernmental Risk Pool (TML-IRP). The City pays an annual premium to TML-IRP for such coverage. TML-IRP purchases reinsurance and the City does not retain risks of loss exceeding deductibles. Settled claims have not exceeded insurance coverage in the past three years.

The workers compensation plan is administered and paid through the Texas Municipal League- Intergovernmental Risk Pool (TML-IRP). Under this plan, the City does not retain risks of loss exceeding the deductibles. TML-IRP also brokers the City's Aviation and Underground Storage Tank Pollution liability insurance, as well as the canine and surgical vet coverage. The City does not retain the risks of loss exceeding the deductibles.

City of Georgetown, Texas

Notes to the Financial Statements

V. Credit Risk

Financial investments which potentially subject the City to concentrations of credit risk consist principally of cash, investments and accounts receivable. At September 30, 2025, there was not a significant risk arising from cash, investments, or accounts receivable.

W. Nature and Purpose of Reservations and Designation of Fund Balance

The City's Fund Balance is the accumulated difference between assets and liabilities within governmental funds, and it allows the City to meet its contractual obligations, fund disaster, or emergency costs, provide cash flow for timing purposes and fund non-recurring expenses appropriated by City Council. The City Council has adopted a financial standard to maintain a General Fund minimum balance of 90 days of budgeted on-going expenditures and 75 days citywide. This policy establishes limitations on the purposes for which Fund Balances can be used in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54.

Five Components of Fund Balance

Non-spendable Fund Balance – includes inherently non-spendable assets that will never convert to cash, as well as assets that will not convert to cash soon enough to affect the current financial period. Assets included in this category are prepaid items, inventory, and non-financial assets held for resale.

Restricted Fund Balance – represents the portion of fund balance that is restricted to specific purposes that are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, such as hotel/motel tax and bond proceeds.

Committed Fund Balance – describes the portion of fund balance that can only be used for specific purposes with constraints imposed by the formal action of the City Council's adoption of an ordinance and remains binding unless the City Council removes the limitation.

Assigned Fund Balance – is that portion of fund balance that reflects the City's *intended* use for a specific purpose but is neither restricted nor committed. Assigned fund balances are determined by City management based on Council direction, in accordance with our financial policies adopted by resolution.

Unassigned Fund Balance – represents funds that have not been assigned to any other fund and cannot be properly classified in one of the other four categories within the general fund.

City of Georgetown, Texas

Notes to the Financial Statements

Below is the fund balance classification for the governmental funds:

	General	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Inventory/prepays	\$ 23,392	\$ -	\$ -	\$ -	\$ -	\$ 23,392
Restricted for						
Debt service	-	-	5,257,085	-	-	5,257,085
Bond funds	-	-	-	217,697,840	-	217,697,840
Hotel/motel tax	-	-	-	-	3,877,331	3,877,331
Street maintenance tax	-	-	-	-	9,074,075	9,074,075
Municipal court	-	-	-	-	276,062	276,062
Police	-	-	-	-	614,470	614,470
Public Education & Government	-	-	-	-	911,240	911,240
Sidewalk maintenance	-	-	-	-	160,099	160,099
Tax increment zone improvements	-	-	-	-	3,852,910	3,852,910
Public improvement districts	-	-	-	-	2,207,314	2,207,314
Transportation enhancement	-	4,815,000	-	-	-	4,815,000
Park improvements	-	-	-	-	22,444,367	22,444,367
Streetlight maintenance	-	-	-	-	79,996	79,996
Committed for						
Contingency	20,876,742	3,243,057	-	-	-	24,119,799
Other capital projects	-	93,763,117	-	-	-	93,763,117
Nonmajor funds	-	-	-	-	7,325,040	7,325,040
Unassigned	16,173,898	-	-	-	-	16,173,898
Total fund balance	\$ 37,074,032	\$ 101,821,174	\$ 5,257,085	\$217,697,840	\$ 50,822,904	\$ 412,673,035

When both restricted and unrestricted fund balance amounts are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for which amounts in any of those unrestricted fund balance classifications are available. Amounts assigned to encumbrances relate to purchase commitments for future periods that do not yet meet expenditure recognition criteria.

X. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The City has the following items that qualify for reporting in this category:

- Deferred charges on refundings
- Pension and OPEB items:
 - Differences between expected and actual economic experience
 - Changes in actuarial assumptions
 - Difference between projected and actual investment earnings
 - Contributions to pension plan subsequent to the measurement date

City of Georgetown, Texas

Notes to the Financial Statements

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property taxes levied, but not expected to be available to fund obligations in the current period, are recorded as deferred inflows of resources on the balance sheet. Additionally, deferred inflows of resources are recognized related to lease receivable, pension and OPEB changes during the year.

Y. Net Position

Net position represents the difference between assets, liabilities and respective deferred outflow or inflows of resources. A portion of net position represents net investments in capital assets which is the total balance of the City's investment in capital assets less accumulated depreciation and the outstanding balances of any borrowing spent for that acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through (1) the enabling legislation adopted by the City, (2) through external restrictions imposed by grantors, or (3) laws or regulations of other governments.

Note 2. Cash and Investments

For cash flow purposes, cash and temporary investments consist of demand deposits, certificates of deposits, and authorized investment pools. The operating cash balance from all funds is consolidated in pooled cash and investment accounts. Excess pooled balances are invested in U.S. Treasury securities, U.S. Government agency securities, fully collateralized money market funds and local government investment pools. Maturities on all investments are consistent with the City's cash flow requirements. Investments are recorded at cost. Interest earnings are allocated to each fund based on average monthly pooled equity balances. Separate cash and investment accounts are maintained for restricted cash such as debt service, utility debt reserves, and bond proceeds reserved for future construction.

The investment policies of the City are governed by State statutes and a City Council adopted Investment Policy. Major provisions of the City's investment policy include: responsibility for investments, authorized investments, security dealer selection and qualifying procedures, safekeeping and custodial procedures, statement of investment objectives, and investment reporting requirements.

A. Deposits

Texas Statutes require that all bank deposits be insured or fully collateralized by the U.S. government obligations or obligations of the State of Texas and its agencies. Fair value of the collateral pledged must equal at least 102% of the bank deposits not covered by federal deposit insurance.

At year-end, the carrying amount of the City's bank deposits was \$713,550 and the bank balances were \$748,551, all of which were entirely covered by Federal depository insurance or by collateral held by the City's agent bank in the City's name.

In order to maximize interest earnings, the City utilizes a controlled disbursement account, which allows the City to deposit only as much money as needed to fund checks presented each day.

B. Investments

The City is authorized to invest in certificates of deposit, direct obligations of the U.S. government, U.S. government agency securities, fully collateralized direct repurchase agreements, no-load money market funds whose portfolios meet the City's investment requirements, and in qualified local government investment pools as approved by the City Council. Non-participating interest earning contracts, including certificates of deposit, and money market accounts are reported at cost. Investments in external investment pools are reported at amortized cost.

City of Georgetown, Texas

Notes to the Financial Statements

Interest rate risk is the potential for a decline in market value due to rising interest rates. In compliance with the City's Investment Policy, as of September 30, 2025, the City minimized the interest rate risk in the portfolio by limiting the weighted average maturity of security types to no longer than two years; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations and capital improvement projects; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in shorter-term securities and similar government investment pools.

The City evaluated all of its cash and investment positions, and determined that it had none subject to recurring fair value recognition or disclosures. The City's investment balances and weighted average maturity of such investments as of September 30, 2025 are:

	Primary Government	
	September 30, 2025	Weighted Average Maturity (Days)
Investment pools (at amortized cost)		
Texas local government investment pool (TexPool)	\$ 55,169,094	25
Texas local government investment pool (Texas Range)	-	
Texas short-term asset reserve program (TexSTAR)	339,279,486	26
Investments (at cost)		
Money market accounts	79,691,144	1
Certificates of deposit	460,299,052	221
Securities	121,911,793	137
Total investments	1,056,350,569	
 Portfolio weighted average maturity		 126
 Carrying amount - cash	 3,574,711	
Total cash and investments	\$ 1,059,925,280	

C. Credit Risk

Credit risk is the possibility that the issuer of a security will fail to make timely payments of interest or principal. In general, the lower the credit quality of a security, the higher the yield, with all other factors being equal. In compliance with the City's Investment Policy, as of September 30, 2025, the City minimized credit risk losses due to default of security issuer or backer by limiting investments to the safest types of securities; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business; and diversifying the investment portfolio so that potential losses on individual securities were minimized.

For short-term liquidity requirements, the City primarily utilizes the Texas Short-Term Asset Reserve Program (TexSTAR). JPMorgan Fleming Asset Management, Inc. and First Southwest Asset Management, Inc. serve as co-administrators under an agreement with the TexSTAR board of directors to provide investment and participant services for this pool. JPMorgan Chase Bank or its subsidiary J.P. Morgan Investor Services Co. provides the custodial, transfer agency, fund accounting, and depository services for this pool.

City of Georgetown, Texas

Notes to the Financial Statements

The City also maintains an account with the Texas Local Government Investment Pool (TexPool). Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State of Texas Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool.

At year end, balances in TexSTAR and TexPool were rated AAAM by Standard & Poor's. All pools operate on a \$1 net asset value basis. In order to maintain a stable \$1 price of the fund, the pools will sell portfolio holdings if the ratio of the fair value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005. The pools are stated at their measured amortized cost, which is assumed to approximate fair value.

Note 3. Taxes

A. Property Taxes

Property is appraised and a lien on such property becomes enforceable as of January 1 of each year. Taxes are levied on and payable the following October 1. Taxes become delinquent February 1 of the following year and are subject to interest and penalty charges. Under an agreement which began August 1, 2000, Williamson County Tax Office collects the City's taxes. In the fund financial statements, City property tax revenues are recognized when levied to the extent that they are collected in the current year. Taxes collected prior to the levy date to which they apply are recorded as unearned revenues and recognized as revenue of the period to which they apply.

All collections from prior year levies are considered delinquent tax revenue for reporting purposes in the year collected. The allowance for uncollectible taxes at September 30, 2025 was \$17,207.

The City is permitted by the State of Texas to levy taxes up to \$2.50 per \$100 of assessed valuation for general government services and for the payment of principal and interest on general long-term debt. The combined current tax rate to finance general government services, including debt service for the fiscal year ended September 30, 2025, was \$0.365 per \$100 of assessed valuation.

The Williamson Central Appraisal District (Appraisal District) is responsible for the recording and appraisal of property for all taxing units in Williamson County. The Appraisal District is required to assess property at 100% of its appraised value. Real property must be reappraised at least every four years. The City may, at its own expense, require annual reviews by the Appraisal District through various appeals and, if necessary, legal action. Under this system, if the rate, excluding tax rates for bonds and other contractual obligations adjusted for new improvements, exceeds the rate for the previous year by more than 3.5%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to an increase of no more than 3.5%.

In September 2004, voters approved an initiative to freeze property taxes for homeowners over the age of 65 or disabled. This measure mirrors the State of Texas Constitutional Amendment Proposition 13, which passed overwhelmingly statewide in 2003. Prop 13 gives local governments the option of "freezing" taxes for the elderly and disabled.

City of Georgetown, Texas

Notes to the Financial Statements

B. Sales Taxes

The City has adopted the provisions of Article 1066C, Vernon's Texas Civil Statutes, as amended, which grant the City the power to impose and levy a 1% Local Sales and Use Tax within the City. Proceeds of the tax are credited to the General Fund except for sales taxes generated at the airport which are credited to the Airport (Enterprise) Fund. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits to the City monthly the proceeds of the tax, after deduction of a 2% service fee.

On October 1, 2001, the City began collecting an additional half-cent sales tax for its component unit, GTEC, to fund transportation improvements that promote economic development. These funds are reported in the GTEC General Capital Projects Fund, a blended component unit of the City.

On April 1, 2003, the City began collecting an additional quarter-cent sales tax in accordance with Texas House Bill 445 to fund maintenance on streets that were in existence at the time the sales tax was adopted by the voters. In November 2014, 2018, and 2022, the citizens readopted this quarter-cent sales tax option. The sunset provision will expire in March 2027. These funds are reported in the Streets Special Revenue Fund.

On October 1, 2005, the City began collecting an additional eighth-cent sales tax in accordance with the Texas Development Corporation Act of 1979, Article 5190.6, Section 4A Texas Revised Civil Statutes for the promotion and development of new and expanded business enterprises. This sales tax is administered through GEDCO.

On October 1, 2005, the City began collecting an additional eighth-cent sales tax to be used toward the reduction of ad valorem property taxes. Proceeds are credited to the City's General Fund.

Note 4. Transfers

Transfers Out	Transfers In								Total Transfers Out
	Governmental Funds					Enterprise Funds			
	Major Funds			Major Funds					
	General Fund	Debt Service	General Capital Projects	Nonmajor Special Revenue	Internal Services	Electric	Water	Nonmajor Enterprise Funds	
Governmental funds									
Major funds									
General fund	\$ -	\$ -	\$ 2,517,555	\$1,090,000	\$ 77,946	\$ -	\$ -	\$ -	\$ 3,685,501
GTEC	-	3,309,149	-	-	-	-	-	-	3,309,149
General capital projects	-	-	-	-	4,281,710	-	-	-	4,281,710
Nonmajor funds	1,820,261	723,752	1,566,371	-	135,572	88,506	-	-	4,334,462
Internal service funds	1,482,055	-	-	-	239,850	7,033,658	9,703,753	3,564,949	22,024,265
Enterprise funds									
Major funds									
Electric	6,890,917	-	-	-	30,000	-	-	-	6,920,917
Water services	9,307,013	-	-	-	1,900,124	-	-	-	11,207,137
Nonmajor funds	1,169,148	-	5,312,500	-	58,750	-	-	-	6,540,398
	<u>\$20,669,394</u>	<u>\$ 4,032,901</u>	<u>\$ 9,396,426</u>	<u>\$1,090,000</u>	<u>\$ 6,723,952</u>	<u>\$ 7,122,164</u>	<u>\$ 9,703,753</u>	<u>\$ 3,564,949</u>	62,303,539
Transfers eliminated in government-wide statements									(58,025,953)
Net transfers - statement of activities									\$ 4,277,586

The net transfers between the governmental types and business types total \$1,240,846. Per the City's fiscal and budgetary policy, utility operations transfer seven percent of gross billings for utility services to the General fund as a payment in lieu of taxes. Other types of transfers include grant matching, fire hydrant testing, equipment purchases, and capital project funding.

City of Georgetown, Texas

Notes to the Financial Statements

Note 5. Capital Assets

Capital asset activity for the year ended September 30, 2025 was as follows:

	Balance September 30, 2024	Additions	Deletions and Transfers	Balance September 30, 2025
Governmental activities				
Capital assets not being depreciated or amortized				
Land	\$ 27,892,664	\$ 8,897,687	\$ -	\$ 36,790,351
Land rights	21,009,247	-	-	21,009,247
Construction in progress	85,271,471	86,481,758	(50,695,255)	121,057,974
Total capital assets not being depreciated or amortized	134,173,382	95,379,445	(50,695,255)	178,857,572
Capital assets being depreciated or amortized				
Buildings	108,900,564	136,335	-	109,036,899
Furniture, machinery, and equipment	46,010,359	7,260,122	(204,950)	53,065,531
Vehicles	46,426,743	15,872,505	(19,500,144)	42,799,104
Streets	382,107,358	40,668,945	-	422,776,303
Distribution system	15,252,116	252,738	-	15,504,854
Bridges	21,223,299	63,400	-	21,286,699
Right-to-use asset - buildings	3,280,071	-	-	3,280,071
Right-to-use asset - equipment	372,278	-	-	372,278
Right-to-use asset - operational software	8,992,061	605,462	(2,482,080)	7,115,443
Improvements	99,387,519	10,225,761	-	109,613,280
Total capital assets being depreciated or amortized	731,952,368	75,085,268	(22,187,174)	784,850,462
Less accumulated depreciation and amortization for				
Buildings	(30,816,862)	(2,307,490)	-	(33,124,352)
Furniture, machinery, and equipment	(34,709,001)	(4,181,239)	192,950	(38,697,290)
Vehicles	(26,849,451)	(4,614,848)	8,858,801	(22,605,498)
Streets	(74,823,064)	(27,784,864)	-	(102,607,928)
Distribution system	(1,597,694)	(388,739)	-	(1,986,433)
Bridges	(5,709,773)	(485,955)	-	(6,195,728)
Right-to-use asset - buildings	(1,583,731)	(940,100)	-	(2,523,831)
Right-to-use asset - equipment	(199,493)	-	-	(199,493)
Right-to-use asset - operational software	(3,448,535)	(2,815,250)	2,230,321	(4,033,464)
Improvements	(45,572,625)	(7,664,691)	-	(53,237,316)
Total accumulated depreciation and amortization	(225,310,229)	(51,183,176)	11,282,072	(265,211,333)
Total capital assets being depreciated or amortized, net	506,642,139	23,902,092	(10,905,102)	519,639,129
Governmental activities capital assets, net	\$ 640,815,521	\$ 119,281,537	\$ (61,600,357)	\$ 698,496,701
Electric activities				
Capital assets not being depreciated or amortized				
Land	\$ 635,073	\$ -	\$ -	\$ 635,073
Land rights	153,607	-	-	153,607
Construction in progress	8,828,333	21,789,841	(12,727,544)	17,890,630
Total capital assets not being depreciated or amortized	9,617,013	21,789,841	(12,727,544)	18,679,310
Capital assets being depreciated or amortized				
Buildings	24,637	-	-	24,637
Furniture, machinery, and equipment	1,643,981	45,435	176,855	1,866,271
Vehicles	13,346	730,460	5,761,606	6,505,412
Distribution system	257,796,579	18,445,919	-	276,242,498
Right-to-use asset - operational software	104,230	76,500	(104,230)	76,500
Improvements	173,421	-	-	173,421
Total capital assets being depreciated or amortized	259,756,194	19,298,314	5,834,231	284,888,739
Less accumulated depreciation and amortization for				
Buildings	(24,637)	-	-	(24,637)
Furniture, machinery, and equipment	(1,622,526)	(18,110)	(176,855)	(1,817,491)
Vehicles	(13,346)	(155,764)	(2,259,111)	(2,428,221)
Distribution system	(90,222,269)	(8,012,518)	-	(98,234,787)
Right-to-use asset - operational software	(39,585)	(83,770)	104,230	(19,125)
Improvements	(173,421)	-	-	(173,421)
Total accumulated depreciation and amortization	(92,095,784)	(8,270,162)	(2,331,736)	(102,697,682)
Total capital assets being depreciated or amortized, net	167,660,410	11,028,152	3,502,495	182,191,057
Electric activities capital assets, net	\$ 177,277,423	\$ 32,817,993	\$ (9,225,049)	\$ 200,870,367

City of Georgetown, Texas

Notes to the Financial Statements

	Balance September 30, 2024	Additions	Deletions and Transfers	Balance September 30, 2025
Water services activities				
Capital assets not being depreciated or amortized				
Land	\$ 1,559,074	\$ -	\$ -	\$ 1,559,074
Land rights	66,006	-	-	66,006
Construction in progress	310,387,146	189,159,611	(2,450,295)	497,096,462
Total capital assets not being depreciated or amortized	312,012,226	189,159,611	(2,450,295)	498,721,542
Capital assets being depreciated or amortized				
Buildings	8,992,038	491,100	-	9,483,138
Furniture, machinery, and equipment	2,112,248	381,206	(30,280)	2,463,174
Vehicles	77,592	579,733	8,538,123	9,195,448
Distribution system	631,270,819	58,978,025	-	690,248,844
Right-to-Use Asset - equipment	-	651,600	-	651,600
Right-to-Use Asset - building	-	2,161,573	-	2,161,573
Improvements	802,666	-	-	802,666
Total capital assets being depreciated or amortized	643,255,363	63,243,237	8,507,843	715,006,443
Less accumulated depreciation and amortization for				
Buildings	(3,780,521)	(703,277)	-	(4,483,798)
Furniture, machinery, and equipment	(1,724,495)	(124,540)	30,280	(1,818,755)
Vehicles	(37,499)	(244,274)	(3,133,010)	(3,414,783)
Distribution system	(163,610,448)	(15,674,532)	-	(179,284,980)
Right-to-Use Asset - equipment	-	(341,487)	-	(341,487)
Right-to-Use Asset - building	-	(834,607)	-	(834,607)
Improvements	(327,526)	(60,486)	-	(388,012)
Total accumulated depreciation and amortization	(169,480,489)	(17,983,203)	(3,102,730)	(190,566,422)
Total capital assets being depreciated or amortized, net	473,774,874	45,260,034	5,405,113	524,440,021
Water services activities capital assets, net	\$ 785,787,100	\$ 234,419,645	\$ 2,954,818	\$ 1,023,161,563
Other nonmajor business-type activities				
Capital assets not being depreciated or amortized				
Land	\$ 1,135,536	\$ -	\$ -	\$ 1,135,536
Land rights	1,503,538	-	-	1,503,538
Construction in progress	16,459,046	832,411	(16,500,128)	791,329
Total capital assets not being depreciated or amortized	19,098,120	832,411	(16,500,128)	3,430,403
Capital assets being depreciated or amortized				
Buildings	3,856,218	-	-	3,856,218
Furniture, machinery, and equipment	579,795	53,477	6,500	639,772
Vehicles	8,350	-	3,167,911	3,176,261
Streets	820,671	518,646	-	1,339,317
Distribution system	130,747,961	18,638,990	-	149,386,951
Improvements	6,360,228	16,023,606	-	22,383,834
Total capital assets being depreciated or amortized	142,373,223	35,234,719	3,174,411	180,782,353
Less accumulated depreciation and amortization for				
Buildings	(2,537,054)	(49,160)	-	(2,586,214)
Furniture, machinery, and equipment	(284,025)	(34,808)	(6,500)	(325,333)
Vehicles	(8,350)	(71,434)	(1,552,678)	(1,632,462)
Streets	(53,592)	(43,865)	-	(97,457)
Distribution system	(28,421,272)	(4,196,837)	-	(32,618,109)
Improvements	(5,790,784)	(148,576)	-	(5,939,360)
Total accumulated depreciation and amortization	(37,095,077)	(4,544,680)	(1,559,178)	(43,198,935)
Total capital assets being depreciated or amortized, net	105,278,146	30,690,039	1,615,233	137,583,418
Other nonmajor business-type activities capital assets, net	\$ 124,376,266	\$ 31,522,450	\$ (14,884,895)	\$ 141,013,821

City of Georgetown, Texas
Notes to the Financial Statements

	Balance September 30, 2024	Additions	Deletions and Transfers	Balance September 30, 2025
Total business-type activities				
Capital assets not being depreciated or amortized				
Land	\$ 3,329,683	\$ -	\$ -	\$ 3,329,683
Land rights	1,723,151	-	-	1,723,151
Construction in progress	335,674,525	211,781,863	(31,677,967)	515,778,421
Total capital assets not being depreciated or amortized	340,727,359	211,781,863	(31,677,967)	520,831,255
Capital assets being depreciated or amortized				
Buildings	12,872,893	491,100	-	13,363,993
Furniture, machinery, and equipment	4,336,024	480,118	153,075	4,969,217
Vehicles	99,288	1,310,193	17,467,640	18,877,121
Streets	820,671	518,646	-	1,339,317
Distribution system	1,019,815,359	96,062,934	-	1,115,878,293
Right-to-use asset - operational software	104,230	76,500	(104,230)	76,500
Right-to-Use Asset - equipment	-	651,600	-	651,600
Right-to-Use Asset - building	-	2,161,573	-	2,161,573
Improvements	7,336,315	16,023,606	-	23,359,921
Total capital assets being depreciated or amortized	1,045,384,780	117,776,270	17,516,485	1,180,677,535
Less accumulated depreciation and amortization for				
Buildings	(6,342,212)	(752,437)	-	(7,094,649)
Furniture, machinery, and equipment	(3,631,046)	(177,458)	(153,075)	(3,961,579)
Vehicles	(59,195)	(471,472)	(6,944,799)	(7,475,466)
Streets	(53,592)	(43,865)	-	(97,457)
Distribution system	(282,253,989)	(27,883,887)	-	(310,137,876)
Right-to-use asset - operational software	(39,585)	(83,770)	104,230	(19,125)
Right-to-Use Asset - equipment	-	(341,487)	-	(341,487)
Right-to-Use Asset - building	-	(834,607)	-	(834,607)
Improvements	(6,291,731)	(209,062)	-	(6,500,793)
Total accumulated depreciation and amortization	(298,671,350)	(30,798,045)	(6,993,644)	(336,463,039)
Total capital assets being depreciated or amortized, net	746,713,430	86,978,225	10,522,841	844,214,496
Total business-type activities capital assets, net	\$1,087,440,789	\$ 298,760,088	\$ (21,155,126)	\$ 1,365,045,751

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities	
Culture / recreation	\$ 7,512,978
Development	6,260,815
Fire	2,086,938
General government	6,260,815
Highways and streets	18,782,445
Police	834,775
Internal service funds	9,444,410
Total depreciation and amortization expense governmental activities	\$ 51,183,176
Business-type activities	
Electric	\$ 8,270,162
Water services	17,983,203
Nonmajor	4,544,680
Total depreciation and amortization expense business-type activities	\$ 30,798,045

City of Georgetown, Texas
Notes to the Financial Statements

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets			
Total capital assets (net of accumulated depreciation)	\$ 698,496,701	\$1,365,045,751	\$2,063,542,452
Less: capital-related liabilities	(8,144,375)	(17,950,364)	(26,094,739)
Less long-term debt and related charges	(479,642,069)	(700,600,533)	(1,180,242,602)
Add unspent bond proceeds	304,462,763	291,660,441	596,123,204
Net long-term debt	(175,179,306)	(408,940,092)	(584,119,398)
Net investment in capital assets	\$ 515,173,020	\$ 938,155,295	\$1,453,328,315

Note 6. Leases

A. Lease Receivable

During the fiscal year 2022, the City began leasing a portion of the public library to a third party. The lease is for 8 years and the City will receive monthly payments of \$1,624. The City recognized \$16,709 in lease revenue and \$4,177 in interest revenue during the current fiscal year related to this lease. As of September 30, 2025, the City's receivable for lease payments was \$80,135. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of September 30, 2025, the balance of the deferred inflow of resources was \$75,843.

The City leases a facility to a third party at the solid waste collection station. The lease is for 10 years and the City will receive annual payments of \$20,000. The City recognized \$16,871 in lease revenue and \$5,386 in interest revenue during the current fiscal year related to this lease. As of September 30, 2025, the City's receivable for lease payments was \$104,843. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of September 30, 2025, the balance of the deferred inflow of resources was \$101,224.

The Airport leases hangar space to various lessees. These leases are non-cancellable and terminate no later than October 2033. These leases are being presented in aggregate. The City recognized \$292,117 in lease revenue and \$32,140 in interest revenue during the current fiscal year related to these leases. As of September 30, 2025, the City's receivable for lease payments was \$2,459,474. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of September 30, 2025, the balance of the deferred inflow of resources was \$2,420,612.

The Airport leases land to various lessees. These leases are non-cancellable and terminate no later than February 2050. These leases are being presented in aggregate. The City recognized \$259,293 in lease revenue and \$63,191 in interest revenue during the current fiscal year related to these leases. As of September 30, 2025, the City's receivable for lease payments was \$4,277,270. Also, the City has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of September 30, 2025, the balance of the deferred inflow of resources was \$4,138,974.

Lease receivables are reported with other accounts receivables on the statement of net positions. And deferred inflow related to leases are reported with deferred inflows on the statement of net position.

City of Georgetown, Texas
Notes to the Financial Statements

Principal and interest requirements to maturity for the lease receivable at September 30, 2025, are as follows:

Fiscal Years Ending September 30,	General Governmental		
	Principal	Interest	Total
2026	\$ 32,390	\$ 7,097	\$ 39,487
2027	33,699	5,789	39,488
2028	35,059	4,429	39,488
2029	36,475	3,013	39,488
2030	28,122	1,622	29,744
2031 - 2035	19,233	769	20,002
	<u>\$ 184,978</u>	<u>\$ 22,719</u>	<u>\$ 207,697</u>

Fiscal Years Ending September 30,	Airport Fund		
	Principal	Interest	Total
2026	\$ 571,678	\$ 80,079	\$ 651,757
2027	558,778	66,649	625,427
2028	555,526	53,249	608,775
2029	488,649	40,754	529,403
2030	356,699	32,594	389,293
2031 - 2035	1,347,278	107,717	1,454,995
2036 - 2040	1,148,972	54,465	1,203,437
2041 - 2045	911,404	8,509	919,913
2046 - 2050	447,210	1,660	448,870
2051 - 2055	350,550	-	350,550
	<u>\$6,736,744</u>	<u>\$ 445,676</u>	<u>\$ 7,182,420</u>

Fiscal Years Ending September 30,	Total		
	Principal	Interest	Total
2025	\$ 604,068	\$ 87,176	\$ 691,244
2026	592,477	72,438	664,915
2027	590,585	57,678	648,263
2028	525,124	43,767	568,891
2029	384,821	34,216	419,037
2030 - 2034	1,366,511	108,486	1,474,997
2035 - 2039	1,148,972	54,465	1,203,437
2040 - 2044	911,404	8,509	919,913
2045 - 2049	447,210	1,660	448,870
2050	350,550	-	350,550
	<u>\$6,921,722</u>	<u>\$ 468,395</u>	<u>\$ 7,390,117</u>

City of Georgetown, Texas

Notes to the Financial Statements

B. Lease Liabilities

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-use equipment and buildings over the term of the lease. The City is required to make both monthly and annual payments at its incremental borrowing rate or interest rate stated or implied within the leases. The City recorded right-of-use assets for Governmental Activities of \$3,652,349, which are recorded in capital assets on the statement of net position. These assets had \$2,723,324 in accumulated amortization for the fiscal year of 2025. The City recorded right-of-use assets for Business Activities of \$2,813,713, which are recorded in capital assets on the statement of net position. These assets has \$1,176,094 in accumulated amortization for the fiscal year of 2025.

The lease payables are reported with other long-term liabilities on the statement of net position. In the fiscal year 2025, the City reduced these payables by \$961,866. At the ending balance of these payables at September 30, 2025 was \$921,003.

The lease payables for business activities are reported with other long-term liabilities on the statement of net position. In the fiscal year 2025, the City reduced these payables by \$924,552. At the ending balance of these payables at September 30, 2025 was \$1,641,801.

The lease rate, term and ending lease liability are as follows:

<u>Governmental activities</u>	<u>Interest Rate</u>	<u>Lease term years</u>	<u>Balance at year end</u>
Buildings	1.6% - 2.7%	3-10	\$ 892,896
Equipment	0.13 - 3.33%	4-6	28,107
Total governmental activities			\$ 921,003
<u>Business-type activities</u>	<u>Interest Rate</u>	<u>Lease term years</u>	<u>Balance at year end</u>
Equipment	0.13 - 3.33%	3-10	\$ 307,700
Infrastructure	0.13 - 3.33%	4-6	1,334,101
Business-type activities			\$ 1,641,801

City of Georgetown, Texas
Notes to the Financial Statements

Principal and interest requirements to maturity for the lease payables at September 30, 2025, are as follows

Fiscal Years Ending September 30, 2025	Governmental activities		
	Principal	Interest	Total
2026	\$ 569,105	\$ 11,239	\$ 580,344
2027	85,662	5,402	91,064
2028	87,204	3,860	91,064
2029	78,776	2,288	81,064
2030	80,045	1,019	81,064
2031	20,212	54	20,266
	<u>\$ 921,004</u>	<u>\$ 23,862</u>	<u>\$ 944,866</u>

Fiscal Years Ending September 30, 2025	Business-type Activities		
	Principal	Interest	Total
2026	\$ 938,829	\$ 20,091	\$ 958,920
2027	702,972	5,628	708,600
	<u>\$ 1,641,801</u>	<u>\$ 25,719</u>	<u>\$ 1,667,520</u>

Note 7. Subscription Based Information Technology Arrangements (SBITA)

The City has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The City is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

Governmental activities	Interest Rate	Lease term years	Balance at year end
Operational Software	2.36 - 3.31%	1-4	\$ 2,547,434
Total governmental activities			<u>\$ 2,547,434</u>
Business-type activities	Interest Rate	Lease term years	Balance at year end
Operational Software	3.24%	2	\$ 57,375
Total Business-type activities			<u>\$ 57,375</u>

City of Georgetown, Texas
Notes to the Financial Statements

The future principal and interest SBITA payments as of fiscal year end are as follows:

Fiscal Years Ending September 30,	Governmental Activities		
	Principal	Interest	Total
2026	\$ 1,525,821	\$ 7,363	\$ 1,533,184
2027	1,021,613	2,325	1,023,938
	<u>\$ 2,547,434</u>	<u>\$ 9,688</u>	<u>\$ 2,557,122</u>

Fiscal Years Ending September 30,	Business-type Activities		
	Principal	Interest	Total
2026	\$ 25,500	\$ -	\$ 25,500
2027	25,500	-	25,500
2028	6,375	-	6,375
	<u>\$ 57,375</u>	<u>\$ -</u>	<u>\$ 57,375</u>

The value of the subscription assets for governmental activities as of the end of the current fiscal year was \$7,115,443 and had accumulated amortization of \$4,033,464. The value of the subscription assets for business-type activities as of the end of the current fiscal year was \$76,500 and had accumulated amortization of \$19,125.

Note 8. Regulatory Asset

The City is amortizing its regulatory asset over the period which future rates are expected to recover the cost which is through 2042. Future amortization is expected to be:

Year Ending September 30,	
2026	\$ 2,400,000
2027	2,400,000
2028	2,400,000
2029	2,400,000
2030	2,400,000
Thereafter	25,200,000
	<u>\$ 37,200,000</u>

City of Georgetown, Texas

Notes to the Financial Statements

Note 9. Long-Term Liabilities

A. Overview

The following is a summary of long-term debt transactions of the City for the fiscal year ended September 30, 2025:

	Balance as of September 30, 2024	Additions	Retirements	Balance as of September 30, 2025	Due within One Year
Governmental activities					
General obligation bonds	\$ 364,878,674	\$ 100,355,000	\$(27,188,256)	\$ 438,045,418	\$28,940,237
Sales tax revenue bonds	2,320,000	-	(740,000)	1,580,000	775,000
Special assessment revenue bonds	7,423,000	-	(204,000)	7,219,000	212,000
Premiums	27,880,502	3,987,223	(2,050,590)	29,817,135	2,034,477
Arbitrage	3,612,844	3,532,138	(138,157)	7,006,825	10,158
Compensated absences	12,348,087	758,063	-	13,106,150	3,930,930
Net pension liability	25,593,384	26,473,646	(28,745,806)	23,321,224	-
Other post employment benefits	4,777,356	644,009	(316,616)	5,104,749	64,061
Subscription liability	4,391,207	474,880	(2,318,653)	2,547,434	1,525,821
Lease liability	1,882,870	-	(961,866)	921,004	569,105
Total governmental activities	455,107,924	136,224,959	(62,663,944)	528,668,939	38,061,789
Business-type activities					
Revenue bonds	499,085,000	101,360,000	(14,665,000)	585,780,000	17,760,000
General obligation bonds	77,435,854	1,000,000	(7,156,276)	71,279,578	7,329,763
Premiums	37,597,454	6,213,973	(1,969,648)	41,841,779	1,731,240
Arbitrage	4,532,623	2,191,948	(1,107,068)	5,617,503	475,358
Compensated absences	3,374,195	2,238,213	(1,793,006)	3,819,402	1,426,964
Subscription liability	48,432	76,500	(67,557)	57,375	25,500
Net pension liability	7,644,778	9,710,899	(9,581,935)	7,773,742	-
Lease liability	-	2,566,352	(924,551)	1,641,801	938,829
Total business-type activities	629,718,336	125,357,885	(37,265,041)	717,811,180	29,687,654
Total long-term debt	\$ 1,084,826,260	\$ 261,582,844	\$(99,928,985)	\$ 1,246,480,119	\$67,749,443

Liabilities for compensated absences, net pension liability, and other post-employment benefits that are included in governmental activities are expended primarily in the General Fund as benefits are used by the employees.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a liability could result. The City periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The City recognized an arbitrage liability of \$12,624,330 as of September 30, 2025.

City of Georgetown, Texas

Notes to the Financial Statements

At September 30, 2025, there was \$122,025,000 of authorized but unissued general obligation bonds. There are no authorized but unissued revenue bonds. The City is in compliance with all bond ordinances.

Fiscal Years Ending September 30,	Governmental		Business-type		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 29,927,237	\$ 48,804,202	\$ 25,089,763	\$ 30,426,064	\$ 55,017,000	\$ 79,230,266
2027	27,291,974	43,633,987	26,528,025	28,755,100	53,819,999	72,389,087
2028	25,701,186	41,488,047	27,346,810	27,733,868	53,047,996	69,221,915
2029	26,286,021	40,988,159	28,364,980	26,665,135	54,651,001	67,653,294
2030	25,506,000	39,106,872	29,050,000	25,546,414	54,556,000	64,653,286
2031-2035	128,701,000	52,256,696	136,805,000	110,414,209	265,506,000	162,670,905
2036-2040	107,745,000	28,541,564	142,655,000	78,941,108	250,400,000	107,482,672
2040 - 2044	74,827,000	12,069,935	136,030,000	43,551,019	210,857,000	55,620,954
2045 - 2049	859,000	52,530	65,980,000	19,769,106	66,839,000	19,821,636
2050 - 2054	-	-	39,210,000	3,632,062	39,210,000	3,632,062
	<u>\$ 446,844,418</u>	<u>\$ 306,941,992</u>	<u>\$657,059,578</u>	<u>\$ 395,434,085</u>	<u>\$ 1,103,903,996</u>	<u>\$ 702,376,077</u>

During the year ended September 30, 2025, the City issued \$63,790,000 in Combination Tax & Revenue Certificates of Obligation, \$37,565,000 in General Obligation bonds and \$101,360,000 in Utility System Revenue bonds.

City of Georgetown, Texas

Notes to the Financial Statements

General Obligation Debt

A summary of tax-supported general obligation debt outstanding at September 30, 2025:

General Obligation - Tax Supporting	Maturity Date	Interest Rates	Original Issue Amount	Outstanding Amount
Series 2012 General Obligation Refunding Bonds	08/15/2029	3.000% - 4.000%	\$ 1,016,532	\$ 190,260
Series 2013 General Obligation Bonds	08/15/2032	3.000% - 3.375%	9,500,000	2,985,000
Series 2014 Combination Tax and Revenue Certificates of Obligation	08/15/2026	3.000% - 3.625%	1,825,450	96,048
Series 2014 General Obligation Bonds	08/15/2034	3.000% - 3.600%	4,800,000	2,685,000
Series 2014A General Obligation Refunding Bonds	08/15/2027	4.000%	9,709,525	1,459,395
Series 2015 Combination Tax and Revenue Certificates of Obligation - Rivery TIRZ	08/15/2035	3.000% - 4.150%	6,470,000	4,140,000
Series 2015 General Obligation Bonds	08/15/2035	3.000% - 4.000%	4,345,000	2,555,000
Series 2015A Combination Tax and Revenue Certificates of Obligation	08/15/2035	3.000% - 5.000%	3,170,000	970,000
Series 2015A General Obligation Bonds	08/15/2035	3.000% - 3.300%	11,785,000	6,820,000
Series 2015B General Obligation Refunding Bonds	08/15/2028	3.000% - 3.125%	4,042,416	311,444
Series 2016 Combination Tax and Revenue Certificates of Obligation	08/15/2036	2.000% - 5.000%	3,495,000	1,405,000
Series 2016 Combination Tax and Revenue Certificates of Obligation	08/15/2036	2.000% - 5.000%	2,980,000	1,860,000
Series 2016 General Obligation Bonds	08/15/2036	2.000% - 4.000%	12,585,000	7,885,000
Series 2016-1 Combination Tax and Revenue Certificates of Obligation - Rivery TIRZ	08/15/2036	2.000% - 5.000%	1,255,000	1,030,000
Series 2016A General Obligation Refunding Bonds	08/15/2027	2.500% - 3.000%	4,014,846	224,532
Series 2017 Combination Tax and Revenue Certificates of Obligation	08/15/2037	3.000% - 5.000%	8,655,000	4,745,000
Series 2017 General Obligation Bonds	08/15/2037	3.125% - 5.000%	8,555,000	6,090,000
Series 2017A General Obligation Refunding Bonds	08/15/2030	2.125% - 5.000%	12,375,000	6,190,000
Series 2018 Combination Tax and Revenue Certificates of Obligation	08/15/2038	3.000% - 4.000%	10,695,000	2,700,000
Series 2018 General Obligation Bonds	08/15/2038	3.000% - 5.000%	23,555,000	17,635,000
Series 2019 Combination Tax and Revenue Certificates of Obligation	08/15/2039	3.000% - 5.000%	13,785,000	9,655,000
Series 2019 General Obligation Bonds	08/15/2039	3.000% - 5.000%	4,920,000	3,910,000
Series 2020 Combination Tax and Revenue Certificates of Obligation	08/15/2035	2.240%	5,815,000	2,085,000
Series 2020 General Obligation Bonds	08/15/2035	2.290%	9,080,000	6,420,000
Series 2020A General Obligation Refunding Bonds	08/15/2031	1.200%	5,385,000	3,025,000
Series 2021 Combination Tax and Revenue Certificates of Obligation	08/15/2041	2.000% - 4.000%	9,485,000	6,880,000
Series 2021 General Obligation Bonds	08/15/2041	1.500% - 4.000%	7,520,000	6,325,000
Series 2021A General Obligation Bonds	08/15/2041	2.000% - 5.000%	25,295,000	19,545,000
Series 2021B General Obligation Refunding Bonds	08/15/2037	2.000% - 5.000%	16,437,500	13,340,000
Series 2022 Combination Tax and Revenue Certificates of Obligation	08/15/2042	3.125% - 5.000%	5,685,000	4,935,000
Series 2022 General Obligation Bonds	08/15/2042	3.600% - 5.000%	42,625,000	33,935,000
Series 2022 Limited Tax Notes	08/15/2029	3.010%	4,055,000	2,410,000
Series 2023 Combination Tax and Revenue Certificates of Obligation	08/15/2043	4.000% - 5.000%	20,680,000	18,020,000
Series 2023 General Obligation Bonds	08/15/2043	4.000% - 5.000%	30,530,000	25,095,000
Series 2024 Combination Tax and Revenue Certificates of Obligation	08/15/2044	4.000% - 5.000%	56,140,000	54,710,000
Series 2024 General Obligation Bonds	08/15/2044	4.000% - 5.000%	29,205,000	24,655,000
Series 2025 Certificates of Obligation (Appropriation)	08/15/2045	4.500% - 5.000%	20,055,000.00	20,055,000
Series 2025 General Obligation	08/15/2045	4.000% - 5.250%	34,680,000.00	34,680,000
Series 2025A General Obligation	08/15/2044	5.000%	2,885,000.00	2,885,000
Total tax supported debt				<u>\$ 364,541,679</u>

City of Georgetown, Texas

Notes to Financial Statements

A summary of self-supporting general obligation debt outstanding at September 30, 2025:

General obligation - self-supporting	Maturity Date	Interest Rates	Original Issue Amount	Outstanding Amount
Series 2012 General Obligation Refunding Bonds	08/15/2029	3.000% - 4.000%	\$ 7,398,468	\$ 1,384,740
Series 2013 Combination Tax and Revenue Certificates of Obligation	08/15/2033	3.000% - 3.250%	4,065,000	1,945,000
Series 2014 Combination Tax and Revenue Certificates of Obligation	08/15/2034	3.000% - 3.625%	474,550	273,948
Series 2014A General Obligation Refunding Bonds	08/15/2027	4.000%	2,565,475	385,605
Series 2015A Combination Tax and Revenue Certificates of Obligation	08/15/2035	3.000% - 5.000%	3,820,000	2,250,000
Series 2015B General Obligation Refunding Bonds	08/15/2028	3.000% - 3.125%	2,317,584	178,556
Series 2016 Combination Tax and Revenue Certificates of Obligation	08/15/2036	2.000% - 5.000%	10,960,000	6,870,000
Series 2016A General Obligation Refunding Bonds	08/15/2027	2.500% - 3.000%	3,495,154	195,468
Series 2017 Combination Tax and Revenue Certificates of Obligation	08/15/2037	3.000% - 5.000%	5,750,000	4,000,000
Series 2017A General Obligation Refunding Bonds	08/15/2029	2.125% - 5.000%	565,000	260,000
Series 2018 Combination Tax and Revenue Certificates of Obligation	08/15/2038	3.000% - 4.000%	145,000	110,000
Series 2019 Combination Tax and Revenue Certificates of Obligation	08/15/2039	3.000% - 5.000%	6,530,000	5,155,000
Series 2020 Combination Tax and Revenue Certificates of Obligation	08/15/2035	2.240%	5,395,000	3,815,000
Series 2021 Combination Tax and Revenue Certificates of Obligation	08/15/2041	2.000% - 4.000%	12,915,000	11,035,000
Series 2021A Combination Tax and Revenue Certificates of Obligation	08/15/2041	2.000% - 5.000%	21,015,000	17,895,000
Series 2021A Combination Tax and Surplus Revenue Public Property Finance Contractual Obligation	02/15/2031	1.730%	48,025,000	29,990,000
Series 2021B General Obligation Refunding Bonds	08/15/2032	2.000% - 5.000%	537,500	345,000
Series 2022 Combination Tax and Revenue Certificates of Obligation	08/15/2042	3.125% - 5.000%	4,765,000	4,560,000
Series 2023 Combination Tax and Revenue Certificates of Obligation	08/15/2043	4.000% - 5.000%	5,135,000	4,805,000
Series 2024 Combination Tax and Revenue Certificates of Obligation	08/15/2044	4.000% - 5.000%	5,715,000	5,595,000
Series 2025 Certificates of Obligation (Appropriation)	08/15/2045	4.500% - 5.000%	43,735,000	43,735,000
Total self-supported debt				<u>144,783,317</u>
Grand total outstanding general obligation debt as of September 30, 2025				<u>\$ 509,324,996</u>
This amount is reported in the government-wide statements of activities as:				
Governmental activities				\$ 438,045,418
Business-type activities				<u>71,279,578</u>
				<u>\$ 509,324,996</u>

City of Georgetown, Texas
Notes to the Financial Statements

B. Sales Tax Revenue Debt – Georgetown Transportation Enhancement Corporation

A summary of sales tax revenue debt outstanding at September 30, 2025 follows:

	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Original Issue Amount</u>	<u>Outstanding Amount</u>
Sales tax revenue debt				
Series 2015 Senior Lien Sales Tax Revenue Refunding Bonds	08/15/2027	4.000% - 5.000%	7,755,000	<u>\$ 1,580,000</u>
Total outstanding sales tax revenue debt				<u><u>\$ 1,580,000</u></u>

C. Special Assessment Revenue Debt – Parks at Westhaven Public Improvement District

	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Original Issue Amount</u>	<u>Outstanding Amount</u>
Special assessment revenue debt				
Series 2022 Special Assessment Revenue Bonds	09/15/2047	3.625% - 4.250%	7,681,000	<u>\$ 7,219,000</u>
Total special assessment revenue debt				<u><u>\$ 7,219,000</u></u>

D. Discretely Presented Component Unit

Georgetown Economic Development Corporation (GEDCO) participated in the City's issuance of \$18,690,000 Combination Tax and Revenue Certificates of Obligation, Series 2016 and is obligated to pay the City its portion of the principal and interest for the certificates, through 2036. Additionally, GEDCO has received a loan from the Water Services Fund as part of a tri-party agreement for economic development.

Repayment of GEDCO's outstanding long-term liabilities is as follows at September 30, 2025:

Fiscal Years Ending September 30,	<u>GEDCO</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 221,392	\$ 58,736
2027	199,360	52,728
2028	155,000	47,581
2029	160,000	43,900
2030	160,000	39,900
2031-2035	890,000	116,350
2036	195,000	5,850
	<u><u>\$ 1,980,752</u></u>	<u><u>\$ 365,045</u></u>

City of Georgetown, Texas

Notes to the Financial Statements

E. Revenue Debt

A summary of revenue bonds outstanding at September 30, 2025:

	Maturity Date	Interest Rates	Original Issue Amount	Outstanding Amount
Utility revenue debt				
Series 2014 Utility System Revenue Refunding Bonds	08/15/2027	3.000% - 4.000%	\$ 11,855,000	\$ 1,185,000
Series 2014A Utility System Revenue Bonds	08/15/2031	3.000% - 3.200%	5,350,000	2,250,000
Series 2014B Utility System Revenue Bonds	08/15/2023	2.750% - 4.000%	13,000,000	4,070,000
Series 2015 Utility System Revenue Bonds	08/15/2035	3.000% - 3.750%	10,920,000	6,425,000
Series 2016 Utility System Revenue Bonds	08/15/2036	2.000% - 4.000%	9,620,000	6,045,000
Series 2016A Utility System Revenue Refunding Bonds	08/15/2028	4.000%	6,925,000	1,460,000
Series 2017 Utility System Revenue and Refunding Bonds	08/15/2037	3.000% - 5.000%	27,915,000	17,735,000
Series 2018 Utility System Revenue Bonds	08/15/2038	3.000% - 4.000%	6,510,000	4,780,000
Series 2020 Utility System Revenue Bonds	08/15/2035	1.950%	14,430,000	10,120,000
Series 2020A Utility System Revenue Refunding Bonds	08/15/2029	1.350%	6,225,000	2,930,000
Series 2022A Utility System Revenue Bonds	08/15/2052	4.250% - 5.250%	220,380,000	210,330,000
Series 2023 Utility System Revenue Bonds	08/15/2053	5.000% - 5.250%	105,195,000	100,145,000
Series 2024 Utility System Revenue Bonds	08/15/2054	4.000% - 5.000%	117,450,000	116,945,000
Series 2025 Utility System Revenue Bonds	08/15/2055	5.000% - 5.250%	101,360,000	101,360,000
		Total	<u>\$ 657,135,000</u>	<u>\$ 585,780,000</u>

All net revenues of the electric and water services system are pledged for the payment of debt service for the revenue bonds. Net revenues, as defined by the various bond ordinances, include income and revenues derived from the operation of the system, after deduction of the amount necessary to pay all operating, maintenance, replacement, and betterment charges of the system.

These bond ordinances require that the net revenues, as defined, equal at least 1.35 times the average annual debt service on all revenue bonds. The City complied with this requirement at September 30, 2025.

Note 10. Defined Benefit Pension Plan

A. Plan Description

The City participates as one of 934 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency 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 municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report that can be obtained at www.tmrs.com.

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

B. 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.

City of Georgetown, Texas

Notes to the Financial Statements

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated Service Credit	100% Repeating
Annuity Increase to retirees	30% of CPU Repeating

C. Employees Covered by Benefit Terms

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

Retirees or beneficiaries currently receiving benefits	322
Inactive employees entitled to but not yet receiving benefits	420
Active employees	927
	1,669

D. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, 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 consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Georgetown were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Georgetown were 13.2% and 12.47% calendar years 2025 and 2024 respectively. The City's contributions to TMRS for the year ended September 30, 2025 were \$11,671,683 and were equal to the required contributions.

E. Net Pension Liability

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

Actuarial Assumptions

The Total Pension Liability in the December 31, 2024 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Salary increases	3.60% to 11.85% including inflation
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

City of Georgetown, Texas

Notes to the Financial Statements

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Global public equity	35.0%	7.10%
Core fixed income	6.0%	5.00%
Non-core fixed income	6.0%	6.80%
Hedge funds	5.0%	6.40%
Private equity	13.0%	8.50%
Private debt	13.0%	8.20%
Real estate	12.0%	6.70%
Hedge funds	6.0%	6.00%
Other public and private markets	4.0%	7.30%
Total	100.0%	

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 employee 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 employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

City of Georgetown, Texas
Notes to the Financial Statements

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2023	\$ 246,394,103	\$ 213,155,941	\$ 33,238,162
Changes for the year			
Service cost	13,850,310	-	13,850,310
Interest	16,855,698	-	16,855,698
Difference between expected and actual experience	5,333,174	-	5,333,174
Contributions - employer	-	10,323,478	(10,323,478)
Contributions - employee	-	5,795,109	(5,795,109)
Net investment income	-	22,209,156	(22,209,156)
Benefit payments, including refund of employee contributions	(7,210,432)	(7,210,432)	-
Administrative expense	-	(142,043)	142,043
Other changes	-	(3,322)	3,322
Net changes	28,828,750	30,971,946	(2,143,196)
Balance at December 31, 2024	\$ 275,222,853	\$ 244,127,887	\$ 31,094,966

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 one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 73,040,115	\$ 31,094,966	\$ (3,262,328)

F. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

City of Georgetown, Texas
Notes to the Financial Statements

G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2025, the City recognized pension expense of \$12,848,535.

At September 30, 2025, 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
Differences between expected and actual economic experience	\$ 9,796,368	\$ 58,744
Changes in actuarial assumptions	164,184	-
Difference in projected and actual investment earnings	-	2,859,658
Contributions subsequent to the measurement date	9,112,414	-
Total	\$ 19,072,966	\$ 2,918,402

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$9,112,414 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2025 (i.e., recognized in the city's financial statements September 30, 2025). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Years Ended December 31,	
2025	\$ 2,473,107
2026	4,539,157
2027	(902,799)
2028	319,136
2029	613,549
	\$ 7,042,150

City of Georgetown, Texas
Notes to the Financial Statements

Note 11. Other Post-Employment Benefits (OPEB)

A. Post-Employment Healthcare Plan

Plan Description and Benefits Provided

In addition to the pension benefits described in the previous note, the City has established a medical insurance benefit plan for retirees, which is a single employer defined benefit medical plan (the Retiree Medical Plan). The Retiree Medical Plan does not issue a publicly available financial report. Eligible retirees will be provided medical insurance benefits at a set premium rate annually. Eligible retirees may also cover their eligible dependents. Retirees are responsible for paying the premiums. A retiree is defined as someone who retires from the City and receives benefit payments. The City will stop insurance coverage on the retiree and dependent on the last day of the month when one of the following occurs:

1. The retiree reaches age 65; or
2. The retiree fails to submit the required set premium rate.

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

The following employees were covered by the benefit terms as of December 31, 2024.

Retirees or beneficiaries	6
Inactive employees, nonretired members	-
Active members	857
	863

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation as of December 31, 2024.

Actuarial Assumptions and Other Inputs

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

Actuarial cost method	Individual entry-age normal
Discount rate	4.08%
Inflation	2.5% per year
Salary increases	3.6% to 11.85%, including inflation
Demographic assumptions	Based on the December 31, 2022 experience study conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the
Health care trend rates	Initial rate of 7.20% declining to an ultimate rate of 4.25% after 15 years.
Participation rates	25% for retirees with age at least 50 at retirement;0% for retirees with age less than 50 at retirement;20% of retirees were assumed to elect two-person coverage.

City of Georgetown, Texas
Notes to the Financial Statements

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance at December 31, 2023	\$ 3,183,573
Changes for the year	
Service cost	357,160
Interest	126,170
Difference between expected and actual experience	(27,793)
Changes of assumptions	(106,377)
Benefit payments	(30,946)
Net changes	318,214
Balance at December 31, 2024	\$ 3,501,787

Changes of Assumptions

Changes of assumptions reflect a change in the discount rate from 3.77% as of December 31, 2023 to 4.08% as of December 31, 2024.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.08%, 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 or 1 percentage point higher than the current rate.

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
Total OPEB liability	\$ 3,855,865	\$ 3,501,787	\$ 3,181,205

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

	1% Decrease in Healthcare Cost Rate	Healthcare Cost Rate	1% Increase in Healthcare Cost Rate
Total OPEB liability	\$ 3,042,060	\$ 3,501,787	\$ 4,049,851

City of Georgetown, Texas
Notes to the Financial Statements

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB Expense	Fiscal Year Ended September 30, 2025
Service cost	\$ 357,160
Interest	126,170
Recognition of Current Year Inflow	(13,435)
Amortization of Prior Year Inflow	(18,696)
Expense	\$ 451,199

As of September 30, 2025, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 455,556	\$ 473,766
Changes in actuarial assumptions	473,764	927,537
Contributions subsequent to the measurement date	51,504	-
Total	\$ 980,824	\$ 1,401,303

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

Year Ending September 30,	
2026	\$ (32,131)
2027	(32,131)
2028	(35,663)
2029	(39,269)
2030	(44,148)
Thereafter	(288,641)
	\$ (471,983)

B. Life Insurance Benefits

Plan Description and Benefits Provided

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. It is considered to be a single-employer plan. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

City of Georgetown, Texas

Notes to the Financial Statements

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

Inactive employees currently receiving benefits	242
Inactive employees entitled to but not yet receiving benefits	132
Active employees	927
	1,301

Contributions

Valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee's entire careers. The contribution rates for the City of Georgetown were 0.21% in calendar year 2024 and 0.17% in calendar year 2025 respectively. The City's contributions to the TMRS SDBF for the year ended September 30, 2025 were \$161,172, which equaled the required contributions.

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2024 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The City's total OPEB liability in the December 31, 2024 valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Salary increases	3.60% to 11.85%, including inflation
Discount rate	4.08%
Retirees' share of benefit related costs	\$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements of GASB Statement No. 68.
Mortality rates - service retirees	2019 Municipal Retirees of Texas Mortality Tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis by the most recent Scale MP-2021 (with immediate convergence).
Mortality rates - disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year setforward 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 the most recent Scale MP-2021 (with immediate convergence) to account for future mortality improvements subject to the floor.

City of Georgetown, Texas
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The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2024.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period December 31, 2018 to December 31, 2022.

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance at December 31, 2023	\$ 1,593,783
Changes for the year	
Service cost	99,345
Interest	61,334
Difference between expected and actual experience	(19,050)
Changes of assumptions	(99,335)
Benefit payments	(33,115)
Net changes	9,179
Balance at December 31, 2024	\$ 1,602,962

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees. Changes in assumptions are a result of the change in municipal bond index rate from the previous year.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.08%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (3.08%) or one percentage-point higher (5.08%) than the current rate:

	1% Decrease in Discount Rate (3.08%)	Discount Rate (4.08%)	1% Increase in Discount Rate (5.08%)
Total OPEB liability	\$ 1,955,292	\$ 1,602,962	\$ 1,331,779

OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2025, the City recognized OPEB expense of \$116,769.

City of Georgetown, Texas

Notes to the Financial Statements

At September 30, 2025, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 12,361	\$ 41,134
Changes in actuarial assumptions	280,049	626,968
Contributions subsequent to the measurement date	118,072	-
Total	\$ 410,482	\$ 668,102

Deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date of \$118,072 will be recognized as a reduction of the OPEB liability for the measurement year ending December 31, 2024 (i.e., recognized in the County's financial statements September 30, 2025). Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ending September 30,	
2025	\$ (52,918)
2026	(45,349)
2027	(68,880)
2028	(98,756)
2029	(94,932)
Thereafter	(14,857)
	\$ (375,692)

The City's total OPEB liability, expense, and related deferred outflows of resources and deferred inflows of resources for both plans for the year ended September 30, 2025 were as follows:

OPEB liability	\$ 5,104,749
Deferred outflows of resources	1,391,306
Deferred inflows of resources	2,069,405
OPEB expense	567,968

Note 12. Tax Abatements

The City of Georgetown has two programs for property tax abatements – a Property Tax Abatement Program and a Historic Tax Exemption Program.

Property Tax Abatement Program

Effective in December 2021, the City council approved a Property Tax Abatement Policy to negotiate certain tax abatements for Economic Development purposes as allowable under Texas Property Redevelopment and Tax Abatement Act, Texas Tax Code 312 as amended.

City of Georgetown, Texas

Notes to the Financial Statements

This act allows certain jurisdictions to provide property tax abatements for economic purposes including business relocation, retention, and expansion. The City must designate the property project area as a reinvestment zone by ordinance following the notice and public hearing required by law. The City Council will adopt an ordinance to designate the required reinvestment zone and a resolution to approve terms and conditions of a tax abatement. The City Council will then enter into a tax abatement agreement with the owner and/or tenant of the applicable property pursuant to Chapter 312 of the Texas Tax Code. The agreement shall contain the terms and conditions required by law and will provide for the repayment or recapture of abated taxes in the event of termination by the City for an uncured breach or default of the tax abatement agreement. No tax abatement agreement shall exceed ten (10) years. For the fiscal year ended September 30, 2025, \$412,143 in taxes were abated under this program.

Historic Tax Exemption Program

Effective Sept. 26, 2023, the City Council approved this program by authority under Article 8, Section 1-f of the Texas Constitution and Section 11.24 of the Texas Tax Code as amended. The City Council has designated the Downtown Overlay District and Old Town Overlay District as historically significant sites for this program. The Program is effective beginning Jan. 1, 2024 and expires Jan. 1, 2027 unless extended by ordinance by the City Council. This tax exemption only applies to the City's portion of property taxes by reducing the value of the historic property.

This Program is to encourage preservation of historically significant structures as part of the City of Georgetown's stewardship of the Historic Overlay Districts, provide a link to the past through preservation of the built environment and maintain the look and feel that makes the City of Georgetown an attractive place to live, and recognize the investments made by historic homeowners in the City of Georgetown, who have additional design requirements for home improvement projects under the Historic District Design Guidelines to preserve the unique character of these neighborhoods.

Properties must meet the eligibility criteria and follow all procedures outlined in the ordinance in order to receive the property tax exemption. This includes completing the application process, submitting the completed Williamson Central Appraisal District (WCAD) exemption application, demonstrating completion of the project and compliance with program requirements, and receiving a final inspection of the historic property by authorized City staff. City staff will take a list of recommended eligible properties to the City Council for approval in June each year. Upon approval by Council, City staff will provide the list to the WCAD by the July 1 deadline and notify property owners of the approval. Property owners must then enter into an agreement with the City that sets out the terms and conditions of the exemption. Thereafter, the property owner must complete the appropriate documentation and make the annual exemption application to the WCAD in order to be entitled to the exemption for that tax year.

For the fiscal year ended September 30, 2025, \$1,246 were abated under this program.

Note 13. Risk Management

Health Benefits – On January 1, 2014, the City began a self-funded insurance program for provision of employee health insurance. In fiscal year 2019, the City made contributions to cover 83% of the employees' costs for medical plan premiums. The employees authorized payroll withholdings to pay the remainder contributions for themselves, and their family members, if elected.

City of Georgetown, Texas

Notes to the Financial Statements

In accordance with state statute, the City maintains a catastrophic loss insurance policy (stop-loss policy), which reimburses the City for annual claims totaling over \$150,000 per covered individual. For the fiscal year ended 2025, \$1,218,799 in stop-loss payments were received by the City. The City made no significant reductions in insurance coverage and no settlements have exceeded insurance coverage for the 2025 fiscal year. The City's contributions for the self-insurance during the year totaled \$13,554,808. Estimates of claims payable and of claims incurred but not reported at September 30, 2025 are reflected as accrued expenses of the fund. The liabilities include an amount for claims that have been incurred but were not reported until after September 30, 2025. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal requirements, and damage awards, the process used in computing claims liability is an estimate that could materially change when the claims are ultimately finalized.

Analysis of claims liability for the fiscal year 2025 is as follows:

Unpaid claims, beginning of year	\$	744,276
Incurred claims		12,550,287
Claim payments		<u>(12,249,563)</u>
Unpaid claims, end of year	\$	<u>1,045,000</u>

Note 14. Deferred Compensation Plan

The City offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

Note 15. Commitments and Contingencies

A. Wholesale Power Agreements

The City of Georgetown currently has the following Wholesale Power Purchase Agreements with the following counter parties:

- American Electric Power (AEP), through January 7, 2029
- Boralex US Energy/Spinning Spur Three LLC, through 2035
- Clearway Energy, Inc /Buckthorn Westex LLC, through 2043

B. Brazos River Authority (BRA) Water Contracts

Effective September 1, 2001, the City revised its previous water availability agreements with the BRA to further plan for future water needs and to standardize the pricing to a system-wide rate. The effective system-wide rate for Lake Georgetown Water and Lake Stillhouse Hollow Water fiscal year beginning September 1, 2025, is \$106.00 per acre-foot and for Colorado River Basin for fiscal year beginning September 1, 2025, is \$103.13 per acre-foot. The City paid a total of \$4,968,698 for water during the fiscal year. The City has three separate agreements with the BRA as follows:

Lake Georgetown Water – This agreement, effective September 1, 2001, and expiring August 31, 2050, requires BRA to make available to the City 6,720 acre-feet of water per year at BRA's system wide rate. The City paid \$712,320 for water under this agreement in fiscal year 2025.

City of Georgetown, Texas

Notes to the Financial Statements

Lake Stillhouse Hollow Water – This agreement, effective September 1, 2001, and expiring August 31, 2040, requires BRA to make available to the City 38,987 acre-feet of water per year at BRA's system wide rate. The City paid \$4,132,622 for water under this agreement in fiscal year 2025.

Colorado River Basin – This agreement, effective July 1, 2020, and expiring August 31, 2030, requires BRA to make available to the City 1,200 acre-feet of water per calendar year based on the Total LCRA Water Rate under the LCRA contract with the BRA. The City paid \$123,756 for water under this agreement in fiscal year 2025.

C. Brazos River Authority – Williamson County Regional Raw Water Line Agreement

The City is a party to an agreement dated June 30, 1986, with the Brazos River Authority (BRA), City of Round Rock, Jonah Water Special Utility District, and Chisholm Trail Special Utility District (CTSUD). The Brazos River Authority designed, constructed, owns, and operates a pipeline to transport water from Lake Stillhouse Hollow to Lake Georgetown to benefit the parties in the agreement. Total project construction cost for the raw water line was approximately \$40,000,000. In 2007, BRA refunded a portion of the original \$89,000,000 in debt, leaving approximately \$69,000,000 outstanding debt, including principal and interest. Each participant agreed to pay for the annual cost of debt and operations of the line. The City's obligation is \$50,500,000, including principal and interest, to be repaid annually through 2032. The amount for fiscal year 2025 was \$2,038,489.

The following schedule reflects the principal and interest portion of the City's obligation:

Years Ending September 30,	
2026	\$ 2,030,105
2027	2,015,618
2028	2,011,450
2029	2,016,185
2030	2,010,597
2031-2032	1,014,564
	<u>\$ 11,098,519</u>

As part of the CTSUD acquisition that occurred on September 12, 2014, the City assumed the ownership interest and related obligations of CTSUD's portion of this project.

D. EPCOR Groundwater Reservation Agreement

In August of 2023, the City of Georgetown entered into an agreement with EPCOR to reserve 39,399 acre-feet per year of EPCOR's existing permitted groundwater rights. The City also contracted to secure rights for up to an additional 30,601 acre-feet per year of groundwater. The reservation fee rate is \$155 per acre-feet. While this agreement expired during fiscal year 2025, the City paid \$3 million under this agreement.

City of Georgetown, Texas

Notes to the Financial Statements

E. Georgetown Village Public Improvement District

In 1999, the City of Georgetown created the Georgetown Village Public Improvement District No. 1, pursuant to Chapter 372 of the Texas Local Government Code. The City is required to construct and provide operation, repair, and maintenance of parks, recreational facilities, alleyways, lighting, landscaping and related improvements to the district that are above the standards that are met elsewhere in the City. Property owners are assessed an annual maintenance assessment of \$0.12 per \$100 valuation. Assessment revenue of \$558,801 was recognized for 2025. As of September 30, 2025, \$528,594 of costs associated with the Georgetown Village Public Improvement District have been reimbursed.

F. Cimarron Hills Public Improvement District

In May 2000, the City and Paloma Cimarron Hills, L.P. entered into a development agreement for a 606 home, 813-acre subdivision within the City's Extraterritorial Jurisdiction (ETJ). As part of this agreement, the City created the Cimarron Hills PID to reimburse the developer for costs of certain infrastructure improvements. Each lot within the development is assessed an annual fee based on its type of usage. The City also collects a per unit transportation fee which will be used to fund necessary roadway improvements and bridge crossings in the area. PID assessment collection began in 2002. In 2025, PID assessments were \$293,616. Administrative expenses related to the collection of assessments were \$9,900 and paid from current year collections. The assessments and related disbursements are recorded in the Custodial Fund.

G. Parks at Westhaven Public Improvement District

In March 2021, the City of Georgetown created the Parks at Westhaven PID, pursuant to Chapter 372 of the Texas Local Government Code, and concurrently approved a Financing and Reimbursement Agreement relating to the construction of authorized improvements, the levy of assessments, the reimbursement of Landowner for the actual costs of the authorized improvements directly from the assessments or from proceeds of special revenue bonds secured by the assessments. A Service and Assessment Plan was also approved which includes the "Assessment Roll" outlining the annual installment for each assessment to begin being collected in fiscal year 2022. For the year ending September 30, 2025, total revenues were \$649,314 primarily made up of PID assessments of \$597,107. Total expenditures were \$550,825 primarily made up of administrative fees of \$44,160 and debt service costs of \$506,665.

H. Bluffview Public Improvement District (PID)

On March 22, 2022, the City of Georgetown created the Bluffview PID, pursuant to Chapter 372 of the Texas Local Government Code. For the year ending September 30, 2025, total revenues were \$0.00 primarily made up of PID assessments. Total expenditures were \$0.00 primarily made up of administration fees.

I. Gateway Tax Increment Reinvestment Zone (TIRZ)

This was established in November 2006 to fund improvements needed for redevelopment of the Williams Drive gateway area. A master plan for the area was developed in 2006, with implementation planned for future years. For the year ending September 30, 2025, total revenues were \$141,852 with total expenditures of \$467,051.

J. Downtown Tax Increment Reinvestment Zone (TIRZ)

This was established in 2004 to fund improvements in the downtown overlay district to assist in funding the downtown master plan. For the year ending September 30, 2025, total revenues were \$739,777 with total expenditures of \$320,068.

City of Georgetown, Texas

Notes to the Financial Statements

K. Rivery Park Tax Increment Reinvestment Zone (TIRZ)

This was established in 2008 to fund a convention center/hotel complex, as well as an expansion to Rivery Park. In January 2014, the City entered into agreements for a 220-room Sheraton hotel and conference center at the 32-acre Rivery site for the development of the Summit at Rivery Park (Rivery) project. This project includes a 16,000 square-foot conference center that can accommodate up to 4,500 people and a public parking garage. The project includes retail stores, restaurant sites, single-family homes, and multifamily residences for a total project investment of \$150,000,000 including \$65,000,000 for the hotel, conference center, and parking garage. Private investors funded most of the project costs.

A total of \$16,800,000 in future City and County property taxes generated at the site is being used to reimburse the City and the developer for the cost of the hotel and conference center, parking garage, and other public improvements. This includes \$12,500,000 of investments by the City and its related entities including GEDCO and GTEC.

The City and Williamson County agreed to reimburse up to \$25,000,000 for the project. The City will contribute 100% and Williamson County will contribute 80% of their respective incremental ad valorem tax valuation generated at the 32-acre site to fund the project. The City will remit half of the 1% City sales tax generated at the site to Williamson County as part of the agreement. The City received and verified additional improvement costs allowable for reimbursement per Section 5.4.3 of the first amended and restated master development agreement. The City has acknowledged the \$3,500,000 obligation to the developer for these improvements and has included this reimbursement in future cash flows. For the year ending September 30, 2025, total revenues were \$1,120,932 with total expenditures of \$1,117,811.

L. Wolf Lakes Tax Increment Reinvestment Zone (TIRZ)

In December 2018, the City created the Wolf Lakes TIRZ on 164 acres located at the northwest corner of Interstate 35 and University Ave (SH29), bounded by Wolf Ranch Parkway to the west and the River Hills subdivision to the north. The purpose of the TIRZ is to provide economic and qualitative benefits by facilitating a program of public improvements. The development includes a grocery store, medical facility, and apartments.

The City and Williamson County agreed to reimburse up to \$130,000,000 for public improvement projects in the TIRZ. The City will contribute 70% of their respective incremental ad valorem tax valuation generated up to \$100,000,000 and Williamson County will contribute 50% of their respective incremental ad valorem tax valuation generated up to \$30,000,000. For the year ending September 30, 2025, total revenues were \$504,826 with expenditures of \$0.00.

M. North Georgetown Tax Incremental Reinvestment Zone (TIRZ)

In December 2021, the City created the North Georgetown TIRZ consisting of 224 acres located along IH35, north of the Highway 195 intersection. The purpose of the TIRZ is to finance public infrastructure needed to develop the site for industrial and commercial use in partnership with the Developer over a fifteen (15) year period. Beginning in 2024, the City will contribute 60% of the incremental tax increase in years 1-5, 55% in years 2-10, and 50% in years 11-15. The last contribution will be in 2038. The maximum reimbursement to the developer is \$8.5 million or the end of the 15 year period, whichever comes first. For the year ending September 30, 2025, total revenues were \$73,136 with expenditures of \$0.00.

City of Georgetown, Texas

Notes to the Financial Statements

N. Chapter 552 Infrastructure Financing Reimbursement Agreement

In August 2014, the City entered into a Chapter 552 Infrastructure Financing/Reimbursement Agreement for the Hillwood Wolf Ranch Development Project. This agreement is one of several associated with this project which included the City's consent to the creation of an In-City Municipal Utility District (MUD) to finance the costs of various improvements. This Chapter 552 agreement, allowable under Chapter 552 of the Local Government Code, facilitates the reimbursement of up to \$25,000,000 to the MUD for construction of specified public improvements within the Hillwood Wolf Ranch development. The annual repayment amount is funded from City ad valorem tax revenues received by the City for property within the MUD at a rate of \$0.15 /per \$100 assessed valuation. The terms of this Chapter 552 Agreement continue until dissolution of the MUD or the date on which the City pays the maximum reimbursement amount of \$25,000,000, whichever occurs first. Reimbursements were made in FY2025 totaling \$1,389,204.

O. Economic Development Agreements

Citigroup

In November 2019, the City entered into a 380 economic development retention agreement with Citigroup Technology, Inc for Retention Electric Rate Grant for the retention of an all-inclusive electric rate not subject to periodic adjustments for energy used. This agreement begins November 1st, 2019 and ended November 1st, 2024.

In November 2019, the City also entered into a 380 economic development expansion agreement with Citigroup Technology, Inc to provide both Property Tax Grant and Sales Tax Grants. The Property Tax Grant provides 50% of the City's ad-valorem taxes in excess of the required \$275,000,000 assessed improvement value, not to exceed 5 tax years. The Sales Tax Grant shall be equal to 25% of the general fund 1% sales tax receipts in excess of the base sales tax requirements of \$1,250,000 per year. There were not any payments to Citigroup by the City in FY2025.

Costco

In December 2019, the City, GEDCO and GTEC entered into economic development agreements with Costco Wholesale Corporation to encourage the capital investment of at least \$20,000,000 and to offset the costs of the development and construction of the improvements.

In December 2019, the City also entered into a 380 economic development agreement with Costco Wholesale Corporation. The Sales Tax Grant for the 380 agreement provides reimbursement of 50% of the general fund 1% sales tax generated by Costco Wholesale Corporation up to a maximum of \$2,000,000 or 10 years whichever comes first. Costco was paid \$187,017 in FY2025.

Cellink

In March 2022, GEDCO entered into a ten (10) year economic development agreement with Cellink Corporation for Infrastructure and employment grants. This agreement was amended in Sept. 2023 for clarification regarding certain dates in the original agreement. The Maximum Infrastructure grants shall not exceed \$2,500,000 for capital investments by Cellink of \$80 million by the fifth anniversary date of the Commencement date. The Maximum Employment grants shall not exceed \$525,000. There were not any infrastructure grant payments in FY2025. Cellink was paid the employment grant of \$47,000 in FY2025.

Also in March 2022, the City, Titan Gateway35, and Cellink entered into a ten (10) year tax abatement agreement to abate fifty percent (50%) of Titan Gateway35's taxable value of the land and improvements and seventy-five percent (75%) of Cellink's tangible personal property for the ten-year period. The tax abatement begins 2024. There were not any payments to Titan Gateway35 or Cellink in FY2025.

City of Georgetown, Texas

Notes to the Financial Statements

GAF Energy

In July 2022, GEDCO entered into a ten (10) year economic development agreement with GAF Energy LLC for employment grants. The maximum employment grants shall not exceed \$395,000. No employment grants were paid in FY2025.

Also, in July 2022, the City, Longhorn Junction Owner LP, and GAF Energy LLC entered into a ten (10) year tax abatement agreement to abate fifty percent (50%) of Longhorn Junctions' taxable value of the land and improvements and seventy-five percent (75%) of GAF Energy's tangible personal property for the ten-year period. The tax abatement begins 2024. No payments were made in FY2025.

Jackson Shaw

In January 2022, GTEC and JSACQ Georgetown LP entered into an economic development agreement to extend FM972, a major arterial westward from IH35. The total capital investment by JSACQ will be \$24 million. The maximum infrastructure grants shall not exceed \$4,600,000. Construction shall commence on or before March 2023 and should complete within twenty-four months. No infrastructure grant installments were paid in FY2025.

In January 2022, the City and JSACQ Georgetown LP entered into an economic development agreement for infrastructure improvement grants to be located in the North Georgetown TIRZ. JSACQ intends to make capital investments of \$24 million. The maximum reimbursement for the infrastructure is \$8.5 million. With 2024 being the first-year incremental tax increases are to be made to the TIRZ, no payments were made in FY2025.

Loram Technologies

In March of 2021, GEDCO entered a ten (10) year economic development agreement with Loram Technologies, Inc., for employment grants. The maximum employment grants shall not exceed \$300,000. The company is open for business. No employment grants were paid in FY25.

In March of 2021 GEDCO entered into an economic development agreement with Loram Technologies, Inc., to encourage the capital investment of at least \$12,000,000 and to offset the actual costs incurred and paid by the company for design and construction of the infrastructure and shall not exceed \$500,000. Commencement of construction of the project shall occur on or before July 1, 2023, to cause completion of construction of the project to occur within twenty-four (24) months thereafter. The company is open for business. Paid \$500,000 Infrastructure Grant payment FY2025 for work completed in FY2025.

August 2022 GTEC entered into economic development agreements with Loram Technologies, Inc., to encourage the capital investment of at least \$12,000,000 and to offset the costs of the design and construction of Austin Avenue adjacent to the Land; and (ii) right-hand and left-hand turn lanes at the driveway from Austin Avenue into the Land, as required by TXDOT, and shall not exceed \$600,000. Construction shall commence on or before May 31, 2023, and should be completed within twenty-four months. The company is open for business. The City paid \$520,774 Infrastructure Grant payment for work completed FY2025.

City of Georgetown, Texas

Notes to the Financial Statements

P. Garey Park Trust

In June 2014, the City entered into a memorandum of understanding (MOU) whereby Alan Jack Garey donated his 525-acre ranch and home, on the conditions that the property shall be used exclusively as a public park and recreational facility for the benefit of all residents of the City of Georgetown and surrounding areas. The Garey's deeded 321.45 acres of land to the Texas Parks and Recreation Foundation, in trust for the benefit of the City. All the land is now in the City of Georgetown's name. We have accepted operations and maintenance for the park. Garey Park opened in June 2018. With the passing of Mr. Garey in 2022, the City received an additional \$1,000,000 from his estate for a Memorial Pavilion in Garey Park. Additional improvements to Garey Park in the future are also included in Mr. Garey's will and will be reimbursed by the estate in accordance with that document.

Q. Grants

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

R. Litigation

The City is involved in various legal actions in which claims of varying amounts are being asserted against the City. The City follows the practice of providing for these claims only when they become probable and reasonably determinable in amount.

In November 2024, the City of Georgetown and PLW Waterworks, LLC entered into a settlement agreement and general release to resolve any and all claims regarding the ongoing dispute between the two parties concerning additional compensation and schedule relief. In the settlement agreement, the parties agreed to a confidential monetary settlement which has been recorded as a liability as of September 30, 2024. Payment to PLW Waterworks, LLC pursuant to this settlement was made in December 2024.

In the opinion of City management, no other lawsuit outcomes will have a material adverse effect on the City's financial position.

S. Construction Contracts

Encumbrances on construction projects in progress as of September 30, 2025, are approximately \$78,965,214 for Governmental Funds and approximately \$105,944,398 for Enterprise Fund.

Note 16. Energy Risk Management

The City of Georgetown's Energy Risk Management (ERM) Policy supports the advancement of its strategic business plan and management of its energy risks. This Policy governs all energy and basis (congestion) hedging activities. The Energy Risk Management Policy, along with the supporting policies (Credit policy, Hedge policy, Trading Authority policy, and Trading Sanctions policy), outline specific responsibilities and guidelines to manage the financial risk related to volumetric and congestion exposure to spot market energy prices associated with serving its load obligations.

City of Georgetown, Texas

Notes to the Financial Statements

Consistent with the ERM, the City has entered into power supply agreements with counterparties to hedge against volumetric and congestion exposure to spot market energy prices. These contracts meet the definition of a derivative instrument as defined by GASB Statement No. 53, Accounting and Reporting for Derivative Instruments (GASB 53). However, these contracts meet the normal purchases and sales exemption of GASB 53 as the City intends to use the physical commodity in its normal utility operations to supply energy to its customers. Accordingly, these contracts are not within the scope of GASB 53 and are not recorded on the City's Statement of Net Position.

A. Risks

Credit Risk. The City's over-the-counter agreements for natural gas and energy expose the City to credit risk. In the event of default, the City's operations will not be materially affected. However, the City does not expect the counterparties to fail to meet their obligations. The City maintains contracts with contractual provisions under the EEI (Edison Electric Institute) and EPC (Energy Procurement Contract) agreements.

Termination Risk. Termination risk is the risk that a derivative will terminate prior to its scheduled maturity date due to a contractual event. Contractual events include illegality, tax and credit events upon merger and other events. The City's exposure to termination risk for over-the counter agreements is minimal due to the high credit rating of the counterparties, and the contractual provisions under the EEI and EPC agreements applied to these contracts. Termination risk is associated with all of the City's derivatives up to their fair value of the instrument.

Netting Arrangements. The City enters into netting arrangements whenever it has entered into more than one derivative transaction with counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and net the transaction's fair values so that a single sum will be owed by or owed to the non-defaulting party.

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Required Supplementary Information

City of Georgetown, Texas

Required Supplementary Information

For the Fiscal Year Ended September 30, 2025

Texas Municipal Retirement System – Schedule of Changes in Net Pension Liability and Related Ratios

	Measurement 2024	Measurement 2023	Measurement 2022	Measurement 2021	Measurement 2020	Measurement 2019	Measurement 2018	Measurement 2017	Measurement 2016	Measurement 2015
Total pension liability										
Service cost	\$ 13,850,310	\$ 12,124,068	\$ 10,257,378	\$ 9,188,441	\$ 8,420,259	\$ 7,773,892	\$ 7,418,271	\$ 6,897,077	\$ 6,387,917	\$ 5,660,967
Interest	16,855,698	15,021,715	13,607,232	12,549,653	11,539,794	10,571,618	9,700,878	8,852,731	8,051,567	7,402,393
Difference between expected and actual experience	5,333,174	5,865,638	2,932,938	(97,013)	221,322	(273,287)	(511,751)	231,554	486,906	903,470
Changes of assumptions	-	180,454	-	-	-	529,624	-	-	-	1,980,757
Benefit payments	(7,210,432)	(6,559,330)	(6,991,840)	(6,023,584)	(5,185,596)	(3,977,775)	(3,792,957)	(3,560,669)	(3,063,090)	(2,491,010)
Net change in total pension liability	28,828,750	26,632,545	19,805,708	15,617,497	14,995,779	14,624,072	12,814,441	12,420,693	11,863,300	13,456,577
Total pension liability - beginning	246,394,103	219,761,558	199,955,850	184,338,353	169,342,574	154,718,502	141,904,061	129,483,368	117,620,068	104,163,491
Total pension liability - ending (a)	\$ 275,222,853	\$ 246,394,103	\$ 219,761,558	\$ 199,955,850	\$ 184,338,353	\$ 169,342,574	\$ 154,718,502	\$ 141,904,061	\$ 129,483,368	\$ 117,620,068
Plan fiduciary net position										
Contributions - employer	\$ 10,323,478	\$ 9,021,358	\$ 7,800,790	\$ 6,966,809	\$ 6,220,242	\$ 5,912,566	\$ 5,725,188	\$ 5,323,953	\$ 4,630,015	\$ 4,371,324
Contributions - employee	5,795,109	5,171,754	4,375,481	3,917,118	3,589,635	3,384,157	3,229,347	3,009,880	2,798,414	2,592,095
Net investment income	22,209,156	21,385,818	(14,133,018)	21,769,442	11,455,944	19,503,600	(3,736,957)	14,606,240	6,398,399	132,967
Benefit payments	(7,210,432)	(6,559,330)	(6,991,840)	(6,023,584)	(5,185,596)	(3,977,775)	(3,792,957)	(3,560,669)	(3,063,089)	(2,491,010)
Administrative expense	(142,043)	(135,681)	(122,037)	(100,533)	(74,002)	(110,028)	(72,138)	(75,638)	(72,218)	(80,978)
Other	(3,322)	(947)	145,626	690	(2,887)	(3,307)	(3,767)	(3,833)	(3,891)	(4,000)
Net change in plan fiduciary net position	30,971,946	28,882,972	(8,924,998)	26,529,942	16,003,336	24,709,213	1,348,716	19,299,933	10,687,630	4,520,398
Plan fiduciary net position - beginning	213,155,941	184,272,969	193,197,967	166,668,025	150,664,689	125,955,476	124,606,760	105,306,827	94,619,197	90,098,799
Plan fiduciary net position - ending (b)	244,127,887	213,155,941	184,272,969	193,197,967	166,668,025	150,664,689	125,955,476	124,606,760	105,306,827	94,619,197
Net pension liability - ending (a) - (b)	\$ 31,094,966	\$ 33,238,162	\$ 35,488,589	\$ 6,757,883	\$ 17,670,328	\$ 18,677,885	\$ 28,763,026	\$ 17,297,301	\$ 24,176,541	\$ 23,000,871
Plan fiduciary net position as a percentage of total pension liability	88.70%	86.51%	83.85%	96.62%	90.41%	88.97%	81.41%	87.81%	81.33%	80.44%
Covered payroll	\$ 82,787,266	\$ 73,882,195	\$ 62,506,871	\$ 55,958,835	\$ 51,280,503	\$ 48,345,099	\$ 46,133,526	\$ 42,892,268	\$ 39,775,322	\$ 37,121,089
Net pension liability as a percentage of covered payroll	37.56%	44.99%	56.78%	12.08%	34.46%	38.63%	62.35%	40.33%	60.78%	61.96%

City of Georgetown, Texas

Required Supplementary Information – Continued
For the Fiscal Year Ended September 30, 2025

Texas Municipal Retirement System – Schedule of Contributions

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016
Actuarially determined contribution	\$ 11,671,683	\$ 10,061,635	\$ 8,690,069	\$ 7,816,986	\$ 6,220,243	\$ 5,912,566	\$ 5,900,133	\$ 5,682,270	\$ 5,172,343	\$ 4,519,980
Contributions in relation to the actuarially determined contribution	11,671,683	10,061,635	8,690,069	7,816,986	6,220,243	5,912,566	5,900,133	5,682,270	5,172,343	4,519,980
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 89,977,780	\$ 81,079,056	\$ 70,823,263	\$ 62,674,395	\$ 51,280,503	\$ 48,345,099	\$ 48,020,769	\$ 45,293,424	\$ 39,775,322	\$ 37,121,089
Contributions as a percentage of covered payroll	12.97%	12.41%	12.27%	12.47%	12.13%	12.23%	12.29%	12.55%	13.00%	12.18%

City of Georgetown, Texas

Required Supplementary Information – Continued
For the Fiscal Year Ended September 30, 2025

Notes to TMRS Schedules

TMRS schedules are intended to show information for ten years, and future years' information will be displayed as it becomes available.

Valuation Date

Actuarial 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	21 Years (longest amortization ladder)
Asset valuation method	10 year smoothed market, 12.00% soft corridor
Inflation	2.50%
Salary increases	3.60% to 11.85%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.

There were no benefit changes during the year.

City of Georgetown, Texas

Required Supplementary Information – Continued
For the Fiscal Year Ended September 30, 2025

Post-employment Healthcare Plan – Schedule of Changes in the OPEB Liability and Related Ratios*

	Measurement 2024	Measurement 2023	Measurement 2022	Measurement 2021	Measurement 2020	Measurement 2019	Measurement 2018	Measurement 2017
Total OPEB liability								
Service cost	\$ 357,160	\$ 332,119	\$ 359,751	\$ 259,569	\$ 207,540	\$ 154,054	\$ 144,760	\$ 128,392
Interest	126,170	131,047	67,437	63,940	76,619	84,088	73,344	74,997
Difference between expected and actual experience	(27,793)	(554,506)	2,621	672,121	2,910	65,680	4,261	-
Changes of assumptions	(106,377)	251,201	(732,856)	(434,670)	223,522	286,037	(90,006)	106,325
Benefit payments	(30,946)	(91,919)	(132,958)	(153,062)	(98,425)	(95,554)	(77,104)	(63,836)
Net change in total OPEB liability	318,214	67,942	(436,005)	407,898	412,166	494,305	55,255	245,878
Total OPEB liability - beginning	3,183,573	3,115,631	3,551,636	3,143,738	2,731,572	2,237,267	2,182,012	1,936,134
Total OPEB liability - ending	\$ 3,501,787	\$ 3,183,573	\$ 3,115,631	\$ 3,551,636	\$ 3,143,738	\$ 2,731,572	\$ 2,237,267	\$ 2,182,012
Covered-employee payroll	\$ 85,018,162	\$ 73,882,195	\$ 62,506,871	\$ 60,184,157	\$ 51,280,503	\$ 48,345,099	\$ 46,133,526	\$ 40,193,300
Total OPEB liability as a percentage of covered-employee payroll	4.12%	4.31%	4.98%	5.90%	6.13%	5.65%	4.85%	5.43%

*Schedules will include 10 years of information as it becomes available.

Note: There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

City of Georgetown, Texas

Required Supplementary Information – Continued
For the Fiscal Year Ended September 30, 2025

Life Insurance Benefits – Schedule of Changes in the OPEB Liability and Related Ratios*

	Measurement 2024	Measurement 2023	Measurement 2022	Measurement 2021	Measurement 2020	Measurement 2019	Measurement 2018	Measurement 2017
Total OPEB liability								
Service cost	\$ 99,345	\$ 88,659	\$ 150,016	\$ 134,301	\$ 107,689	\$ 72,518	\$ 83,040	\$ 64,338
Interest	61,334	57,992	39,281	38,215	41,334	41,595	37,420	34,993
Difference between expected and actual experience	(19,050)	(10,194)	20,041	(7,653)	(19,570)	(6,941)	(25,887)	-
Changes of assumptions	(99,335)	84,543	(854,304)	75,056	278,682	262,118	(93,944)	100,531
Benefit payments	(33,115)	(29,553)	(25,003)	(22,384)	(5,128)	(4,835)	(4,613)	(4,289)
Net change in total OPEB liability	9,179	191,447	(669,969)	217,535	403,007	364,455	(3,984)	195,573
Total OPEB liability - beginning	1,593,783	1,402,336	2,072,305	1,854,770	1,451,763	1,087,308	1,091,292	895,719
Total OPEB liability - ending	\$ 1,602,962	\$ 1,593,783	\$ 1,402,336	\$ 2,072,305	\$ 1,854,770	\$ 1,451,763	\$ 1,087,308	\$ 1,091,292
Covered payroll	\$ 82,787,266	\$ 75,762,072	\$ 68,267,213	\$ 55,958,835	\$ 51,280,503	\$ 48,345,099	\$ 46,133,526	\$ 42,892,268
Total OPEB liability as a percentage of covered payroll	1.94%	2.10%	2.05%	3.70%	3.62%	3.00%	2.36%	2.54%

*Schedules will include 10 years of information as it becomes available.

Note: There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75

Combining and Individual Fund Financial Statements and Schedules

City of Georgetown, Texas

Combining and Individual Fund Financial Statements and Schedules – Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds (SRFs) are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City of Georgetown utilizes multiple SRFs to provide an extra level of transparency and accountability to the taxpayers.

American Rescue Plan – This SRF was created to account for the grant funds received from the American Rescue Plan program.

Council Discretionary – This SRF was created in July 2015 and includes the projected year-end General Fund balance not allocated in the budget. These funds will be expended at the direction of the City Council for specific one-time purposes.

Conservation – is dedicated to energy efficiency programs and projects, and is supported solely by the Conservation Fee charged monthly to all City of Georgetown electric customers on their utility bills. This fee is used to maintain compliance with House Bill 3693, which calls for enhancement of existing energy efficiency programs and strengthening of statutory requirements, as well as, to promote more electric demand management by customers. Specific programs supported by the Conservation SRF include Home Energy Audits, Weatherization Programs, and the LED Light Bulb Exchange Program.

Court Fees – includes the following SRFs:

- Court Security Fund
- Court Technology Fund
- Court Child Safety Fund
- Juvenile Case Manager Fund
- Municipal Jury Fund

The **Court Security Fund** is used to account for the receipt and expenditure of court costs related to security personnel and equipment.

The **Court Technology Fund** is used to finance the purchase or maintenance of technological enhancements for the Municipal Court.

Court Child Safety Fund is used to fund school crossing guard programs or other safety activities. All funds are governed by State statute.

The **Juvenile Case Manager Fund** is used for the receipt and expenditure of a court fee that is collected for a juvenile case manager. The fund is to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses of the juvenile case manager, as outlined by statute.

The **Municipal Jury Fund** is used to fund juror reimbursements and otherwise finance jury services. Other costs related to jury services could include the cost of mailing jury summons and food and beverages provided to jurors during service.

Development includes the following SRFs:

- Permitting Fund
- Community Development Block Grant (CDBG) Fund
- Main Street Façade Fund

City of Georgetown, Texas

Combining and Individual Fund Financial Statements and Schedules – Nonmajor Governmental Funds – Continued

The **Permitting Fund's** source is technology fees charged to builders and property owners. These fees support the MyPermitNow system which is a comprehensive electronic permit, inspection, and tracking system for all types of construction projects. This system allows for efficient and improved customer service for both the internal and external customers by providing real time online permit information to customers.

The **CDBG Fund** is financed through the US Department of Housing and Urban Affairs Division. CDBG funds are administered through Williamson County and fund infrastructure improvements, such as sidewalks in eligible geographic areas.

The **Main Street Façade Fund** accounts for grants distributed by the Main Street Board for the improvement of commercial facades in the Downtown Overlay District. Revenue sources include General Fund contributions and fund raising efforts by the Main Street Board.

Fire Fund revenue is derived from inspections and billing insurance carriers for fire protection services. These funds are used to purchase fire equipment and special needs. Revenues are also used to help fund fire prevention needs and public education

Library – accounts for the receipt and expenditure of restricted donations such as memorials and gifts for a designated library purchase or program.

Parks – includes the following funds:

- Tree Fund
- Parks Restricted Fund
- Parkland Dedication
- Cemetery Fund
- Garey Park Improvement Fund

The **Tree Fund** is financed by fees assessed when development projects remove trees. These funds are used to plant, prune, irrigate, maintain, and fund other associated tree activities in City parks, or other City-owned property.

The **Parks Restricted Fund** is used to account for transfers in, donations, and grants. Funds are used for equipment replacement for parks.

The **Parkland Dedication Fund** was established through the Parkland Dedication Ordinance. When new residential developments are built, the developer is required to dedicate land or pay a fee in lieu of dedication. When a fee is paid, the money is set aside to be used in a restricted zone near the development. The funds must be used for parks and recreation improvements such as new playgrounds, new parks, new trails, or to buy parkland.

The **Cemetery Fund** pays for the ongoing maintenance of the City's cemeteries. Revenues are generated from plot sales and maintenance fees. In addition, the City Council committed to transfer money in from the General Fund to plan for long-term maintenance.

The **Garey Park Improvement Fund** is used to account for the capital expenditures related to Garey Park improvements and the reimbursement revenue managed by the Chisholm Trail Foundation.

PEG Fee – The **Public, Education, and Government (PEG) Fund** is used to account for the receipt and expenditure of PEG fees collected through cable providers that are legally restricted for capital expenditures related to the City's cable access channel.

City of Georgetown, Texas

Combining and Individual Fund Financial Statements and Schedules – Nonmajor Governmental Funds – Continued

Police – includes the following funds:

- Police Seizures Fund
- Abandoned Vehicle Fund
- Animal Services Fund

The **Police Seizures Fund** is used to account for properties and revenues seized by the Georgetown Police Department. Federal and Texas State Law requires the funds only be used for a defined set of law enforcement purposes such as law enforcement training, crime prevention awareness programs, asset accounting and tracking, and witness-related costs. Purchases of police equipment and facilities equipment are also permitted under state law.

The **Abandoned Vehicle Fund** is used to track costs and related revenues for vehicles that have been impounded and are later auctioned.

The **Animal Services Fund** accounts for donations received from various sources and is used for items and projects that are related to the capital and service needs of the animal shelter.

Public Improvement Districts (PIDs) – includes the following funds:

- Village PID Fund
- Wolf Ranch PID Fund
- Parks at Westhaven PID Fund
- Bluffview PID Fund
- Preserve at Water Oak PID Fund

The **Village PID Fund** accounts for taxes collected from property assessments in the Georgetown Village PID Tax District. The revenue is used for basic maintenance of parks and open spaces of less than one acre. Basic maintenance of parks one acre and larger are maintained by the City of Georgetown and is not paid for by the PID. Revenue is also used for landscape, nature trails and pedestrian walkways, park benches, trash containers, and entry signs and other similar signs.

The **Wolf Ranch PID Fund** was created to account for the collection of debt service incurred by the issuance of \$10,500,000 in sales tax revenue bonds which were used to complete the IH 35 frontage in front of the Wolf Ranch development site.

The **Parks at Westhaven PID Fund** was created to account for the collection of assessments and payment of expenses and subsequent debt to reimburse the developer for authorized improvements approved in the Financing and Reimbursement agreement.

The **Bluffview PID Fund** was created to account for the collection of assessments and payment of expenses and subsequent debt to reimburse the developer for authorized improvements approved in the Financing and Reimbursement agreement.

The **Preserve at Water Oak PID Fund** was created to account for the collection of assessments and payment of expenses and subsequent debt to reimburse the developer for authorized improvements approved in the Financing and Reimbursement agreement.

The **Sidewalks Fund** was created to account for the collection of fees and payment of expenses related to sidewalk improvement projects.

City of Georgetown, Texas

Combining and Individual Fund Financial Statements and Schedules – Nonmajor Governmental Funds – Continued

The **Streets Sales Tax Fund** accounts for the receipt and expenditure of revenues collected from the quarter-cent sales tax approved by the citizens in November 2001 under Texas House Bill 445. The funds are required to be spent on maintenance of streets that were in existence at the time of adoption of the tax. This tax was most recently reauthorized by voters in November of 2022.

The **Streetlights Fund** accounts for the costs associated with providing and maintaining street lighting throughout the City. The fund supports payments to utility providers and covers ongoing maintenance and operational expenses for public streetlights. It is funded primarily through a flat monthly fee assessed to all utility customers within the city limits. The Streetlight Fund ensures consistent, safe, and reliable lighting infrastructure across Georgetown's neighborhoods and roadways.

Tax Increment Reinvestment Zones (TIRZ) – accounts for public improvements within an area that will generate private-sector development. The tax base is frozen at a predevelopment level and the increases in taxes derived from increases in assessed valuations are used to retire bonds originally issued for the development or to leverage future growth in the assigned areas. TIRZ includes the following funds:

- Downtown TIRZ
- Rivery TIRZ
- Gateway TIRZ
- Wolf Lakes TIRZ
- North Georgetown TIRZ

The **Downtown TIRZ** was created by Ordinance No. 2004-77 and covers approximately 66 (+/-) acres, located entirely in Williamson County and within the corporate limits of the City. This fund is used to account for the development and redevelopment of downtown Georgetown into a mixed use, pedestrian-oriented environment, consistent with the goals of the City's Downtown Master Plan.

The **Rivery TIRZ** was created by Ordinance No. 2011-91, and the duration is through December 31, 2041. This fund is to help provide a financing vehicle necessary to facilitate a program of public improvements to allow and encourage the development of a hotel and conference center, enhance the overall park experience, the establishment of single and multifamily residential development, and commercial/retail space.

The **Gateway TIRZ** was created by Ordinance No. 2006-204, and the duration is through December 31, 2031. This fund is to help finance a program of public improvements to allow and encourage the development and redevelopment of the Williams Drive Gateway area into a mixed use, pedestrian oriented environment, consistent with the goals of the City's Williams Drive Gateway Redevelopment Plan.

The **Wolf Lakes TIRZ** was created by Ordinance No. 2018-76 and the duration is through December 31, 2049. The fund is to provide economic and qualitative benefits by facilitating a program of public improvements on the northwest corner of IH-35 and its intersection with SH-29.

The **North Georgetown TIRZ** was created by Ordinance No. 2021-94 and consisting of 224 acres located along IH35, north of Highway 195 intersection. The duration is through December 31, 2038. The fund is to finance public infrastructure needed to develop the site for industrial and commercial use in partnership with the Developer.

Tourism – accounts for the receipt and expenditure of funds received by the City from the assessment of the 7% Hotel Occupancy Tax for hotel stays within the City. Eligible expenses are defined by state law and include operating a visitor center, promotion of local cultural sites, and historic preservation.

City of Georgetown, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	American Rescue Plan	Council Discretionary	Conservation	Court Fees	Development	Fire	Library Restricted
ASSETS							
Cash and cash equivalents	\$ 182,552	\$ 1,566,037	\$ 554,248	\$ 121,576	\$ 621,264	\$ 729,645	\$ 43,619
Cash and cash equiv. - restricted	-	-	-	-	-	-	-
Investments	237,108	2,034,049	719,886	157,908	806,930	947,699	56,654
Accounts receivable, net							
Property tax	-	-	-	-	-	-	-
Sales tax	-	-	-	-	-	-	-
Grants	-	-	-	-	22,395	-	-
Other	-	-	32,314	-	-	562,409	-
Due from other funds	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 419,660	\$ 3,600,086	\$ 1,306,448	\$ 279,484	\$ 1,450,589	\$ 2,239,753	\$ 100,273
LIABILITIES AND FUND BALANCE							
Accounts payable	\$ 419,660	\$ -	\$ 7,500	\$ 3,422	\$ 9,629	\$ 65	\$ -
Due to other funds	-	800,000	-	-	-	-	-
Unearned revenue	-	-	-	-	-	554,915	-
Total liabilities	419,660	800,000	7,500	3,422	9,629	554,980	-
DEFERRED INFLOWS - PROPERTY TAXES	-	-	-	-	-	-	-
FUND BALANCE							
Restricted	-	-	-	276,062	-	-	-
Committed	-	2,800,086	1,298,948	-	1,440,960	1,684,773	100,273
Total fund balance	-	2,800,086	1,298,948	276,062	1,440,960	1,684,773	100,273
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 419,660	\$ 3,600,086	\$ 1,306,448	\$ 279,484	\$ 1,450,589	\$ 2,239,753	\$ 100,273

Parks	PEG Fees	Police	Public Improvement Districts	Sidewalk	Street Sales Tax	Streetlight	Tax Increment Reinvestment Zones	Tourism	Total
\$10,021,286	\$ 382,253	\$ 276,221	\$ 631,811	\$ 69,643	\$ 3,776,600	\$ -	\$ 1,676,016	\$ 1,635,414	\$22,288,185
-	-	-	835,184	-	-	-	-	-	835,184
13,016,153	496,490	358,770	820,627	90,456	4,905,239	-	2,176,894	2,124,159	28,949,022
-	-	-	16,868	-	-	-	-	-	16,868
-	-	-	-	-	1,123,285	-	-	-	1,123,285
-	-	-	-	-	-	-	-	-	22,395
3,859,238	32,497	-	847,974	-	-	102,998	-	171,330	5,608,760
-	-	-	-	-	-	-	-	525	525
<u>\$26,896,677</u>	<u>\$ 911,240</u>	<u>\$ 634,991</u>	<u>\$ 3,152,464</u>	<u>\$ 160,099</u>	<u>\$ 9,805,124</u>	<u>\$ 102,998</u>	<u>\$ 3,852,910</u>	<u>\$ 3,931,428</u>	<u>\$58,844,224</u>
\$ 4,008,622	\$ -	\$ 5,062	\$ 69,503	\$ -	\$ 731,049	\$ 23,002	\$ -	\$ 54,097	\$ 5,331,611
-	-	15,459	587,299	-	-	-	-	-	1,402,758
443,688	-	-	271,480	-	-	-	-	-	1,270,083
4,452,310	-	20,521	928,282	-	731,049	23,002	-	54,097	8,004,452
-	-	-	16,868	-	-	-	-	-	16,868
<u>22,444,367</u>	<u>911,240</u>	<u>614,470</u>	<u>2,207,314</u>	<u>160,099</u>	<u>9,074,075</u>	<u>79,996</u>	<u>3,852,910</u>	<u>3,877,331</u>	<u>43,497,864</u>
-	-	-	-	-	-	-	-	-	7,325,040
<u>22,444,367</u>	<u>911,240</u>	<u>614,470</u>	<u>2,207,314</u>	<u>160,099</u>	<u>9,074,075</u>	<u>79,996</u>	<u>3,852,910</u>	<u>3,877,331</u>	<u>50,822,904</u>
<u>\$26,896,677</u>	<u>\$ 911,240</u>	<u>\$ 634,991</u>	<u>\$ 3,152,464</u>	<u>\$ 160,099</u>	<u>\$ 9,805,124</u>	<u>\$ 102,998</u>	<u>\$ 3,852,910</u>	<u>\$ 3,931,428</u>	<u>\$58,844,224</u>

City of Georgetown, Texas

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance –
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2025

	American Rescue Plan	Council Discretionary	Conservation	Court Fees	Development	Fire	Library Restricted
REVENUES							
Property tax/assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales tax	-	-	-	-	-	-	-
Franchise tax	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Charges for services	-	-	484,249	-	160,455	590,003	16
Fines and forfeitures	-	-	-	69,028	-	-	-
Donations and grants	2,525,994	-	-	-	67,166	5,700	133,424
Investment income	42,731	119,617	56,524	11,759	62,897	65,776	4,220
Other revenue	-	-	-	43,146	97,872	67,279	-
Total revenues	2,568,725	119,617	540,773	123,933	388,390	728,758	137,660
EXPENDITURES							
Culture / recreation	-	-	-	-	-	-	183,015
Development	-	-	-	-	130,406	-	-
Fire services	-	-	-	-	-	181,043	-
General government	-	-	1,189	-	85,385	-	-
Highways and streets	-	-	-	-	-	-	-
Police	-	-	-	55,937	-	-	-
Environmental services	-	-	162,543	-	-	-	-
Capital outlay	3,407,740	-	-	116	-	-	57,596
Debt service - principal retirement	-	-	-	-	-	-	-
Debt service - interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	3,407,740	-	163,732	56,053	215,791	181,043	240,611
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(839,015)	119,617	377,041	67,880	172,599	547,715	(102,951)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	1,000,000	-	-	15,000	-	-
Transfers out	-	(1,457,192)	(88,506)	(25,000)	-	(125,000)	-
Total other financing sources (uses)	-	(457,192)	(88,506)	(25,000)	15,000	(125,000)	-
Net change in fund balance	(839,015)	(337,575)	288,535	42,880	187,599	422,715	(102,951)
Fund balances, beginning of period	839,015	3,137,661	1,010,413	233,182	1,253,361	1,262,058	203,224
FUND BALANCES, end of period	\$ -	\$ 2,800,086	\$ 1,298,948	\$ 276,062	\$ 1,440,960	\$ 1,684,773	\$ 100,273

Parks	PEG Fees	Police	Public Improvement	Sidewalks	Street	Streetlight	Tax Increment Reinvestment	Tourism	Total
			Districts		Sales Tax		Zones		
\$ -	\$ -	\$ -	\$ 558,801	\$ -	\$ -	\$ -	\$ 1,775,334	\$ -	\$ 2,334,135
-	-	-	-	-	7,037,641	-	-	-	7,037,641
-	96,087	-	-	-	-	-	-	-	96,087
-	-	-	597,107	-	-	-	-	2,181,192	2,778,299
4,165,908	-	185	-	-	-	1,328,219	-	-	6,729,035
-	-	124,551	-	-	-	-	-	-	193,579
10,782,171	-	341,700	84,453	20,736	-	-	-	133,795	14,095,139
1,094,793	38,198	23,020	45,690	6,563	472,184	17,895	155,228	152,120	2,369,215
-	-	-	1,261	-	-	-	649,961	172,074	1,031,593
16,042,872	134,285	489,456	1,287,312	27,299	7,509,825	1,346,114	2,580,523	2,639,181	36,664,723
683,990	-	-	204,743	-	-	-	-	1,733,019	2,804,767
-	-	-	-	-	-	-	-	-	130,406
-	-	-	-	-	-	-	-	-	181,043
-	-	-	174,964	-	152	1,266,118	510,127	-	2,037,935
-	-	-	40,190	-	-	-	-	-	40,190
-	-	135,888	-	-	-	-	-	-	191,825
-	-	-	-	-	-	-	-	-	162,543
10,565,284	13,014	-	232,052	-	8,459,605	-	16,000	-	22,751,407
-	-	-	151,333	-	-	-	-	-	151,333
-	-	-	355,333	-	-	-	-	-	355,333
11,249,274	13,014	135,888	1,158,615	-	8,459,757	1,266,118	526,127	1,733,019	28,806,782
4,793,598	121,271	353,568	128,697	27,299	(949,932)	79,996	2,054,396	906,162	7,857,941
75,000	-	-	-	-	-	-	-	-	1,090,000
(1,046,892)	-	-	-	-	-	-	(1,378,803)	(213,069)	(4,334,462)
(971,892)	-	-	-	-	-	-	(1,378,803)	(213,069)	(3,244,462)
3,821,706	121,271	353,568	128,697	27,299	(949,932)	79,996	675,593	693,093	4,613,479
18,622,661	789,969	260,902	2,078,617	132,800	10,024,007	-	3,177,317	3,184,238	46,209,425
\$22,444,367	\$911,240	\$614,470	\$ 2,207,314	\$ 160,099	\$ 9,074,075	\$ 79,996	\$ 3,852,910	\$3,877,331	\$50,822,904

City of Georgetown, Texas

American Rescue Plan Special Revenue Fund
Schedule of Revenues and Expenditures (Budget Basis) –
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis
For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 250,500	\$ 42,731	\$ (207,769)
Donation and grants	2,525,995	2,525,994	(1)
Total revenues	2,776,495	2,568,725	(207,770)
EXPENDITURES			
Facilities	3,466,556	3,407,740	58,816
Total expenditures	3,466,556	3,407,740	58,816
NET CHANGE IN FUND BALANCE	(690,061)	(839,015)	(148,954)
Fund balance, beginning of year	839,015	839,015	-
FUND BALANCE, end of year	<u>\$ 148,954</u>	<u>\$ -</u>	<u>\$ (148,954)</u>

City of Georgetown, Texas

Council Discretionary Special Revenue Fund
Schedule of Revenues and Expenditures (Budget Basis) –
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis
For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 200,000	\$ 119,617	\$ (80,383)
Total revenues	200,000	119,617	(80,383)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	200,000	119,617	(80,383)
OTHER FINANCING SOURCES (USES)			
Transfer in	1,000,000	1,000,000	-
Transfers out	(1,457,192)	(1,457,192)	-
Total other financing sources (uses)	(457,192)	(457,192)	-
NET CHANGE IN FUND BALANCE	(257,192)	(337,575)	(80,383)
Fund balance, beginning of year	3,137,661	3,137,661	-
FUND BALANCE, end of year	<u>\$ 2,880,469</u>	<u>\$ 2,800,086</u>	<u>\$ (80,383)</u>

City of Georgetown, Texas

Conservation Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 45,000	\$ 56,524	\$ 11,524
Charges for services	460,533	484,249	23,716
Total revenues	505,533	540,773	35,240
EXPENDITURES			
Non-departmental	94	1,189	(1,095)
Electric conservation	437,690	162,543	275,147
Total expenditures	437,784	163,732	274,052
EXCESS OF REVENUES OVER EXPENDITURES	67,749	377,041	309,292
OTHER FINANCING (USES)			
Transfers out	(88,506)	(88,506)	-
Total other financing (uses)	(88,506)	(88,506)	-
NET CHANGE IN FUND BALANCE	(20,757)	288,535	309,292
Fund balance, beginning of year	1,010,413	1,010,413	-
FUND BALANCE, end of year	<u>\$ 989,656</u>	<u>\$ 1,298,948</u>	<u>\$ 309,292</u>

City of Georgetown, Texas

Court Fees Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Fines and forfeitures	\$ 48,790	\$ 69,028	\$ 20,238
Investment income	8,125	11,759	3,634
Other revenue	35,000	43,146	8,146
Total revenues	91,915	123,933	32,018
EXPENDITURES			
Municipal court	73,007	56,053	16,954
Total expenditures	73,007	56,053	16,954
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,908	67,880	48,972
OTHER FINANCING SOURCES			
Transfers out	(25,000)	(25,000)	-
Total other financing sources	(25,000)	(25,000)	-
NET CHANGE IN FUND BALANCE	(6,092)	42,880	48,972
Fund balance, beginning of year	233,182	233,182	-
FUND BALANCE, end of year	<u>\$ 227,090</u>	<u>\$ 276,062</u>	<u>\$ 48,972</u>

City of Georgetown, Texas

Development Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 44,000	\$ 62,897	\$ 18,897
Charges for services	180,000	160,455	(19,545)
Donations and grants	485,000	67,166	(417,834)
Other revenue	90,000	97,872	7,872
Total revenues	799,000	388,390	(410,610)
EXPENDITURES			
Inspection services	110,000	63,290	46,710
Planning	485,000	67,116	417,884
Mainstreet programs	135,000	85,385	49,615
Total expenditures	730,000	215,791	514,209
EXCESS OF REVENUES OVER EXPENDITURES	69,000	172,599	103,599
OTHER FINANCING SOURCES			
Transfers in	15,000	15,000	-
Total other financing sources	15,000	15,000	-
NET CHANGE IN FUND BALANCE	84,000	187,599	103,599
Fund balance, beginning of year	1,253,361	1,253,361	-
FUND BALANCE, end of year	<u>\$ 1,337,361</u>	<u>\$ 1,440,960</u>	<u>\$ 103,599</u>

City of Georgetown, Texas

Fire Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 50,000	\$ 65,776	\$ 15,776
Charges for services	410,500	590,003	179,503
Donations and grants	100	5,700	5,600
Other revenue	61,500	67,279	5,779
Total revenues	522,100	728,758	206,658
EXPENDITURES			
Fire support services/administration	459,120	181,043	278,077
Fire emergency services	215,000	-	215,000
Total expenditures	674,120	181,043	493,077
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(152,020)	547,715	699,735
OTHER FINANCING USES			
Transfers out	(125,000)	(125,000)	-
Total other financing uses	(125,000)	(125,000)	-
NET CHANGE IN FUND BALANCE	(277,020)	422,715	699,735
Fund balance, beginning of year	1,262,058	1,262,058	-
FUND BALANCE, end of year	<u>\$ 985,038</u>	<u>\$ 1,684,773</u>	<u>\$ 699,735</u>

City of Georgetown, Texas

Library Restricted Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 6,000	\$ 4,220	\$ (1,780)
Charges for services	-	16	16
Donations and grants	267,000	133,424	(133,576)
Total revenues	273,000	137,660	(135,340)
EXPENDITURES			
Library	345,465	240,611	104,854
Total expenditures	345,465	240,611	104,854
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(72,465)	(102,951)	(30,486)
OTHER FINANCING USES			
Transfers out	(75,000)	-	75,000
Total other financing uses	(75,000)	-	75,000
NET CHANGE IN FUND BALANCE	(147,465)	(102,951)	44,514
Fund balance, beginning of year	203,224	203,224	-
FUND BALANCE, end of year	<u>\$ 55,759</u>	<u>\$ 100,273</u>	<u>\$ 44,514</u>

City of Georgetown, Texas

Parks Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 595,000	\$ 1,094,793	\$ 499,793
Charges for services	1,403,691	4,165,908	2,762,217
Donations and grants	22,250,032	10,782,171	(11,467,861)
Total revenues	24,248,723	16,042,872	(8,205,851)
EXPENDITURES			
Parks	25,305,854	11,249,274	14,056,580
Total expenditures	25,305,854	11,249,274	14,056,580
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,057,131)	4,793,598	5,850,729
OTHER FINANCING SOURCES (USES)			
Transfers in	75,000	75,000	-
Transfers out	(1,071,320)	(1,046,892)	24,428
Total other financing sources (uses)	(996,320)	(971,892)	24,428
NET CHANGE IN FUND BALANCE	(2,053,451)	3,821,706	5,875,157
Fund balance, beginning of year	18,622,661	18,622,661	-
FUND BALANCE, end of year	<u>\$ 16,569,210</u>	<u>\$ 22,444,367</u>	<u>\$ 5,875,157</u>

City of Georgetown, Texas

PEG Fees Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 25,000	\$ 38,198	\$ 13,198
Franchise taxes	155,000	96,087	(58,913)
Total revenues	180,000	134,285	(45,715)
EXPENDITURES			
Communications/public engagement	155,000	13,014	141,986
Total expenditures	155,000	13,014	141,986
NET CHANGE IN FUND BALANCE	25,000	121,271	96,271
Fund balance, beginning of year	789,969	789,969	-
FUND BALANCE, end of year	<u>\$ 814,969</u>	<u>\$ 911,240</u>	<u>\$ 96,271</u>

City of Georgetown, Texas

Police Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 6,600	\$ 23,020	\$ 16,420
Fines and forfeitures	-	124,551	124,551
Donations and grants	339,736	341,700	1,964
Charges for service	-	185	185
Total revenues	346,336	489,456	143,120
EXPENDITURES			
Police operations	103,000	7,272	95,728
Animal services	228,476	128,616	99,860
Total expenditures	331,476	135,888	195,588
NET CHANGE IN FUND BALANCE	14,860	353,568	338,708
Fund balance, beginning of year	260,902	260,902	-
FUND BALANCE, end of year	<u>\$ 275,762</u>	<u>\$ 614,470</u>	<u>\$ 338,708</u>

City of Georgetown, Texas

Public Improvement Districts Special Revenue Fund
Schedule of Revenues and Expenditures (Budget Basis) –
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis
For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Property tax/assessments	\$ 560,443	\$ 558,801	\$ (1,642)
Other Taxes	603,750	597,107	(6,643)
Investment income	49,124	45,690	(3,434)
Donations and grants	84,885	84,453	(432)
Other revenue	-	1,261	1,261
Total revenues	1,298,202	1,287,312	(10,890)
EXPENDITURES			
Non-departmental	16,554	538	16,016
Parks	572,613	436,796	135,817
PID administration	676,830	681,091	(4,261)
Public works	153,811	40,190	113,621
Total expenditures	1,419,808	1,158,615	261,193
NET CHANGE IN FUND BALANCE	(121,606)	128,697	250,303
Fund balance, beginning of year	2,078,617	2,078,617	-
FUND BALANCE, end of year	<u>\$ 1,957,011</u>	<u>\$ 2,207,314</u>	<u>\$ 250,303</u>

City of Georgetown, Texas

Sidewalks Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ -	\$ 6,563	\$ 6,563
Donations and grants	-	20,736	20,736
Total revenues	-	27,299	27,299
NET CHANGE IN FUND BALANCE	-	27,299	27,299
Fund balance, beginning of year	132,800	132,800	-
FUND BALANCE, end of year	<u>\$ 132,800</u>	<u>\$ 160,099</u>	<u>\$ 27,299</u>

City of Georgetown, Texas

Street Sales Tax Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 400,000	\$ 472,184	\$ 72,184
Sales tax	6,734,416	7,037,641	303,225
Total revenues	7,134,416	7,509,825	375,409
EXPENDITURES			
Non-departmental	-	152	(152)
Public works	11,934,018	8,459,605	3,474,413
Systems engineering	1,000,000	-	1,000,000
Total expenditures	12,934,018	8,459,757	4,474,261
NET CHANGE IN FUND BALANCE	(5,799,602)	(949,932)	4,849,670
Fund balance, beginning of year	10,024,007	10,024,007	-
FUND BALANCE, end of year	<u>\$ 4,224,405</u>	<u>\$ 9,074,075</u>	<u>\$ 4,849,670</u>

City of Georgetown, Texas

Streetlight Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ -	\$ 17,895	\$ 17,895
Charges for services	1,286,806	1,328,219	41,413
Total revenues	1,286,806	1,346,114	59,308
EXPENDITURES			
Non-departmental	170,831	3,567	167,264
Streetlight admin	1,093,885	1,262,551	(168,666)
Total expenditures	1,264,716	1,266,118	(1,402)
NET CHANGE IN FUND BALANCE	22,090	79,996	57,906
Fund balance, beginning of year	-	-	-
FUND BALANCE, end of year	<u>\$ 22,090</u>	<u>\$ 79,996</u>	<u>\$ 57,906</u>

City of Georgetown, Texas

Tax Increment Reinvestment Zones Special Revenue Fund
Schedule of Revenues and Expenditures (Budget Basis) –
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis
For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Property taxes	\$ 1,940,484	\$ 1,775,334	\$ (165,150)
Investment income	82,075	155,228	73,153
Other revenue	533,500	649,961	116,461
Total revenues	2,556,059	2,580,523	24,464
EXPENDITURES			
Non-departmental	715,127	510,127	205,000
Administrative services	333,000	16,000	317,000
Total expenditures	1,048,127	526,127	522,000
EXCESS OF REVENUES OVER EXPENDITURES	1,507,932	2,054,396	546,464
OTHER FINANCING SOURCES (USES)			
Transfers out	(1,377,888)	(1,378,803)	(915)
Total other financing sources (uses)	(1,377,888)	(1,378,803)	(915)
NET CHANGE IN FUND BALANCE	130,044	675,593	545,549
Fund balance, beginning of year	3,177,317	3,177,317	-
FUND BALANCE, end of year	<u>\$ 3,307,361</u>	<u>\$ 3,852,910</u>	<u>\$ 545,549</u>

City of Georgetown, Texas

Tourism Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Investment income	\$ 130,000	\$ 152,120	\$ 22,120
Other taxes	2,480,000	2,181,192	(298,808)
Donations and grants	100,000	133,795	33,795
Other revenue	133,199	172,074	38,875
Total revenues	2,843,199	2,639,181	(204,018)
EXPENDITURES			
CVB	1,820,724	1,430,315	390,409
Poppy Festival	308,397	267,704	40,693
Downtown, arts & events	35,000	35,000	-
Total expenditures	2,164,121	1,733,019	431,102
EXCESS OF REVENUES OVER EXPENDITURES	679,078	906,162	227,084
OTHER FINANCING SOURCES (USES)			
Transfers out	(213,069)	(213,069)	-
Total other financing sources (uses)	(213,069)	(213,069)	-
NET CHANGE IN FUND BALANCE	466,009	693,093	227,084
Fund balance, beginning of year	3,184,238	3,184,238	-
FUND BALANCE, end of year	<u>\$ 3,650,247</u>	<u>\$ 3,877,331</u>	<u>\$ 227,084</u>

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Supplementary Individual Fund Financial Statements and Schedules – Major Governmental Funds

City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES			
Taxes			
Property tax	\$ 22,813,842	\$ 21,650,945	\$ (1,162,897)
Sales tax	30,304,757	31,673,955	1,369,198
Franchise taxes	9,668,215	9,669,369	1,154
Other	750,000	703,967	(46,033)
Total taxes	63,536,814	63,698,236	161,422
FINES AND FORFEITURES	522,650	654,997	132,347
CHARGES FOR SERVICES			
Fees	11,121,061	12,222,235	1,101,174
Permits	5,595,000	4,939,263	(655,737)
Administrative charges	2,229,451	2,226,451	(3,000)
Rental revenue	67,192	52,772	(14,420)
	19,012,704	19,440,721	428,017
INVESTMENT INCOME	1,800,000	1,793,270	(6,730)
DONATIONS AND GRANTS			
Grant revenue	74,000	157,001	83,001
Developer contributions	-	589,028	589,028
Interlocal agreement revenue	6,401,657	6,401,681	24
Donations	70,000	63,911	(6,089)
Sponsorship	6,000	5,500	(500)
	6,551,657	7,217,121	665,464
MISCELLANEOUS	387,636	1,189,236	801,600
TOTAL REVENUES	\$ 91,811,461	\$ 93,993,581	\$ 2,182,120

City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
EXPENDITURES			
Culture recreation			
Parks admin	\$ 1,877,767	\$ 1,776,783	\$ 100,984
Parks	3,306,411	3,222,841	83,570
Recreation	4,944,869	5,148,188	(203,319)
Tennis center	575,555	558,337	17,218
Garey Park	1,274,758	1,212,673	62,085
Arts and culture	772,470	717,632	54,838
Library	3,979,654	3,801,062	178,592
Total culture recreation	16,731,484	16,437,516	293,968
Development			
Development engineering	1,854,461	1,628,706	225,755
Planning	3,261,147	2,241,918	1,019,229
Inspection services	2,822,457	2,546,942	275,515
Code compliance	827,571	792,724	34,847
Total development	8,765,636	7,210,290	1,555,346
Fire services			
Support services	7,229,330	7,378,147	(148,817)
EMS	4,148,995	4,235,903	(86,908)
Emergency services	22,578,052	22,187,859	390,193
Total fire services	33,956,377	33,801,909	154,468
General government			
Ask GTX call center	1,120,662	773,433	347,229
General government contracts	9,838,347	11,212,788	(1,374,441)
City council	258,560	202,284	56,276
Emergency management	457,646	347,291	110,355
Administrative services	2,369,156	2,494,093	(124,937)
City secretary services	1,805,037	1,725,619	79,418
Communications/Public engagement	1,507,042	1,351,100	155,942
Total general government	\$ 17,356,450	\$ 18,106,608	\$ (750,158)

(continued)

City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

For the Fiscal Year Ended September 30, 2025

	Final Budget	Actual Budgetary Basis	Variance to Budget
Highways and streets			
Public works	\$ 1,136,338	\$ 1,490,848	\$ (354,510)
Streets	5,473,279	4,890,378	582,901
Transportation planning	1,537,646	1,090,622	447,024
Total highways and streets	8,147,263	7,471,848	675,415
Police services			
Police admin	3,070,664	2,874,727	195,937
Police operations	24,604,773	24,284,559	320,214
Animal services	1,711,350	1,245,258	466,092
Municipal court	700,281	647,149	53,132
Total police services	30,087,068	29,051,693	1,035,375
TOTAL EXPENDITURES	115,044,278	112,079,864	2,964,414
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(23,232,817)	(18,086,283)	5,146,534
OTHER FINANCING SOURCES (USES)			
Transfers in	20,561,167	20,669,394	108,227
Transfers out	(3,685,501)	(3,685,501)	-
Total other financing sources (uses)	16,875,666	16,983,893	108,227
NET CHANGE IN FUND BALANCE	(6,357,151)	(1,102,390)	5,254,761
Fund balance, beginning of year	38,427,314	38,176,422	(250,892)
FUND BALANCE, end of year	\$ 32,070,163	\$ 37,074,032	\$ 5,003,869
			(concluded)

City of Georgetown, Texas

Georgetown Transportation Enhancement Corporation (GTEC)
Schedule of Revenues and Expenditures (Budget Basis) –
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis
For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES				
Sales tax	\$ 13,468,832	\$ 13,468,832	\$ 14,075,282	\$ 606,450
Investment earnings	1,684,000	1,684,000	2,842,114	1,158,114
Total revenues	15,152,832	15,152,832	16,917,396	1,764,564
EXPENDITURES				
GTEC	50,850,653	67,628,633	7,504,270	60,124,363
Non-departmental	1,285,045	1,285,045	1,045,396	239,649
Total expenditures	52,135,698	68,913,678	8,549,666	60,364,012
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(36,982,866)	(53,760,846)	8,367,730	62,128,576
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	44,395,000	44,395,000	42,735,000	(1,660,000)
Bond premiums	-	-	1,864,020	1,864,020
Transfers out	(3,306,547)	(3,306,547)	(3,309,149)	(2,602)
Total other financing sources (uses)	41,088,453	41,088,453	41,289,871	201,418
NET CHANGE IN FUND BALANCE	4,105,587	(12,672,393)	49,657,601	62,329,994
Fund balance, beginning of year	32,318,941	49,460,579	52,163,573	2,702,994
FUND BALANCE, end of year	<u>\$ 36,424,528</u>	<u>\$ 36,788,186</u>	<u>\$ 101,821,174</u>	<u>\$ 65,032,988</u>

City of Georgetown, Texas

Debt Service Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES				
Ad valorem taxes	\$ 38,600,000	\$ 38,600,000	\$ 38,585,752	\$ (14,248)
Investment earnings	1,000,000	1,000,000	1,110,885	110,885
Other revenue	-	-	922	922
Total revenues	39,600,000	39,600,000	39,697,559	97,559
EXPENDITURES AND OTHER				
Non-departmental	42,612,536	42,612,536	42,526,160	86,376
OTHER FINANCING SOURCES (USES)				
Transfers in	4,029,384	4,029,384	4,032,901	3,517
Total other financing sources (uses)	4,029,384	4,029,384	4,032,901	3,517
NET CHANGE IN FUND BALANCE	1,016,848	1,016,848	1,204,300	187,452
Fund balances, beginning of year	3,978,424	3,978,424	4,052,785	74,361
FUND BALANCE, end of year	<u>\$ 4,995,272</u>	<u>\$ 4,995,272</u>	<u>\$ 5,257,085</u>	<u>\$ 261,813</u>

City of Georgetown, Texas

General Capital Projects Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
REVENUES				
Charges for services	\$ 4,685,999	\$ 4,095,611	\$ 746,832	\$ (3,348,779)
Donations and grants	22,291,391	25,909,640	6,713,167	(19,196,473)
Investment earnings	6,396,200	6,596,200	9,720,048	3,123,848
Other	-	7,500	835,846	828,346
Total revenues	33,373,590	36,608,951	18,015,893	(18,593,058)
EXPENDITURES				
Non-departmental	2,592,659	3,428,400	3,340,355	88,045
Parks	3,384,000	9,415,828	2,134,648	7,281,180
Finance administration	-	43,066	11,640	31,426
Facilities	13,000,000	39,950,361	15,445,881	24,504,480
Fire support services/administration	93,300	389,431	229,297	160,134
Systems engineering	65,356,440	193,828,782	24,696,853	169,131,929
Administrative services	-	3,074,179	1,316,958	1,757,221
Public works	1,000,000	31,030,567	9,320,061	21,710,506
Streets	-	25,211	-	25,211
Transportation planning	-	194,345	194,345	-
Total expenditures	85,426,399	281,380,170	56,690,038	224,690,132
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(52,052,809)	(244,771,219)	(38,674,145)	206,097,074
OTHER FINANCING SOURCES (USES)				
Issuance of bonds	59,265,800	59,208,800	57,620,000	(1,588,800)
Premiums	-	-	2,123,203	2,123,203
Transfers in	2,867,051	9,396,426	9,396,426	-
Transfers out	(4,276,500)	(4,281,710)	(4,281,710)	-
Total other financing sources (uses)	57,856,351	64,323,516	64,857,919	534,403
NET CHANGE IN FUND BALANCE	5,803,542	(180,447,703)	26,183,774	206,631,477
Fund balances, beginning of period	17,683,722	191,514,066	191,514,066	-
FUND BALANCE, end of year	<u>\$ 23,487,264</u>	<u>\$ 11,066,363</u>	<u>\$ 217,697,840</u>	<u>\$ 206,631,477</u>

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Combining Financial Statements – Nonmajor Proprietary Funds

City of Georgetown, Texas

Combining Financial Statements

Nonmajor Proprietary Funds

Enterprise Funds – The City's utilities are accounted for and operated in a manner similar to private business enterprises. Each utility accounted for as an independent entity, is an enterprise fund. Enterprise fund accounting is used where the intent of the City Council is to finance or recover the costs of providing goods or services to the general public on a continuing basis primarily through user charges or when the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

Airport Fund – used to account for revenues and expenses related to the operation and maintenance of the City's airport.

Stormwater Drainage Fund – used to account for revenues and expenses related to the operations, capital projects, and debt service of the stormwater drainage facilities.

Solid Waste Fund – used to account for revenues and expenses related to the operation, capital projects, and debt service of the solid waste facilities.

Internal Service Funds – This fund is used to account for services performed by one government organization or department for others.

Fleet Services Fund – The City uses this fund to purchase and account for all major equipment and vehicles. Each item is assigned annual lease and maintenance values which the leasing department pays to the Internal Service Fund. The annual lease value is determined by the projected replacement cost divided by the years of useful life of the item. The lease and maintenance payments made by the departments enable the Internal Service Fund to replace equipment and vehicles on a pre-planned schedule to minimize maintenance costs and reduce safety risks due to worn out equipment and vehicles. The fund also provides maintenance for all vehicles through the Vehicle Service Center.

Joint Services Fund – The Joint Services Fund is composed of departments which provide services to more than one city fund. Charges for services provided are determined by allocating each specific department's cost to the using fund.

Facilities Maintenance Fund – The City uses this fund to account for janitorial service, light maintenance, painting, landscape maintenance and roofing and air conditioning repairs for all City buildings. Each building is assigned an annual maintenance cost, which is paid to the Internal Service Fund by the occupying departments, based on square footage occupied. The payments made by the departments enable the Internal Service Fund to provide major and minor facility repairs on a preplanned schedule to minimize maintenance costs and provide preventative care to reduce long-term maintenance and replacement costs.

Information Technology Fund – The City uses this fund to account for purchases and maintenance of the City's computer systems. Each department pays an annual predetermined lease payment, based upon the equipment the department has. These payments enable the fund to replace older equipment and upgrade the City's computer resources and provide assistance in maintenance of equipment. This fund also provides for the management of the City's computer systems through personnel in the Information Services department.

Self-Insurance Fund – The City uses this account for its self-insurance program providing health insurance to employees and their family members.

City of Georgetown, Texas
Combining Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2025

	Airport Fund	Stormwater Drainage Fund	Solid Waste Fund	Total Nonmajor Enterprise Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 931,572	\$ 2,072,388	\$ 676,168	\$ 3,680,128
Cash and cash equivalents - restricted	1,648,697	642,306	294,448	2,585,451
Investments	1,209,972	2,691,722	878,242	4,779,936
Accounts receivable				-
Services (net of allowance for uncollectibles)	88,859	1,194,748	2,111,344	3,394,951
Grants	100,000	-	-	100,000
Interest	7,231	-	-	7,231
Other	828,723	-	-	828,723
Due from other funds	4,872	14,910	223	20,005
Inventories	61,615	-	-	61,615
Total current assets	4,881,541	6,616,074	3,960,425	15,458,040
Noncurrent assets				
Long-term receivables	6,165,066	-	-	6,165,066
Capital assets				
Land	641,536	-	494,000	1,135,536
Land rights	391,868	1,111,670	-	1,503,538
Buildings	3,856,218	-	-	3,856,218
Furniture, machinery, and equipment	483,933	155,839	-	639,772
Vehicles	382,770	2,747,558	45,933	3,176,261
Streets	79,335	1,259,982	-	1,339,317
Distribution system	10,354,295	139,032,656	-	149,386,951
Improvements	5,792,809	-	16,591,025	22,383,834
Construction in progress	161,560	503,127	126,642	791,329
Less accumulated depreciation	(12,621,589)	(30,072,921)	(504,425)	(43,198,935)
Total capital assets (net of accumulated depreciation)	9,522,735	114,737,911	16,753,175	141,013,821
Total noncurrent assets	15,687,801	114,737,911	16,753,175	147,178,887
TOTAL ASSETS	20,569,342	121,353,985	20,713,600	162,636,927
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow related to pension	190,730	190,730	-	381,460
Total deferred outflows of resources	190,730	190,730	-	381,460
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 20,760,072	\$ 121,544,715	\$ 20,713,600	\$ 163,018,387
LIABILITIES				
Current liabilities				
Accounts payable	\$ 335,024	\$ 170,563	\$ 1,236,276	\$ 1,741,863
Accrued employee benefits	30,194	77,830	6,658	114,682
Unearned revenue	-	143,318	-	143,318
Current portion of long-term debt	144,574	442,070	662,978	1,249,622
Accrued interest	10,456	36,439	61,937	108,832
Construction contracts and retainages payable	1,965	15,815	-	17,780
Customer deposits	13,435	-	-	13,435
Total current liabilities	535,648	886,035	1,967,849	3,389,532
Noncurrent liabilities				
Accrued employee benefits	56,020	127,583	12,511	196,114
Long-term debt payable	2,283,803	4,697,406	13,331,905	20,313,114
Net pension liability	310,950	310,950	-	621,900
Total noncurrent liabilities	2,650,773	5,135,939	13,344,416	21,131,128
Total liabilities	3,186,421	6,021,974	15,312,265	24,520,660
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow related to pension	29,184	29,184	-	58,368
Deferred inflow related to leases	6,580,152	-	-	6,580,152
Total deferred inflow of resources	6,609,336	29,184	-	6,638,520
Net position				
Net investment in capital assets	8,741,090	110,224,926	3,052,740	122,018,756
Unrestricted	2,223,225	5,268,631	2,348,595	9,840,451
Total net position	10,964,315	115,493,557	5,401,335	131,859,207
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 20,760,072	\$ 121,544,715	\$ 20,713,600	\$ 163,018,387

City of Georgetown, Texas

Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended September 30, 2025

	Airport Fund	Stormwater Drainage Fund	Solid Waste Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES	\$ 5,326,225	\$ 6,458,081	\$ 17,698,411	\$ 29,482,717
Total operating revenues	5,326,225	6,458,081	17,698,411	29,482,717
OPERATING EXPENSES				
Depreciation	685,503	3,801,439	57,739	4,544,681
Other	5,620,854	4,740,285	16,248,770	26,609,909
Total operating expenses	6,306,357	8,541,724	16,306,509	31,154,590
NET OPERATING INCOME (LOSS)	(980,132)	(2,083,643)	1,391,902	(1,671,873)
NONOPERATING REVENUES (EXPENSES)				
Investment income	330,392	245,394	528,756	1,104,542
Donations and grants	123,000	-	14,042	137,042
Interest and fiscal charges	(50,192)	(159,283)	(289,019)	(498,494)
Gain on asset disposal	-	5,920	-	5,920
Franchise taxes	-	-	299,440	299,440
Other	352,488	(2,394)	148,240	498,334
Total nonoperating revenues (expenses)	755,688	89,637	701,459	1,546,784
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(224,444)	(1,994,006)	2,093,361	(125,089)
CONTRIBUTIONS AND TRANSFERS				
Capital contributions	-	18,638,990	-	18,638,990
Transfers in	295,580	3,226,013	43,356	3,564,949
Transfers out	-	(482,317)	(6,058,081)	(6,540,398)
Total contributions and transfers	295,580	21,382,686	(6,014,725)	15,663,541
CHANGE IN NET POSITION	71,136	19,388,680	(3,921,364)	15,538,452
Total net position, beginning of period	10,893,179	96,104,877	9,322,699	116,320,755
TOTAL NET POSITION, end of period	\$ 10,964,315	\$ 115,493,557	\$ 5,401,335	\$ 131,859,207

City of Georgetown, Texas
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended September 30, 2025

	Airport Fund	Stormwater Drainage Fund	Stormwater Drainage Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,627,581	\$ 6,055,931	\$ 18,495,327	\$ 26,178,839
Payments to suppliers	(4,878,919)	(3,881,884)	(16,037,544)	(24,798,347)
Payments to employees for services	3,290,175	(782,462)	(180,509)	2,327,204
Net cash provided by operating activities	38,837	1,391,585	2,277,274	3,707,696
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers out	-	(482,317)	(6,058,081)	(6,540,398)
Transfers in	295,580	1,847,641	43,356	2,186,577
Net cash provided by (used in) noncapital financing activities	295,580	1,365,324	(6,014,725)	(4,353,821)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(286,700)	(716,211)	(552,848)	(1,555,759)
Sale of capital assets	-	-	-	-
Donations, grants, and other	123,000	-	14,042	137,042
Proceeds from issuance of long-term debt	-	1,000,000	-	1,000,000
Principal paid on revenue and certificates of obligation bonds	(173,695)	(424,124)	(555,000)	(1,152,819)
Interest paid on revenue and certificates of obligation bonds	(131,923)	(209,460)	(792,406)	(1,133,789)
Net cash provided by (used in) capital and related financing activities	(469,318)	(349,795)	(1,886,212)	(2,705,325)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	307,699	245,394	528,756	1,081,849
Change in temporary investments	(6,523)	(1,081,518)	2,902,111	1,814,069
Net cash provided by (used in) investing activities	301,176	(836,124)	3,430,867	2,895,918
Net change in cash and cash equivalents	166,275	1,570,990	(2,192,796)	(455,532)
Cash and cash equivalents, beginning of year	2,413,994	1,143,704	3,163,412	6,721,111
CASH AND CASH EQUIVALENTS, end of year	\$ 2,580,269	\$ 2,714,694	\$ 970,616	\$ 6,265,579
NON-CASH DISCLOSURE OF CAPITAL ACTIVITY				
Capital asset purchases on account (accrued but not paid)	\$ 1,965	\$ -	\$ -	\$ 1,965
Developer contributions	-	18,638,990	-	18,638,990
OPERATING INCOME (LOSS)	\$ (980,132)	\$ (2,083,643)	\$ 1,391,902	\$ (1,671,873)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities				
Depreciation and Amortization	685,503	3,801,439	57,739	4,544,681
Gain/loss on disposal of asset	-	5,920	-	5,920
Other income	352,488	(2,394)	447,680	797,774
Decrease (increase) in inventories	1,374	-	-	1,374
Decrease (increase) in accounts receivable	(4,058,562)	(380,371)	349,236	(4,089,697)
Increase (decrease) in due to/from other funds	(4,872)	(14,910)	(223)	(20,005)
Increase (decrease) in accounts payable	167,519	58,550	25,172	251,241
Increase (decrease) in unearned revenue	-	(25,305)	-	(25,305)
Increase (decrease) in net pension liability	3,856,173	11,767	-	3,867,940
Increase (decrease) in accrued employee benefits	11,916	20,532	5,768	38,216
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 38,837	\$ 1,391,585	\$ 2,277,274	\$ 3,707,696

City of Georgetown, Texas
Combining Statement of Net Position
Internal Service Funds
September 30, 2025

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
ASSETS						
Current						
Cash and cash equivalents	\$ 4,831,740	\$ 4,555,141	\$ 2,950,106	\$ 5,993,493	\$ 4,085,660	\$22,416,140
Investments	6,275,709	5,916,447	3,831,747	7,784,652	5,306,662	29,115,217
Prepaid expense	10	1,000	-	-	200,000	201,010
Accounts receivable	-	1,057,015	-	-	-	1,057,015
Due from other funds	-	-	7,944	6,093	-	14,037
Inventories	-	3,409,982	-	-	-	3,409,982
Total current assets	11,107,459	14,939,585	6,789,797	13,784,238	9,592,322	56,213,401
Noncurrent						
Property and equipment						
Land	481,927	214,065	-	-	-	695,992
Buildings	13,500	432,955	63,666	-	-	510,121
Furniture, machinery, and equipment	1,511,223	1,284,784	3,987,627	12,451,854	-	19,235,488
Vehicles	42,427,290	-	13,711	-	-	42,441,001
Distribution system	-	-	-	3,281,970	-	3,281,970
Improvements	12,681	33,300	1,115,252	32,970	-	1,194,203
Construction in progress	-	-	-	1,075	-	1,075
Right-to-use asset - leases	-	1,036,348	-	1,036,348	-	2,072,696
Right-to-use asset - subscriptions	-	522,656	-	6,478,160	-	7,000,816
Total property and equipment cost	44,446,621	3,524,108	5,180,256	23,282,377	-	76,433,362
Less accumulated depreciation	(23,701,078)	(2,977,713)	(2,864,700)	(16,143,691)	-	(45,687,182)
Net property and equipment	20,745,543	546,395	2,315,556	7,138,686	-	30,746,180
TOTAL ASSETS	\$ 31,853,002	\$ 15,485,980	\$ 9,105,353	\$ 20,922,924	\$ 9,592,322	\$86,959,581
LIABILITIES AND NET POSITION						
Liabilities						
Current liabilities						
Accounts payable	\$ 386,600	\$ 3,701,776	\$ 183,063	\$ 404,252	\$ 1,232,117	\$ 5,907,808
Accrued employee benefits	23,447	-	31,165	178,077	-	232,689
Unearned revenue	-	-	-	-	-	-
Accrued interest	-	3,045	-	85,732	-	88,777
Current portion of lease liability	-	193,982	-	193,982	-	387,964
Current portion of subscription liability	-	-	-	1,496,839	-	1,496,839
Due to other funds	17,440	750,850	-	-	-	768,290
Customer Deposits	-	427,119	-	-	-	427,119
Total current liabilities	427,487	5,076,772	214,228	2,358,882	1,232,117	9,309,486
Noncurrent liabilities						
Accrued employee benefits	36,253	-	55,064	324,360	-	415,677
Subscription liability	-	-	-	1,021,613	-	1,021,613
Total liabilities	463,740	5,076,772	269,292	3,704,855	1,232,117	10,746,776
Net position						
Net investment in capital assets	20,745,543	352,413	2,315,556	4,426,252	-	27,839,764
Unrestricted	10,643,719	10,056,795	6,520,505	12,791,817	8,360,205	48,373,041
Total net position	31,389,262	10,409,208	8,836,061	17,218,069	8,360,205	76,212,805
TOTAL LIABILITIES AND NET POSITION	\$ 31,853,002	\$ 15,485,980	\$ 9,105,353	\$ 20,922,924	\$ 9,592,322	\$86,959,581

City of Georgetown, Texas

Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds For the Fiscal Year Ended September 30, 2025

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
OPERATING REVENUES						
Charges for services	\$ 5,956,470	\$ 29,928,106	\$ 5,795,159	\$ 17,967,631	\$ 13,828,163	\$ 73,475,529
OPERATING EXPENSES						
Accounting	-	1,737,929	-	-	-	1,737,929
City wide HR services	-	1,679,138	-	-	-	1,679,138
Utility Customer Service	-	3,554,787	-	-	-	3,554,787
Utility Customer Billing	-	6,016,185	-	-	-	6,016,185
Economic development administration	-	582,489	-	-	-	582,489
Facilities maintenance contracts	-	-	3,562,953	-	-	3,562,953
Facilities maintenance services	-	-	1,084,698	-	-	1,084,698
Finance and administration	-	2,148,678	-	-	-	2,148,678
Fleet services operations	3,230,526	-	-	-	-	3,230,526
Human resources	-	1,989,056	-	-	-	1,989,056
Organizational and Operational Excellence	-	495,071	-	-	-	495,071
Information technology	-	-	-	5,808,172	-	5,808,172
Joint services contracts	-	2,333,646	-	4,963,535	-	7,297,181
Legal services	-	1,510,303	-	-	-	1,510,303
Real Estate Services	-	541,301	-	-	-	541,301
Member reimbursements	-	-	-	-	12,499,785	12,499,785
Medical insurance	-	-	-	-	2,911,678	2,911,678
Cost of Service Operations Contracts	-	-	-	-	144,725	144,725
Purchasing	-	719,420	-	-	-	719,420
Warehouse services	-	351,683	-	-	-	351,683
Shared Control Center	-	7,420	-	-	-	7,420
Systems engineering	-	3,247,951	-	-	-	3,247,951
Depreciation and amortization	4,650,333	502,054	136,959	4,155,064	-	9,444,410
Total operating expenses	7,880,859	27,417,111	4,784,610	14,926,771	15,556,188	70,565,539
NET OPERATING INCOME (LOSS)	(1,924,389)	2,510,995	1,010,549	3,040,860	(1,728,025)	2,909,990
NONOPERATING REVENUES (EXPENSES)						
Investment income	1,162,008	403,324	307,798	530,826	355,482	2,759,438
Interest and fiscal charges	-	(11,918)	-	(83,286)	-	(95,204)
Gain(loss) on disposed assets	(19,868)	-	-	5,963	-	(13,905)
Other	331,093	202,603	5,326	7,588	1,746,719	2,293,329
Total nonoperating revenues (expenses)	1,473,233	594,009	313,124	461,091	2,102,201	4,943,658
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(451,156)	3,105,004	1,323,673	3,501,951	374,176	7,853,648
CONTRIBUTIONS AND TRANSFERS						
Capital contributions	112,437	-	-	-	-	112,437
Transfers in	6,470,952	-	15,400	237,600	-	6,723,952
Transfers out	(20,302,359)	(1,721,906)	-	-	-	(22,024,265)
Total contributions and transfers	(13,718,970)	(1,721,906)	15,400	237,600	-	(15,187,876)
CHANGE IN NET POSITION	(14,170,126)	1,383,098	1,339,073	3,739,551	374,176	(7,334,228)
Net position, beginning of period	45,559,388	9,026,110	7,496,988	13,478,518	7,986,029	83,547,033
NET POSITION, end of period	\$ 31,389,262	\$ 10,409,208	\$ 8,836,061	\$ 17,218,069	\$ 8,360,205	\$ 76,212,805

City of Georgetown, Texas
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended September 30, 2025

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Department contributions	\$ 6,657,934	\$ 30,553,891	\$ 5,800,485	\$ 17,981,182	\$ 15,665,327	\$ 76,658,819
Payments to suppliers	(2,261,134)	(15,205,314)	(4,211,227)	(6,519,359)	(15,035,592)	(43,232,626)
Payments to employees for services	(720,832)	(10,595,616)	(595,190)	(4,246,112)	-	(16,157,750)
Net cash provided by (used in) operating activities	3,675,968	4,752,961	994,068	7,215,711	629,735	17,268,443
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers out	(20,302,359)	(1,721,906)	-	-	-	(22,024,265)
Transfers in	6,470,952	-	15,400	237,600	-	6,723,952
Net cash provided by noncapital financing activities	(13,831,407)	(1,721,906)	15,400	237,600	-	(15,300,313)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Acquisition of capital assets	1,467,371	3,318	(414,053)	(1,215,542)	-	(158,906)
Proceeds from sale of capital assets	(19,868)	-	-	-	-	(19,868)
Principal paid on leases	-	(319,723)	-	(319,723)	-	(639,446)
Principal paid on subscriptions	-	(190,689)	-	(2,099,651)	-	(2,290,340)
Interest paid on subscriptions	-	(10,817)	-	(82,186)	-	(93,003)
Net cash used in capital and related financing activities	1,447,503	(517,911)	(414,053)	(3,717,102)	-	(3,201,563)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest received	1,162,008	403,324	307,798	530,826	355,482	2,759,438
Change in temporary investments	5,102,851	(1,307,824)	(245,777)	(1,982,875)	(178,328)	1,388,047
Net cash provided by (used in) investing activities	6,264,859	(904,500)	62,021	(1,452,049)	177,154	4,147,485
Net increase (decrease) in cash	(2,443,077)	1,608,644	657,436	2,284,160	806,889	2,914,052
Cash and cash equivalents, beginning of year	7,274,817	2,946,497	2,292,670	3,709,333	3,278,771	19,502,088
CASH AND CASH EQUIVALENTS, end of year	\$ 4,831,740	\$ 4,555,141	\$ 2,950,106	\$ 5,993,493	\$ 4,085,660	\$ 22,416,140
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital asset acquisitions under subscriptions (SBITAs)	\$ -	\$ -	\$ -	\$ 474,880	\$ -	\$ 474,880
Developer contributions	112,437	-	-	-	-	112,437
OPERATING INCOME (LOSS)	\$ (1,924,389)	\$ 2,510,995	\$ 1,010,549	\$ 3,040,860	\$ (1,728,025)	\$ 2,909,990
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:						
Depreciation and amortization	4,650,333	502,054	136,959	4,155,064	-	9,444,410
Gain on sale of capital assets	(19,868)	-	-	5,963	-	(13,905)
Other income	331,093	202,603	5,326	7,588	1,746,719	2,293,329
Decrease (increase) in prepaid expenses	(10)	(1,000)	-	-	-	(1,010)
Decrease (increase) in inventories	-	(1,092,576)	-	-	-	(1,092,576)
Decrease (increase) in accounts receivable	390,239	(3,937)	-	-	90,445	476,747
Decrease (increase) in due from/to other funds	(15,670)	748,350	(7,944)	(6,093)	-	718,643
Increase (decrease) in accounts payable	250,442	1,459,353	(158,714)	(84,399)	520,596	1,987,278
Increase (decrease) in customer deposits	-	427,119	-	-	-	427,119
Increase (decrease) in accrued employee benefits	13,798	-	7,892	96,728	-	118,418
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ 3,675,968	\$ 4,752,961	\$ 994,068	\$ 7,215,711	\$ 629,735	\$ 17,268,443

Statistical Section (Unaudited)

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City of Georgetown, Texas
Statistical Section (Unaudited)

This part of the City of Georgetown's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents:

Financial Trend.....	140
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These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity.....	150
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These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity.....	160
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These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information	174
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These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information.....	178
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These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report related to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

City of Georgetown, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2025	2024	2023	2022
Governmental activities				
Net investment in capital assets	\$ 515,173,019	\$ 465,611,860	\$ 410,567,205	\$ 371,149,670
Restricted	45,804,849	23,084,857	20,362,945	18,018,751
Unrestricted	81,773,747	95,102,868	96,837,289	76,704,463
Total governmental activities net position	\$ 642,751,615	\$ 583,799,585	\$ 527,767,439	\$ 465,872,884
Business-type activities				
Net investment in capital assets	938,155,295	830,106,906	697,626,906	585,993,508
Restricted	103,464,695	69,205,576	46,618,445	81,502,846
Unrestricted	230,805,642	178,716,722	196,620,869	135,905,215
Total business-type activities net position	\$1,272,425,632	\$1,078,029,204	\$ 940,866,220	\$ 803,401,569
Primary government				
Net investment in capital assets	\$1,453,328,314	\$1,295,718,766	\$1,108,194,111	\$ 957,143,178
Restricted	149,269,544	92,290,433	66,981,390	99,521,597
Unrestricted	312,579,389	273,819,590	293,458,158	212,609,678
Total primary government net position	\$1,915,177,247	\$1,661,828,789	\$1,468,633,659	\$1,269,274,453

2021	2020	2019	2018	2017	2016
\$ 351,232,962	\$ 334,866,278	\$ 314,793,619	\$ 276,645,061	\$ 266,518,836	\$ 254,289,833
14,116,916	10,217,761	5,992,268	7,677,564	6,423,693	4,958,105
71,547,912	42,054,620	39,926,307	47,211,812	35,069,898	27,598,778
<u>\$ 436,897,790</u>	<u>\$ 387,138,659</u>	<u>\$ 360,712,194</u>	<u>\$ 331,534,437</u>	<u>\$ 308,012,427</u>	<u>\$ 286,846,716</u>
456,121,717	474,482,607	421,399,112	361,380,352	374,238,275	380,034,944
35,057,405	-	-	-	-	-
200,984,120	121,502,015	89,621,895	98,787,599	63,291,864	27,740,653
<u>\$ 692,163,242</u>	<u>\$ 595,984,622</u>	<u>\$ 511,021,007</u>	<u>\$ 460,167,951</u>	<u>\$ 437,530,139</u>	<u>\$ 407,775,597</u>
\$ 807,354,679	\$ 809,348,885	\$ 736,192,731	\$ 638,025,413	\$ 640,757,111	\$ 634,324,777
49,174,321	10,217,761	5,992,268	7,677,564	6,423,693	4,958,105
272,532,032	163,556,635	129,548,202	145,999,411	98,361,762	55,339,431
<u>\$1,129,061,032</u>	<u>\$ 983,123,281</u>	<u>\$ 871,733,201</u>	<u>\$ 791,702,388</u>	<u>\$ 745,542,566</u>	<u>\$ 694,622,313</u>

City of Georgetown, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2025	2024	2023	2022
EXPENSES				
Governmental activities				
Culture-recreation	\$ 27,020,145	\$ 19,762,852	\$ 17,732,882	\$ 16,297,283
Development	15,124,445	6,890,978	6,333,212	4,827,233
Fire	36,547,582	34,440,258	29,566,354	24,070,090
General government	20,956,255	53,592,162	39,854,052	50,227,479
Police	30,522,037	27,367,230	24,147,505	20,391,650
Streets	26,638,510	8,825,800	10,485,408	6,554,066
Environmental services	162,543	164,747	11,906,563	10,527,603
Interest on long-term debt	19,629,830	14,495,037	11,757,844	9,258,115
Total governmental activities expenses	176,601,347	165,539,064	151,783,820	142,153,519
Business-type activities				
Airport	6,356,549	6,347,668	6,737,661	6,084,802
Electric	111,462,940	109,259,928	99,339,116	94,103,761
Stormwater	8,695,087	7,679,759	8,321,678	5,472,651
Solid Waste	16,595,528	15,718,126	-	-
Water	113,864,226	92,046,748	86,313,785	66,066,322
Total business-type activities expenses	256,974,330	231,052,229	200,712,240	171,727,536
Total primary government expenses	\$ 433,575,677	\$ 396,591,293	\$ 352,496,060	\$ 313,881,055
PROGRAM REVENUES				
Governmental activities				
Charges for services				
Culture-recreation	\$ 8,042,359	\$ 10,041,031	\$ 7,370,804	\$ 4,716,713
Development	7,493,087	8,257,805	7,781,455	8,937,327
Fire	6,028,672	6,556,718	3,159,284	3,238,329
General government	1,194,675	1,064,915	897,312	833,589
Police	966,840	819,116	661,195	464,542
Streets	485,974	1,167,370	1,175,769	-
Environmental services	1,327,106	-	13,206,716	12,030,074
Operating grants and contributions	25,985,036	15,225,545	7,396,382	8,505,824
Capital grants and contributions	25,178,672	18,786,722	27,834,322	15,433,875
Total governmental activities program revenues	76,702,421	61,919,222	69,483,239	54,160,273
Business-type activities				
Charges for services				
Airport	114,553,215	5,498,915	5,907,684	5,616,773
Electric	181,588,685	105,793,861	99,445,123	96,099,634
Stormwater	5,678,713	5,376,992	4,847,880	4,463,646
Solid Waste	6,455,687	16,403,494	-	-
Water	17,846,651	127,820,964	127,435,863	123,099,145
Operating grants and contributions	530,509	1,144,091	101,184	731,258
Capital grants and contributions	101,194,827	85,267,835	94,393,719	62,133,164
Total business-type activities program revenues	427,848,287	347,306,152	332,131,453	292,143,620
Total primary government program revenues	\$ 504,550,708	\$ 409,225,374	\$ 401,614,692	\$ 346,303,893
Net (expense)/revenue				
Governmental activities	\$ (99,898,926)	\$ (103,619,842)	\$ (82,300,581)	\$ (87,993,246)
Business-type activities	170,873,957	116,253,923	131,419,213	120,416,084
Total primary government net expense	\$ 70,975,031	\$ 12,634,081	\$ 49,118,632	\$ 32,422,838

2021	2020	2019	2018	2017	2016
\$ 13,414,830	\$ 15,598,354	\$ 13,872,915	\$ 13,151,439	\$ 11,904,166	\$ 12,128,222
3,793,141	4,293,027	3,465,789	3,356,356	2,561,792	2,805,625
22,071,561	24,264,619	19,530,308	17,642,881	16,113,850	15,089,501
12,823,730	6,844,030	5,684,392	4,989,778	5,959,340	6,348,544
18,537,264	21,710,738	17,528,376	17,174,693	16,537,297	15,938,090
5,327,307	7,923,523	9,651,202	12,773,454	7,376,116	8,270,333
9,652,598	10,686,467	8,357,796	8,246,680	6,325,688	5,964,867
7,160,163	7,306,732	7,095,415	7,172,983	5,826,012	4,455,057
92,780,594	98,627,490	85,186,193	84,508,264	72,604,261	71,000,239
4,410,182	79,179,630	4,306,091	3,675,044	3,123,008	2,655,035
88,790,270	56,354,897	81,228,070	77,960,552	66,383,559	59,649,218
4,510,808	3,964,161	3,723,377	3,707,981	3,882,824	3,844,129
-	-	-	-	-	-
52,520,362	4,052,203	45,506,608	42,004,858	39,960,102	36,679,504
150,231,622	143,550,891	134,764,146	127,348,435	113,349,493	102,827,886
\$ 243,012,216	\$ 242,178,381	\$ 219,950,339	\$ 211,856,699	\$ 185,953,754	\$ 173,828,125
\$ 3,321,875	\$ 1,918,354	\$ 3,012,266	\$ 3,255,788	\$ 2,534,735	\$ 2,781,283
7,260,417	5,622,473	4,434,081	3,169,625	2,653,201	2,666,369
2,884,031	2,806,272	7,641,026	4,538,006	4,116,783	3,718,280
538,965	1,032,226	45,532	365,766	356,455	1,155,218
495,458	478,602	992,621	1,004,922	743,304	200,276
-	-	-	-	4,124,813	843,386
11,041,283	10,218,066	9,284,703	8,782,764	7,329,850	7,380,876
6,441,555	5,900,401	225,105	1,560,956	470,604	397,920
13,972,698	11,142,679	9,890,127	15,480,125	5,612,025	12,784,076
45,956,282	39,119,073	35,525,461	38,157,952	27,941,770	31,927,684
3,969,953	3,284,729	3,376,373	3,500,244	3,318,983	2,905,729
90,678,737	94,842,210	86,335,438	73,419,224	70,109,269	66,916,207
4,209,406	4,159,000	3,618,468	3,571,582	3,409,626	3,277,508
-	-	-	-	-	-
109,295,979	82,288,865	65,693,605	65,542,222	42,729,980	45,485,151
206,980	132,671	-	-	-	-
47,361,553	51,190,822	31,949,771	11,757,245	32,180,271	25,104,637
255,722,608	235,898,297	190,973,655	157,790,517	151,748,129	143,689,232
\$ 301,678,890	\$ 275,017,370	\$ 226,499,116	\$ 195,948,469	\$ 179,689,899	\$ 175,616,916
\$ (46,824,312)	\$ (59,508,417)	\$ (49,660,732)	\$ (46,350,312)	\$ (44,662,491)	\$ (39,072,555)
105,490,986	92,347,406	56,209,509	30,442,082	38,398,636	40,861,346
\$ 58,666,674	\$ 32,838,989	\$ 6,548,777	\$ (15,908,230)	\$ (6,263,855)	\$ 1,788,791

City of Georgetown, Texas
Changes In Net Position
Last Ten Fiscal Years – Continued
(Accrual Basis Of Accounting)

	2025	2024	2023	2022
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Property tax	\$ 62,606,779	\$ 59,231,430	\$ 50,535,097	\$ 41,941,149
Sales tax	52,786,878	50,488,921	47,617,023	47,223,463
Hotel occupancy tax	2,181,192	1,942,577	-	-
Mixed beverage tax	393,226	395,392	-	-
Auto inventory tax	310,741	331,711	-	-
Taxes - other	-	-	7,813,724	7,234,817
Franchise taxes	9,765,456	8,480,337	3,121,818	2,320,560
Investment income	20,594,970	19,880,716	13,573,487	1,585,971
Other	5,934,128	11,768,817	7,521,056	4,554,129
Transfers	4,277,586	(1,240,846)	14,012,931	12,108,251
Total governmental activities	\$ 158,850,956	\$ 151,279,055	\$ 144,195,136	\$ 116,968,340
Business-type activities				
Franchise taxes	\$ 299,440	\$ -	\$ -	\$ -
Investment income	27,500,617	29,491,128	20,058,369	2,930,494
Transfers	(4,277,586)	1,240,846	(14,012,931)	(12,108,251)
Total business-type activities	23,522,471	30,731,974	6,045,438	(9,177,757)
Total primary government	\$ 182,373,427	\$ 182,011,029	\$ 150,240,574	\$ 107,790,583
CHANGES IN NET POSITION				
Governmental activities	\$ 58,952,030	\$ 47,659,213	\$ 61,894,555	\$ 28,975,094
Business-type activities	194,396,428	146,985,897	137,464,651	111,238,327
Total primary government	\$ 253,348,458	\$ 194,645,110	\$ 199,359,206	\$ 140,213,421

2021	2020	2019	2018	2017	2016
\$ 36,690,865	\$ 33,731,126	\$ 30,784,640	\$ 27,118,902	\$ 24,734,830	\$ 22,815,206
39,823,657	31,845,454	27,647,382	25,036,952	23,008,606	21,556,336
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,728,635	1,384,656	1,833,555	1,663,994	3,027,357	2,459,912
6,352,265	5,882,916	5,646,479	5,274,758	4,973,295	4,926,315
261,541	1,514,798	2,687,704	1,518,679	731,135	398,206
1,918,589	2,633,974	2,631,661	-	164,835	-
9,807,891	8,941,958	7,607,068	9,259,037	9,188,144	10,371,215
<u>\$ 96,583,443</u>	<u>\$ 85,934,882</u>	<u>\$ 78,838,489</u>	<u>\$ 69,872,322</u>	<u>\$ 65,828,202</u>	<u>\$ 62,527,190</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
477,776	1,558,167	2,250,615	1,454,767	544,050	271,508
(9,807,891)	(8,941,958)	(7,607,068)	(9,259,037)	(9,188,144)	(10,371,215)
(9,330,115)	(7,383,791)	(5,356,453)	(7,804,270)	(8,644,094)	(10,099,707)
<u>\$ 87,253,328</u>	<u>\$ 78,551,091</u>	<u>\$ 73,482,036</u>	<u>\$ 62,068,052</u>	<u>\$ 57,184,108</u>	<u>\$ 52,427,483</u>
\$ 49,759,131	\$ 26,426,465	\$ 29,177,757	\$ 23,522,010	\$ 21,165,711	\$ 23,454,635
96,160,871	84,963,615	50,853,056	22,637,812	29,754,542	30,761,639
<u>\$ 145,920,002</u>	<u>\$ 111,390,080</u>	<u>\$ 80,030,813</u>	<u>\$ 46,159,822</u>	<u>\$ 50,920,253</u>	<u>\$ 54,216,274</u>

City of Georgetown, Texas

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	2025	2024	2023	2022
General fund				
Nonspendable	\$ 23,392	\$ 18,524	\$ 16,695	\$ 317,611
Committed				
Contingency	20,876,742	19,305,493	18,166,659	15,917,686
Economic stability	-	-	-	
Benefit payout	-	340,000	340,000	340,000
Assigned	-	-	-	
Unassigned	16,173,898	18,512,405	17,427,348	20,939,947
Total general fund	\$ 37,074,032	\$ 38,176,422	\$ 35,950,702	\$ 37,515,244
Other governmental funds				
Nonspendable	\$ -	\$ -	\$ 241	\$ 15,545
Restricted				
Debt service	5,257,085	4,052,785	2,813,408	1,922,334
Bond funds	217,697,841	191,514,066	143,240,531	112,398,468
Hotel/motel tax	3,877,330	3,184,239	2,782,127	2,325,443
Street maintenance tax	9,074,075	10,024,003	12,078,990	10,490,595
Other purposes	12,917,094	12,308,805	10,240,006	9,373,729
Committed				
Other capital projects	93,763,117	44,070,516	41,063,402	40,692,763
Other purposes	33,012,456	28,785,435	23,224,565	18,793,057
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	\$ 375,598,998	\$ 293,939,849	\$ 235,443,270	\$ 196,011,934

Note: City of Georgetown first applied GASB Statement No. 54 in fiscal year 2011;
therefore, the new fund balance distinctions for years prior to fiscal year 2012 are not available.

2021	2020	2019	2018	2017	2016
\$ 126,560	\$ 245,067	\$ 454,443	\$ 231,057	\$ 246,648	\$ 507,929
11,159,189	11,414,340	9,977,771	8,500,000	7,925,000	7,925,000
1,467,563	-	-	1,150,000	1,150,000	-
340,000	340,000	170,000	252,000	222,000	-
	-	1,011,219	682,350	919,906	1,502,188
16,718,129	9,197,203	2,827,859	1,131,340	2,862,071	2,561,845
<u>\$ 29,811,441</u>	<u>\$ 21,196,610</u>	<u>\$ 14,441,292</u>	<u>\$ 11,946,747</u>	<u>\$ 13,325,625</u>	<u>\$ 12,496,962</u>
\$ 53,837	\$ 20,930	\$ -	\$ -	\$ -	\$ -
1,945,161	1,907,062	2,004,196	2,110,421	1,938,926	1,867,190
72,413,177	38,315,166	32,713,686	29,208,307	17,258,365	23,602,097
1,863,372	1,675,963	1,551,880	1,301,053	853,337	499,231
6,672,999	3,530,549	1,558,875	3,301,181	3,422,465	2,388,379
8,352,587	2,901,071	638,729	547,157	762,196	692,834
36,859,894	31,029,700	20,821,652	16,896,037	11,556,682	10,985,484
12,015,278	6,876,345	6,747,159	7,723,610	5,405,555	3,324,663
-	-	13,469,490	17,529,424	22,456,924	26,160,650
-	-	-	(228,267)	(495,350)	(105,707)
<u>\$ 140,176,305</u>	<u>\$ 86,256,786</u>	<u>\$ 79,505,667</u>	<u>\$ 78,388,923</u>	<u>\$ 63,159,100</u>	<u>\$ 69,414,821</u>

City of Georgetown, Texas

Changes In Fund Balances of Governmental Funds Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

	2025	2024	2023	2022
REVENUES				
Property taxes	\$ 62,570,832	\$ 58,837,353	\$ 50,833,873	\$41,526,133
Sales tax and other taxes	56,269,144	53,746,353	50,738,841	49,544,023
Franchise taxes	9,765,456	8,480,337	7,813,724	7,234,817
Licenses and permits	-	-	-	-
Charges for service	24,690,137	27,240,672	33,613,366	29,559,161
Fine and forfeitures	848,576	666,283	639,169	426,842
Donations and grants	28,025,427	17,274,196	10,033,692	11,181,032
Investment income	17,835,532	17,536,425	12,297,037	1,447,572
Other revenue	3,057,597	5,985,600	3,130,915	1,772,933
Total revenues	203,062,701	189,767,219	169,100,617	142,692,513
EXPENDITURES				
Culture / recreation	19,242,283	18,396,700	16,708,450	15,369,673
Development	8,702,670	6,597,733	6,047,914	4,740,048
Fire services	33,825,352	33,582,499	28,550,595	24,342,213
General government	17,756,601	16,875,685	16,399,544	15,247,680
Highways and streets	7,746,652	6,813,657	9,045,385	4,721,035
Police	29,103,774	26,728,677	23,351,375	20,693,538
Environmental services	162,543	164,747	11,898,475	10,527,641
Capital outlay	85,130,342	68,693,801	51,538,489	24,773,548
Debt service				
Principal retirement	27,939,589	28,351,402	24,737,478	19,767,875
Interest and fiscal charges	16,816,253	13,243,673	11,848,002	9,887,072
Total expenditures	246,426,059	219,448,574	200,125,707	150,070,323
Excess (deficiency) of revenues over expenditures	(43,363,358)	(29,681,355)	(31,025,090)	(7,377,810)
OTHER FINANCING SOURCES (USES)				
Transfers in	35,188,721	21,894,341	21,095,323	18,413,407
Transfers out	(15,610,822)	(29,325,093)	(14,144,693)	(14,667,587)
Premiums	3,987,223	7,089,406	5,462,336	3,115,851
Sale of property	-	-	-	-
Payment to refunding escrow agent	-	-	-	-
Issuance of bonds	100,355,000	90,745,000	55,760,000	63,821,000
Leases	-	-	619,543	234,571
Subscriptions	-	-	99,375	-
Total other financing sources (uses)	123,920,122	90,403,654	68,891,884	70,917,242
NET CHANGE IN FUND BALANCES	\$ 80,556,764	\$ 60,722,299	\$ 37,866,794	\$63,539,432
Debt service as a percentage of noncapital expenditures	27.7%	27.6%	24.6%	23.7%

2021	2020	2019	2018	2017	2016
\$36,669,503	\$ 33,808,581	\$ 30,854,570	\$ 28,636,709	\$ 26,109,522	\$ 25,276,211
41,552,292	33,230,110	29,480,937	26,700,946	24,588,124	21,556,336
6,352,265	5,882,916	5,646,479	5,274,758	4,973,295	4,926,315
4,781,179	3,435,817	3,756,125	2,747,720	2,652,279	2,113,126
20,319,316	18,241,169	19,299,458	16,126,270	14,273,666	12,512,232
441,534	399,007	473,251	457,279	500,577	525,510
8,442,013	7,107,087	1,263,616	7,108,038	5,231,886	6,852,346
195,909	1,329,892	2,379,050	1,322,819	672,070	356,761
1,336,361	746,569	2,082,621	2,883,871	1,875,015	3,207,387
120,090,372	104,181,148	95,236,107	91,258,410	80,876,434	77,326,224
12,645,620	12,175,658	13,051,248	12,804,253	11,362,281	11,144,256
3,831,114	3,443,205	3,260,516	3,222,862	2,517,985	5,565,942
22,216,763	19,821,262	18,373,565	16,079,479	14,848,470	13,823,467
6,305,201	5,413,335	5,347,716	5,276,868	4,791,467	3,361,740
4,910,641	4,852,090	9,079,580	12,271,033	6,992,059	7,794,109
18,719,459	17,376,416	16,490,203	15,935,637	14,737,071	13,876,795
9,652,598	8,537,957	7,862,780	7,911,890	6,328,860	5,951,829
20,348,175	23,707,970	32,473,431	28,581,061	39,219,989	23,482,464
15,570,801	13,484,534	12,600,418	11,062,889	10,372,836	8,860,415
8,001,223	7,767,277	7,454,605	6,724,766	5,808,925	4,931,447
122,201,595	116,579,704	125,994,062	119,870,738	116,979,943	98,792,464
(2,111,223)	(12,398,556)	(30,757,955)	(28,612,328)	(36,103,509)	(21,466,240)
16,520,667	13,602,477	12,093,253	16,406,657	15,963,898	14,712,268
(11,752,924)	(7,332,484)	(6,939,985)	(9,893,720)	(10,046,733)	(7,421,944)
8,796,846	-	2,489,315	3,837,621	1,799,286	1,831,554
-	-	2,631,661	-	-	-
(25,844,016)	-	-	(15,027,285)	-	(7,877,733)
76,925,000	19,635,000	24,095,000	47,140,000	22,960,000	50,244,742
-	-	-	-	-	-
-	-	-	-	-	-
64,645,573	25,904,993	34,369,244	42,463,273	30,676,451	51,488,887
\$62,534,350	\$ 13,506,437	\$ 3,611,289	\$ 13,850,945	\$ (5,427,058)	\$ 30,022,647
23.1%	22.9%	21.4%	19.5%	20.8%	18.3%

City of Georgetown, Texas

Property Tax Rates, Levies and Collections

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

Fiscal Year	Tax Rate	General Fund	Interest and Sinking Fund	Total Tax Levy	Current Tax Collections
2016	0.4340	0.20720	0.22680	23,803,581	23,354,913
2017	0.4240	0.19670	0.22734	25,551,262	25,470,885
2018	0.4200	0.19270	0.22734	28,043,693	27,622,737
2019	0.4200	0.19955	0.22045	30,490,501	30,291,980
2020	0.4200	0.19547	0.22453	33,674,169	33,495,990
2021	0.4180	0.19318	0.22482	36,361,454	36,344,533
2022	0.4010	0.16132	0.23968	41,374,812	41,034,846
2023	0.3740	0.13219	0.24181	50,038,063	50,478,762
2024	0.3740	0.13268	0.24132	58,780,343	58,539,650
2025	0.3647	0.12511	0.23959	62,167,624	61,059,034

Source: Williamson County Tax Assessor.

Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as a Percent of Current Levy
98.12%	71,125	23,426,038	98.41%	377,543	1.59%
99.69%	(6,876)	25,464,009	99.66%	452,566	1.77%
98.50%	89,789	27,712,526	98.82%	581,133	2.07%
99.35%	69,555	30,361,535	99.58%	509,410	1.67%
99.47%	52,780	33,548,770	99.63%	429,275	1.27%
99.95%	55,067	36,399,600	100.10%	451,867	1.24%
99.18%	37,224	41,072,069	99.27%	877,115	2.12%
100.88%	10,787	50,489,549	100.90%	564,094	1.13%
99.59%	90,783	58,630,433	99.74%	961,599	1.64%
98.22%	190,823	61,249,857	98.52%	987,185	1.59%

City of Georgetown, Texas

Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	
	Assessed Value ⁽¹⁾	Estimated Actual Value	Assessed Value ⁽¹⁾	Estimated Actual Value
2016	5,460,868,492	5,460,868,492	372,206,180	372,206,180
2017	6,055,421,970	6,055,421,970	426,545,483	426,545,483
2018	6,547,754,115	6,547,754,115	542,912,696	542,912,696
2019	7,402,055,252	7,402,055,252	428,295,165	428,295,165
2020	8,112,088,405	8,112,088,405	569,752,477	569,752,477
2021	8,473,277,625	8,473,277,625	701,058,487	701,058,487
2022	10,156,092,100	10,156,092,100	793,964,283	793,964,283
2023	12,950,755,672	12,950,755,672	930,237,215	930,237,215
2024	15,699,361,604	15,699,361,604	1,053,167,412	1,053,167,412
2025	17,087,029,396	17,087,029,396	1,304,645,850	1,304,645,850

Source: Williamson County Appraisal District Tax Assessor/Collector.

⁽¹⁾ Net of exemptions.

Total	Total	Ratio of Total
Assessed	Estimated	Assessed Value
Value ⁽¹⁾	Actual	to Total Estimated
Value	Value	Actual Value
5,838,074,672	5,838,074,672	0.4340
6,481,967,453	6,481,967,453	0.4240
7,090,666,811	7,090,666,811	0.4200
7,830,350,417	7,830,350,417	0.4200
8,681,840,882	8,681,840,882	0.4200
9,174,336,112	9,174,336,112	0.4180
10,950,056,383	10,950,056,383	0.4010
13,880,992,887	13,880,992,887	0.3740
16,752,529,016	16,752,529,016	0.3740
18,391,675,246	18,391,675,246	0.3647

City of Georgetown, Texas

Property Tax Rates – Direct and Overlapping Governments
(Per \$100 of Assessed Value)
Last Ten Fiscal Years

Fiscal Year	City of Georgetown			Georgetown Independent School District	Williamson County	Total
	General Fund	Debt Service Fund	Total City			
2016	0.21	0.23	0.44	1.40	0.48	2.32
2017	0.21	0.22	0.43	1.41	0.48	2.32
2018	0.19	0.23	0.42	1.41	0.46	2.29
2019	0.20	0.22	0.42	1.41	0.46	2.29
2020	0.20	0.22	0.42	1.34	0.46	2.22
2021	0.19	0.22	0.41	1.31	0.46	2.18
2022	0.16	0.24	0.40	1.23	0.44	2.07
2023	0.13	0.24	0.37	1.21	0.38	1.96
2024	0.13	0.24	0.37	1.05	0.38	1.79
2025	0.12	0.24	0.36	1.05	0.40	1.81

Source: Information furnished by respective tax assessors.

City of Georgetown, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2025			2016		
	Assessed Value	Rank	Percentage of Total Assessed Value ⁽¹⁾	Assessed Value	Rank	Percentage of Total Assessed Value ⁽¹⁾
ZT Systems	\$ 293,750,487	1	1.60%			
Citicorp North America	228,807,327	2	1.24%	\$ 60,732,836	2	1.04%
Citigroup Technology Inc	123,734,108	3	0.67%	50,222,987	3	0.86%
BT-JV VG LLC	106,213,800	4	0.58%			
WPG Wolf Ranch LLC	105,000,000	5	0.57%	69,711,336	1	1.19%
BVF-V Georgetown 2 LLC	94,000,000	6	0.51%			
Blue Sprins Business Park LLC	89,807,182	7	0.49%			
SL6 Georgetown LP	88,726,178	8	0.48%			
Magnolia Georgetown LLC	79,704,000	9	0.43%			
Georgetown Senior Living LLC	77,600,000	10	0.42%			
The Bassham Trust				36,694,921	4	0.63%
St. David's Healthcare Partnership				35,136,906	5	0.60%
Westinghouse Pointe Apts				27,364,236	6	0.47%
Vantage at Georgetown LLC				25,204,000	7	0.43%
Summary at Rivery Park LTD				25,029,930	8	0.43%
Two Rivers GT Ltd				24,669,572	9	0.42%
South Austin Ave Prof Bldg				22,351,976	10	0.38%
Total	\$ 1,287,343,082		7.00%	\$ 377,118,700		6.46%

Source: WCAD CGT Certified Supporting Documents.

⁽¹⁾ The total assessed valuation for the fiscal year ended September 30, 2025 was certified at \$18,391,675,246.

*Per certified roll. Does not include some major property owners whose property is under protest as of date of certification.

City of Georgetown, Texas

Taxable Sales by Category Last Ten Fiscal Years

NAICS Sectors	2025*	2024	2023	2022
Agriculture/Forestry/Fishing/Hunting	\$ 3,783	\$ 2,775	\$ 17,035	\$ -
Mining, quarrying, oil & gas extraction	-	-	-	-
Utilities	53,419,812	47,617,881	36,832,291	35,375,045
Construction	47,982,085	48,152,261	62,970,783	45,622,460
Manufacturing	43,393,013	83,185,223	63,476,099	169,007,705
Wholesale trade	92,001,021	63,456,735	62,118,973	55,479,923
Retail trade	973,906,256	960,875,987	874,507,960	906,081,517
Transportation, warehousing	26,513,512	24,986,765	15,191,731	10,944,833
Information	16,937,791	30,198,712	20,749,681	42,457,791
Finance, insurance	119,614,611	1,234,800	1,582,209	4,294,491
Real estate, rental, leasing	13,270,111	9,944,499	8,424,225	5,388,949
Professional, scientific, technical svcs	13,201,597	16,858,785	14,443,725	14,072,659
Management of companies, enterprises	97,217	10,000	14,315	225,783
Admin, support, waste mgmt, remediation svcs	21,072,688	16,363,751	19,723,529	18,815,027
Educational svcs	678,617	746,920	670,239	868,677
Healthcare, social assistance	983,712	758,152	1,235,596	590,284
Arts, entertainment, recreation	17,607,919	15,723,831	14,271,772	11,615,073
Accommodation, food services	275,129,267	261,307,369	242,716,524	217,724,101
Other svcs (except public administration)	170,561,739	173,618,012	189,113,329	156,889,815
Public administration	137,852	-	-	-
Other	-	-	-	-
Total	\$1,886,512,603	\$1,755,042,458	\$1,628,060,016	\$1,695,454,133
City direct sales tax rate	2.00%	2.00%	2.00%	2.00%

Source: Window on State Government - Glenn Hegar, Texas Comptroller of Public Accounts website.

Amounts subject to sales tax have been restated by the state since the 2012 CAFR release.

Notes: All reporting is by North American Industry Classification System (NAICS) sector. Standard Industrial Classification (SIC) Codes are no longer being assigned to taxpayers.

*Only first three Quarters for 2025 (City FY25 October 2024 to June 2025) was available at time of update

2021	2020	2019	2018	2017	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
34,607,661	35,016,212	43,667,940	30,132,050	24,653,363	24,509,458
14,594,711	33,901,554	40,056,047	25,020,124	24,798,897	18,369,915
168,503,155	123,745,096	115,742,117	120,869,078	82,046,181	7,590,482
30,908,183	27,978,783	27,804,152	24,744,056	24,816,039	21,912,478
723,021,201	599,889,893	549,216,372	534,956,456	525,453,413	552,269,512
8,442,931	4,564,338	3,677,032	3,834,944	3,219,999	2,159,562
51,734,427	76,362,611	77,390,775	62,540,410	47,709,743	51,059,437
2,241,971	2,632,221	2,612,369	3,303,579	3,557,444	3,357,319
4,169,500	3,827,475	3,444,769	3,364,139	3,387,155	3,393,642
14,515,633	12,500,619	9,757,092	9,359,072	8,624,509	8,189,352
820,995	604,538	638,249	180,993	-	315,805
14,039,895	10,492,522	12,919,075	10,208,258	8,787,903	8,131,282
458,419	356,809	540,780	645,249	479,225	538,758
512,056	585,190	734,147	546,285	607,795	439,596
7,235,932	9,140,944	12,786,896	12,774,273	13,139,889	12,251,028
174,746,808	155,984,061	152,328,276	141,635,730	134,051,840	127,069,718
131,024,780	79,418,380	40,019,932	30,602,131	27,870,439	26,724,994
-	-	1,027	57,786	31,743	18,245
-	-	-	-	2,613	-
<u>\$1,381,578,258</u>	<u>\$1,177,001,246</u>	<u>\$1,093,337,047</u>	<u>\$1,014,774,613</u>	<u>\$ 933,238,190</u>	<u>\$ 868,300,583</u>
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

City of Georgetown, Texas

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year	City Direct Rate	State of Texas
2016	2%	6.25%
2017	2%	6.25%
2018	2%	6.25%
2019	2%	6.25%
2020	2%	6.25%
2021	2%	6.25%
2022	2%	6.25%
2023	2%	6.25%
2024	2%	6.25%
2025	2%	6.25%

Source: Information furnished by City of Georgetown.

City of Georgetown, Texas

Sales Tax Revenue Payers by Industry Fiscal Years 2025 and 2016

2025*					
NAICS Sectors	Number of Filers	Percent of Total		Tax Liability	Percent of Total
Agriculture/Forestry/Fishing/Hunting	14	0.47%	\$ 3,783	\$ 76	0.00%
Mining, quarrying, oil & gas extraction	2	0.07%	-	-	0.00%
Utilities	8	0.27%	53,419,812	1,068,396	2.83%
Construction	263	8.81%	47,982,085	959,642	2.54%
Manufacturing	195	6.53%	43,393,013	867,860	2.30%
Wholesale trade	106	3.55%	92,001,021	1,840,020	4.88%
Retail trade	1,038	34.76%	973,906,256	19,478,125	51.62%
Transportation, warehousing	21	0.70%	26,513,512	530,270	1.41%
Information	50	1.67%	16,937,791	338,756	0.90%
Finance, insurance	15	0.50%	119,614,611	2,392,292	6.34%
Real estate, rental, leasing	63	2.11%	13,270,111	265,402	0.70%
Professional, scientific, technical svcs	225	7.54%	13,201,597	264,032	0.70%
Management of companies, enterprises	5	0.17%	97,217	1,944	0.01%
Admin, support, waste mgmt, remediation svcs	159	5.32%	21,072,688	421,454	1.12%
Educational svcs	23	0.77%	678,617	13,572	0.04%
Healthcare, social assistance	57	1.91%	983,712	19,674	0.05%
Arts, entertainment, recreation	112	3.75%	17,607,919	352,158	0.93%
Accommodation, food services	339	11.35%	275,129,267	5,502,585	14.58%
Other svcs (except public administration)	211	7.07%	170,561,739	3,411,235	9.04%
Public administration	5	0.17%	137,852	2,757	0.01%
Other	75	2.51%	-	-	0.00%
Totals	2,986	100.00%	\$1,886,512,603	\$ 37,730,250	100.00%
2016					
NAICS Sectors	Number of Filers	Percent of Total		Tax Liability	Percent of Total
Agriculture/Forestry/Fishing/Hunting	3	0.17%	\$ -	\$ -	0.00%
Mining, quarrying, oil & gas extraction	2	0.12%	-	-	0.00%
Utilities	7	0.41%	23,300,359	466,007	2.61%
Construction	119	6.89%	32,632,561	652,651	3.65%
Manufacturing	115	6.66%	22,890,673	457,813	2.56%
Wholesale trade	69	4.00%	20,757,315	415,146	2.32%
Retail trade	612	35.46%	552,155,541	11,043,111	61.80%
Transportation, warehousing	17	0.98%	1,868,373	37,367	0.21%
Information	34	1.97%	50,831,951	1,016,639	5.69%
Finance, insurance	11	0.64%	3,260,095	65,202	0.36%
Real estate, rental, leasing	31	1.80%	3,448,108	68,962	0.39%
Professional, scientific, technical svcs	135	7.82%	8,237,405	164,748	0.92%
Management of companies, enterprises	3	0.17%	-	-	0.00%
Admin, support, waste mgmt, remediation svcs	106	6.14%	7,701,976	154,040	0.86%
Educational svcs	8	0.46%	543,793	10,876	0.06%
Healthcare, social assistance	29	1.68%	424,063	8,481	0.05%
Arts, entertainment, recreation	55	3.19%	12,199,537	243,991	1.37%
Accommodation, food services	176	10.20%	126,060,979	2,521,220	14.11%
Other svcs (except public administration)	143	8.29%	27,095,153	541,903	3.03%
Public administration	5	0.29%	18,236	365	0.00%
Other	46	2.67%	35,018	-	0.00%
Totals	1,726	100.00%	\$ 893,461,136	\$ 17,868,522	100.00%

Source: Window on State Government.

Notes: The City direct sales tax rate for both 2025 and 2016 is 2%. Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. All reporting is now by North American Industry Classification System (NAICS) sectors. Standard Industrial Classification (SIC) Codes are no longer being assigned to taxpayers, and data on SIC filers is no longer available.

*Only first three Quarters for 2025 (City FY25 October 2024 to June 2025) was available at time of update

City of Georgetown, Texas

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Sales Tax Revenue Bonds	Special Assessment Bonds	Related Premiums	Subscription Liability	Lease Liability
2016	154,191,338	7,225,000	-	4,596,657	-	-
2017	170,194,599	6,685,000	-	6,020,112	-	-
2018	192,278,643	6,125,000	-	9,391,939	-	-
2019	204,223,225	5,555,000	-	11,175,985	-	-
2020	210,843,700	4,960,000	-	10,360,307	-	-
2021	246,977,899	4,340,000	-	18,313,360	-	-
2022	283,870,024	3,695,000	7,681,000	20,159,633	-	-
2023	315,624,546	3,025,000	7,619,000	23,896,674	2,154,663	2,801,493
2024	364,878,674	2,320,000	7,423,000	27,880,502	4,391,207	1,882,870
2025	438,045,418	1,580,000	7,219,000	29,817,135	2,547,434	921,004

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Business-Type Activities					Total Primary Government	Percentage of Personal Income	Per Capita
Revenue Bonds	General Obligation Bonds	PPFCO	Related Premiums	Subscription Liability			
72,545,000	15,286,384	-	2,943,619	-	256,787,998	10.25%	4,323
92,730,000	13,865,309	-	5,152,405	-	294,647,425	9.56%	4,774
93,335,000	12,491,356	-	5,043,308	-	318,665,246	9.88%	4,868
87,295,000	12,336,775	-	4,778,117	-	325,364,102	11.12%	4,802
100,220,124	12,066,301	-	4,925,077	-	343,375,508	8.94%	4,753
88,515,000	32,732,100	48,025,000	6,111,744	-	445,015,103	10.29%	5,835
301,600,000	32,039,975	43,850,000	20,052,422	-	712,948,054	11.90%	8,495
398,235,000	30,855,455	39,310,000	27,893,686	48,432	853,061,252	12.16%	9,138
499,085,000	42,745,855	34,690,000	37,597,454	48,432	1,031,088,461	14.70%	11,045
585,780,000	21,259,493	29,990,000	41,841,779	57,375	1,159,058,637	13.23%	10,072

City of Georgetown, Texas

Ratios of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year	Population	Assessed Value ⁽¹⁾	Taxable Assessed Valuation Per Capita	Gross Bonded Debt ^{(2) (4)}	Less Debt Service Funds Available
2016	58,723	5,838,074,672	99,417	169,477,722	1,867,190
2017	60,642	6,481,967,453	106,889	184,059,908	1,946,870
2018	63,227	7,090,666,811	112,146	204,770,000	2,113,651
2019	67,756	7,830,350,417	115,567	216,560,000	2,242,784
2020	72,243	8,681,840,882	120,176	222,910,001	2,195,384
2021	76,270	9,174,336,112	120,288	327,735,000	2,254,777
2022	83,927	10,950,056,383	130,471	359,760,000	738,984
2023	93,354	13,880,992,887	148,692	385,790,001	146,822
2024	104,163	16,752,529,016	160,830	442,314,528	2,417,810
2025	115,079	18,391,675,246	159,818	489,294,910	2,306,985

Sources: WCAD

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

⁽¹⁾ Net of exemptions.

⁽²⁾ Includes all long-term general obligation debt.

⁽³⁾ Less debt service funds available.

⁽⁴⁾ Excludes special assessment debt

Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value ⁽³⁾	Ratio of Gross Bonded Debt to Assessed Value ⁽³⁾	Net Bonded Debt Per Capita ⁽³⁾	Total Bonded Debt Per Capita ⁽³⁾
167,610,532	2.87%	2.87%	2,854	2,854
182,113,038	2.81%	2.81%	3,003	3,003
202,656,349	2.86%	2.86%	3,205	3,205
214,317,216	2.74%	2.74%	3,163	3,163
220,714,617	2.54%	2.54%	3,055	3,055
325,480,223	3.55%	3.55%	4,267	4,267
359,021,016	3.28%	3.28%	4,278	4,278
385,643,179	2.78%	2.78%	4,131	4,131
439,896,718	2.63%	2.63%	4,223	4,223
486,987,925	2.65%	2.65%	4,232	4,232

City of Georgetown, Texas

Computation of Direct and Estimated Overlapping Bonded Debt Last Ten Fiscal Years

Taxing Body	Debt		City's Share ⁽²⁾		
	Amount	As of	Percent	Amount	Per Capita ⁽¹⁾
ESTIMATED OVERLAPPING DEBT					
Georgetown I.S.D.	\$ 1,107,370,000	09/30/2025	67.92%	\$ 752,125,704	\$ 7,547
Austin CCD	657,685,000	09/30/2025	0.00%	-	-
Berry Creek Highlands MUD	5,700,000	09/30/2025	99.99%	5,699,430	57
Jarrell ISD	378,085,104	09/30/2025	26.53%	100,305,978	1,007
Somerset Hills Road District	23,205,000	09/30/2025	100.00%	23,205,000	233
Southeast Williamson County	48,490,000	09/30/2025	100.00%	48,490,000	487
Upper Brushy Creek WCID	48,465,000	09/30/2025	1.35%	654,278	7
Williamson County	1,422,205,000	09/30/2025	13.79%	196,122,070	1,968
Williamson Co MUD #28	53,940,000	09/30/2025	100.00%	53,940,000	541
Williamson Co MUD #29	42,210,000	09/30/2025	100.00%	42,210,000	424
Williamson Co MUD #34	17,135,000	09/30/2025	100.00%	17,135,000	172
Total estimated overlapping debt	\$ 3,804,490,104		32.59%	\$ 1,239,887,460	\$ 12,443
DIRECT DEBT - City of Georgetown ⁽³⁾	480,129,991	09/30/2025	100.00%	480,129,991	4,817
DIRECT AND ESTIMATED OVERLAPPING DEBT	\$ 4,284,620,095			\$ 1,720,017,451	\$ 17,260
RATIO OF DIRECT AND OVERLAPPING TAX SUPPORTED DEBT TO TAXABLE ASSESSED VALUATION					

Source:

⁽¹⁾ GISD taxpayer population - 142,933
Berry Creek Highlands MUD population - 1,365
Jarrell ISD taxpayer population - 19,349
Somerset Hills Road District population - 6,175
Southeast Williamson County population - 5,190
Upper Brushy Creek WCID population - 396,300
Williamson County population - 727,480
Williamson Co MUD #28 population - 2,395
Williamson Co MUD #29 population - 3,245
Williamson Co MUD #34 population - 1,668
City of Georgetown population - 115,079

⁽²⁾ Information represents the share of the respective debt which are obligations of the citizens of the City of Georgetown

⁽³⁾ Direct debt of the City of Georgetown does not include the Special Assessment bonds of the Parks at Westhaven PID

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City of Georgetown, Texas
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2025	2024	2023	2022
DEBT LIMIT	\$ 248,287,616	\$ 226,159,142	\$ 187,393,404	\$ 123,188,134
Total net debt applicable to limit ⁽¹⁾	35,100,000	34,520,000	30,315,000	25,105,000
LEGAL DEBT MARGIN	<u>\$ 213,187,616</u>	<u>\$ 191,639,142</u>	<u>\$ 157,078,404</u>	<u>\$ 98,083,134</u>
Total net debt applicable to limit as a percentage of debt limit	14.14%	15.26%	16.18%	20.38%
ASSESSED VALUATION MINUS EXEMPTIONS 2024				<u>\$ 18,391,675,246</u>
Allowable tax levy for annual debt service purpose: \$1.50 per \$100 of assessed valuation, assuming 90% collection rate				\$ 248,287,616
2025 annual debt service requirements for general obligation debt:				
Principal			35,100,000	
Interest and fiscal charges			17,677,958	52,777,958
Legal margin for annual debt service requirements				<u>\$ 195,509,658</u>

Note: All taxable property within the City is subject to the assessment levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal and interest on the Bonds within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits the maximum ad valorem tax rate to \$2.50 per \$100 assessed valuation (for all City purposes). The Charter of the City adopts the provisions of the constitution without further limitation. Under rules promulgated by the Office of the Attorney General of Texas, such office will not approve tax bonds of the City unless the City can demonstrate its ability to pay debt service requirements on all outstanding City tax bonds, including the issue to be approved, from a tax levy of \$1.50 per \$100 of valuation, based on 90% collection of tax.

⁽¹⁾ The legal margin computation includes the general obligation debt that will be repaid by self-supporting sources such as the Airport, Stormwater Drainage, Water, Electric, and Georgetown Transportation Enhancement Corporation (GTEC) funds.

2021	2020	2019	2018	2017	2016
\$ 103,211,281	\$ 97,670,710	\$88,091,442	\$ 79,770,002	\$72,922,134	\$65,678,340
23,760,000	13,940,000	12,502,643	12,725,000	10,354,174	9,082,545
<u>\$ 79,451,281</u>	<u>\$ 83,730,710</u>	<u>\$75,588,799</u>	<u>\$ 67,045,002</u>	<u>\$62,567,960</u>	<u>\$56,595,795</u>
23.02%	14.27%	14.19%	15.95%	14.20%	13.83%

City of Georgetown, Texas

Revenue Bond Coverage

Utility Funds ⁽¹⁾

Last Ten Fiscal Years

Fiscal Year	Eligible Revenues	Interest Earnings	Operating Expenses (Excluding Depreciation)	Net Revenue Available for Debt Service
2016	112,401,358	263,279	82,451,857	30,212,780
2017	126,705,643	529,545	91,766,018	35,469,170
2018	138,961,446	1,421,310	103,030,548	37,352,208
2019	152,029,043	2,185,604	107,422,916	46,791,731
2020	172,989,001	1,504,417	119,498,271	54,995,147
2021	198,281,733	464,333	118,941,398 *	79,804,668
2022	218,998,259	2,641,666	130,606,960 *	91,032,965
2023	225,784,253	19,644,597	142,979,543 *	102,449,307
2024	232,756,597	28,689,971	152,017,822 *	109,428,746
2025	295,908,030	26,396,085	169,621,750 *	152,682,365

Source: Finance and Administration Division.

Notes: ⁽¹⁾ Electric, Water, and Wastewater only.

* Removed Amortization of Regulatory Asset from Calculation

Debt Service Requirements			Times Coverage
Principal	Interest and Fiscal Charges	Total	
5,227,329	2,738,792	7,966,121	3.79
5,845,826	2,931,943	8,777,769	4.04
6,717,094	3,433,854	10,150,948	3.68
6,982,358	3,681,909	10,664,267	4.39
6,580,745	3,237,072	9,817,817	5.60
7,337,253	3,512,316	10,849,569	7.36
7,577,888	4,846,506	12,424,394	7.33
8,490,870	17,575,879	26,066,749	3.93
12,790,000	17,971,009	30,761,009	3.56
14,665,000	23,343,094	38,008,094	4.02

City of Georgetown, Texas

Utility System Condensed Statement of Operations ⁽¹⁾ For the Last Ten Fiscal Years

	2025	2024	2023	2022
REVENUES				
Water System	\$ 123,780,168	\$ 92,101,774	\$ 74,815,224	\$ 64,358,893
Electric System	105,834,126	97,596,894	91,457,318	86,877,653
Miscellaneous	14,909,052	13,790,255	12,480,835	16,175,137
Interest Earnings	26,396,075	28,689,981	19,644,597	2,641,666
Total revenues	270,919,421	232,178,904	198,397,974	170,053,349
EXPENSES ⁽¹⁾				
Water System	41,975,369	36,712,665	34,690,382	28,321,528
Electric System	24,222,990	21,232,166	19,780,078	17,524,284
Utility Contracts	88,674,624	88,749,436	81,689,907	78,588,958
Total expenses	154,872,983	146,694,267	136,160,367	124,434,770
NET AVAILABLE FOR DEBT SERVICE	<u>\$ 116,046,438</u>	<u>\$ 85,484,637</u>	<u>\$ 62,237,607</u>	<u>\$ 45,618,579</u>

Notes:

⁽¹⁾ Excluding depreciation costs & plant management cost

⁽²⁾ Electric, Water & Wastewater only

Information provided to comply with continuing disclosure requirements of SEC Rule 15c2-12.

Average Annual Principal and Interest Requirements, 2026 -2055	\$ 32,294,946
Coverage of Average Requirements by Fiscal Year 2025 Net Income	3.59
Maximum Principal and Interest Requirements, 2026	\$ 46,266,472
Coverage of Maximum Requirements by Fiscal Year 2025 Net Income	0.40

2021	2020	2019	2018	2017	2016
\$ 56,268,199	\$ 49,491,109	\$ 44,271,022	\$ 41,055,098	\$ 37,776,171	\$ 34,861,125
80,933,054	85,733,317	80,255,956	69,170,339	65,001,374	61,570,922
16,331,769	8,516,124	6,447,569	6,348,385	5,661,272	5,107,307
464,333	1,504,417	2,185,604	1,421,310	529,545	263,279
153,997,355	145,244,967	133,160,151	117,995,132	108,968,362	101,802,633
24,643,443	29,882,636	24,329,664	22,201,454	21,485,743	13,520,486
17,702,987	16,563,721	18,713,967	18,876,347	16,712,384	14,623,945
71,031,640	66,283,879	61,833,672	59,621,450	53,567,891	51,999,930
113,378,070	112,730,236	104,877,303	100,699,251	91,766,018	80,144,361
\$ 40,619,285	\$ 32,514,731	\$ 28,282,848	\$ 17,295,881	\$ 17,202,344	\$ 21,658,272

City of Georgetown, Texas

Utility System Condensed Statement of System Equity ⁽²⁾ For the Last Ten Fiscal Years

	2025	2024	2023	2022
Utility system ⁽¹⁾	\$ 999,419,269	\$ 905,321,087	\$ 825,369,288	\$ 745,750,539
Less: accumulated depreciation	(293,264,104)	(261,576,273)	(239,430,504)	(219,203,897)
Net value of system	706,155,165	643,744,814	585,938,784	526,546,642
Plus: Construction in Progress	514,987,092	319,215,479	162,977,727	56,910,557
Net plant	1,221,142,257	962,960,293	748,916,511	583,457,199
Plus: Working capital	542,490,590	537,669,619	529,100,424	472,563,790
Total	1,763,632,847	1,500,629,912	1,278,016,935	1,056,020,989
Revenue bond debt ⁽²⁾	585,780,000	499,085,000	398,235,000	301,600,000
CITY'S EQUITY IN SYSTEM	\$ 1,177,852,847	\$ 1,001,544,912	\$ 879,781,935	\$ 754,420,989
PERCENTAGE CITY'S EQUITY IN SYSTEM	66.79%	66.74%	68.84%	71.44%

Notes:

⁽¹⁾ Electric, Water and Wastewater funds only

⁽²⁾ Changes in bond ordinances no longer require reservation of interest and sinking or reserve funds for utility revenue debt.

Information provided to comply with continuing disclosure requirements of SEC Rule 15c2-12.

2021	2020	2019	2018	2017	2016
\$ 693,019,892	\$ 645,250,729	\$ 611,718,902	\$ 553,287,525	\$ 525,643,929	\$ 494,823,457
(200,858,513)	(183,285,833)	(162,305,826)	(146,759,978)	(133,268,971)	(121,636,964)
492,161,379	461,964,896	449,413,076	406,527,547	392,374,958	373,186,493
29,392,041	20,817,803	9,721,532	12,635,837	7,358,762	12,759,150
521,553,420	482,782,699	459,134,608	419,163,384	399,733,720	385,945,643
210,105,683	149,323,989	93,607,376	93,545,021	93,642,260	62,636,620
731,659,103	632,106,688	552,741,984	512,708,405	493,375,980	448,582,263
88,515,000	95,585,000	87,295,000	98,311,788	99,715,131	84,655,583
<u>\$ 643,144,103</u>	<u>\$ 536,521,688</u>	<u>\$ 465,446,984</u>	<u>\$ 414,396,617</u>	<u>\$ 393,660,849</u>	<u>\$ 363,926,680</u>
87.90%	84.88%	84.21%	80.83%	79.79%	81.13%

City of Georgetown, Texas

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2016	59,134	2,572,210,732	43,498	11,452	4.00%
2017	60,642	2,709,423,918	44,679	11,444	2.90%
2018	63,227	3,040,649,657	48,091	11,512	2.90%
2019	67,756	3,440,378,656	50,776	11,804	3.40%
2020	72,243	3,839,354,235	53,145	11,827	6.70%
2021	76,270	4,323,975,110	56,693	12,741	4.50%
2022	83,927	5,990,037,844	71,372	13,005	3.60%
2023	93,354	7,012,659,126	75,119	13,479	4.30%
2024	104,163	7,585,982,964	72,828	13,884	4.20%
2025	115,079	8,763,956,324	76,156	14,012	4.50%

Sources:

Population: City of Georgetown Planning and Development Division.

Per Capita Personal Income: U.S. Dept. of Commerce / Bureau of Economic Analysis

School Enrollment: Georgetown Independent School District.

Unemployment Rate: Texas Workforce Commission, Labor Market and Career Information TRACER.

Notes:

Per capita personal income is for Williamson County and reflects estimates available.

Population for 2024 reflects city's population estimate for month ending Sep 30, 2025.

Personal income calculated using city's population estimate and per capita income data.

Unemployment rate reflects estimate for month ending Sep 30, 2025.

City of Georgetown, Texas
Principal Employers
Current Year and Nine Years Ago

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Georgetown ISD	2,000	1	1.82%	1,550	2	2.73%
Williamson County Govt	1,937	2	1.76%	1,582	1	2.79%
City of Georgetown	992	3	0.90%	682	3	1.20%
ZT Systems	525	4	0.48%			
St. David's Hospital	516	5	0.47%	512	4	0.90%
Airborn, Inc	505	6	0.46%	482	5	0.85%
Southwestern University	479	7	0.44%	450	6	0.79%
Rock Springs Hospital	257	8	0.23%			
Chatsworth Products Georgetown	254	9	0.23%			
Costco	244	10	0.22%			
Wesleyan Homes			0.00%	340	7	0.60%
Caring Home Health			0.00%	269	8	0.47%
Lone Star Circle of Care			0.00%	201	9	0.35%
Sun City (Del Webb)			0.00%	170	10	0.30%
Totals	<u>7,709</u>		<u>7.01%</u>	<u>6,238</u>		<u>10.99%</u>

Source: Economic Development Department.

City of Georgetown, Texas

Full Time Equivalent City Government Employees by Function Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Function										
General Government										
Culture & Recreation										
Administration	11	11	2	2	2	2	2	2	2	-
CVB	5	5	5	5	5	5	5	5	5	-
Parks	29	29	31	29	28	28	28	28	20	21
Recreation	24	24	27	27	27	26	26	25	23	27
Rec. Programs	5	5	8	5	5	6	6	6	6	6
Library	28	25	26	24	24	24	24	24	24	23
Development										
Development Engineering	9	-	-	-	-	-	-	-	-	-
Planning	21	20	19	18	15	13	13	12	11	10
Inspection Svcs.	22	23	23	21	19	15	15	14	14	13
Code Enforcement	6	6	6	6	6	6	5	5	5	5
Environmental										
Environmental Svcs.	-	-	3	1	1	1	1	1	1	1
Fire Services										
Fire Based Paramedic Program	24	24	24	24	24	23	23	23	19	15
Support Svcs.	23	23	22	21	18	15	15	14	14	14
Emergency Svcs.	126	126	120	117	109	106	106	88	88	84
General Government										
Ask GTX Call Center	9	9	-	-	-	-	-	-	-	-
General Government	12	7	15	6	5	4	3	3	3	2
Community Services	2	2	2	1	2	2	-	-	-	-
City Secretary	9	9	8	8	6	6	6	6	5	5
City Manager's Office	11	13	13	11	11	12	9	9	10	10
Highways / Streets										
Transportation Admin.	4	4	2	4	4	4	3	3	4	2
Streets	31	30	30	23	22	19	20	20	19	19
Police Services										
Administration	5	4	4	4	4	4	4	4	4	4
Field Operations	135	136	133	124	119	117	111	110	106	103
Animal Svcs.	13	12	12	12	12	12	12	11	11	11
Municipal Court	4	4	5	6	7	7	7	7	7	7
Fleet Services	10	10	10	10	10	10	10	9	9	9
Facilities Maintenance	8	8	8	8	7	6	6	6	7	7
Information Technology	42	40	40	39	38	25	25	23	22	18
Joint Svcs.	128	128	128	105	101	110	110	109	104	101
Water	144	112	99	78	60	60	57	52	58	51
Sewer	18	20	16	13	10	7	7	7	7	7
Electric	91	85	79	80	76	74	77	77	67	73
Other Enterprises	23	22	17	17	16	15	15	14	15	14
Total	1,032	976	937	849	793	764	751	717	690	658

Source: City Finance and Administration Division.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

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City of Georgetown, Texas

Operating Indicators by Functions

Last Ten Fiscal Years

Function	2025	2024	2023	2022
Culture and recreation				
Recreation Center memberships	24,512	27,708	27,237	22,090
CVB number of visitor inquiries	39,995	42,547	40,927	43,865
Library				
Circulation	490,697	498,454	518,558	504,946
Number of patrons added	6,249	6,131	6,534	6,229
Economic Development				
Number of proposals generated	64	78	57	25
Community Development				
Inspections/Code Enforcement				
Number of inspections	77,151	76,290	77,343	93,064
New residential permits issued	1,493	2,166	1,520	2,585
New commercial permits issued/TFO/Industrial	239	247	75	60
Number of code enforcement violations	3,572	3,525	2,738	1,734
Planning and Development Services				
Development applications filed	1,788	1,904	1,850	1,079
Annexations (in acres)	866	68	403	329
Fire Services				
Number of calls for service	15,972	15,375	14,481	13,322
General Govt				
Bond rating - S&P	AAA	AAA	AA+	AA+
City Manager's Office				
Number of public information requests processed	4,773	3,942	3,765	3,853
Police Services				
Number of calls for service	74,545	37,412	39,473	35,536
Number of traffic accidents	3,667	3,388	3,458	3,063
Animal Services				
Number of pets impounded	1,135	1,782	1,437	1,297
Number of adoptions	523	937	756	749
Municipal Court				
Number of court cases	6,175	5,912	5,425	2,691
Number of warrants served	197	346	187	247
Utility Office				
Number of utility customers	76,508	73,066	68,193	64,049
Water				
Number of new connects	3,507	3,795	3,074	4,849
Average daily water treated (million gallons)	28.6	25.8	26.2	27.9
Average daily consumption (million gallons)	23.8	21.3	26.2	22.8
Sewer				
Number of new connects	1,886	2,209	2,788	3,566
Average daily wastewater treated (million gallons)	7.3	7.2	6.4	6.0
Electric				
kWhs consumed	849,425,644	818,155,349	765,487,262	732,900,202
Number of new connects	1,388	952	2,257	1,066
AMR				
Total number of work orders completed	101,858	102,716	89,627	52,325
Total reads by AMR	1,614,669	1,472,125	1,046,458	1,000,515
Other Enterprises				
Stormwater & Drainage				
Number of detention ponds cleaned	708	696	636	300
Number of work orders	199	222	173	21
Airport				
Gallons of fuel sold	1,198,609	1,080,710	1,111,756	1,034,117

Sources: Various City departments and City-Monthly Activity Indicators Report.

2021	2020	2019	2018	2017	2016
13,559	11,713	13,127	13,001	12,433	12,944
35,492	39,063	78,857	77,119	75,302	69,108
363,581	430,995	547,279	498,281	533,602	513,725
3,363	3,025	4,791	4,100	3,529	3,818
89	68	61	68	62	51
83,763	75,520	61,741	55,702	41,834	40,500
2,520	1,882	1,334	1,193	728	703
77	70	48	66	85	66
11,598	13,838	17,687	18,777	8,702	13,784
728	600	530	430	408	385
129	75	428	962	649	246
9,995	10,613	10,539	10,070	9,362	8,510
AA+	AA+	AA+	AA+	AA+	AA+
2,957	2,493	2,028	1,818	1,589	1,290
37,957	35,090	33,618	30,307	25,803	24,704
2,855	2,244	2,534	2,358	2,145	2,156
1,308	1,384	1,358	1,462	1,533	1,891
706	783	803	888	1,028	872
3,165	3,397	4,406	3,925	4,797	4,905
17	170	150	146	225	278
57,070	54,206	50,539	46,534	43,281	40,372
5,357	4,003	3,065	4,446	2,351	1,532
22.5	22.5	19	20	19	13
22.5	22.5	19	18	16	16
3,683	1,827	2,873	2,355	2,006	1,221
5.6	5.4	6	5	4	5
677,712,117	664,967,846	643,472,635	649,208,058	621,464,114	605,019,836
2,002	1,501	1,102	1,254	581	315
47,558	38,205	9,237	5,203	3,677	3,223
858,963	852,737	1,064,472	741,638	723,463	694,802
320	318	600	600	552	456
335	225	340	263	233	242
919,324	793,970	732,974	759,400	866,833	778,328

City of Georgetown, Texas

Capital Assets by Functions

Last Ten Fiscal Years

Function	2025	2024	2023	2022
Culture and recreation				
Parks (developed acres)	1,169	1,148	1,152	1,115
Recreation Centers	1	1	1	1
Senior Centers	1	1	1	1
Libraries	1	1	1	1
Mobile Book Unit	1	1	1	1
Fire Services				
Fire stations	7	7	7	7
Fire vehicles	89	75	62	54
Highways and streets				
Center line miles	500	478	460	445
Police Services				
Police stations	1	1	1	1
Police vehicles	146	134	108	101
Police motorcycle units	-	-	-	-
Electric				
Meters	35,831	34,443	32,626	31,234

Sources: Various City departments and City budget document.

2021	2020	2019	2018	2017	2016
1,115	1,084	1,054	1,054	494	480
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
-	-	-	-	-	-
7	5	5	5	5	5
50	48	43	38	36	36
421	397	438	327	326	324
1	1	1	1	1	1
108	99	97	92	91	88
-	4	6	6	6	6
30,697	28,562	27,660	26,558	25,607	24,881

City of Georgetown, Texas

Ten Largest Electric Customers

For the Fiscal Year Ended September 30, 2025

Customer	% of Total Electric Usage
CITICORP OF N AMERICA, INC.	10.54%
CITY OF GEORGETOWN	4.46%
FINDLAY MACHINE AND TOOL	3.18%
ZT SYSTEMS	2.42%
SOUTHWESTERN UNIVERSITY	2.21%
WILLIAMSON COUNTY	1.88%
SCOTT & WHITE MEDICAL CENTER	1.46%
GEORGETOWN INDEPENDENT SCHOOL DISTRICT	1.36%
ROUND ROCK PREMIUM OUTLETS	1.14%
HEB GROCERY CO	1.14%
TOTAL	29.78%

Source: City of Georgetown Customer Care.

City of Georgetown, Texas

Water Usage (Gallons)

Last Ten Fiscal Years

Fiscal Year Ended September 30,	Average Day Usage (000s)	Peak Day Production (000s)	Total Usage (000s)
2016	15,603	34,712	5,695,453
2017	15,815	38,003	5,772,395
2018	17,304	41,217	6,316,003
2019	19,130	41,692	6,449,467
2020	19,629	42,870	7,184,253
2021	19,580	38,420	7,146,831
2022	22,794	38,931	8,319,823
2023	21,497	46,410	7,846,401
2024	21,469	44,900	7,836,294
2025	23,350	48,400	8,522,874

Source: City of Georgetown

City of Georgetown, Texas

Ten Largest Potable Water Customers
For the Fiscal Year Ended September 30, 2025

Customer	Water Usage (1,000 Gallons)	% of Total Water Usage
CITICORP OF N AMERICA, INC.	53,616	0.63%
CITY OF GEORGETOWN	52,137	0.61%
SOUTHWESTERN UNIVERSITY	44,539	0.52%
WILLIAMSON COUNTY	36,482	0.43%
PULTE HOMES OF TEXAS LP	35,240	0.41%
DDC MERRITT HERITAGE LTD	34,061	0.40%
GEORGETOWN ISD	33,654	0.39%
PERRY HOMES	31,026	0.36%
CITY OF FLORENCE	27,092	0.32%
VILLAGES OF GEORGETOWN	26,629	0.31%
TOTAL	374,476	4.39%

Source: City of Georgetown Customer Care.

City of Georgetown, Texas
Daily Flow (Wastewater Treatment)
Last Ten Fiscal Years

Average Daily Wastewater Flow	
Fiscal Year	Gallons
2016	4,871,523
2017	4,068,219
2018	4,517,592
2019	6,433,000
2020	6,216,592
2021	8,365,370
2022	10,521,384
2023	8,044,566
2024	10,558,470
2025	11,574,230

Source: City of Georgetown

City of Georgetown, Texas

Ten Largest Wastewater Customers
For the Fiscal Year Ended September 30, 2025

<u>Customer</u>	<u>Volume (1,000 Gallons)</u>	<u>% of Total</u>
CITICORP OF N AMERICA, INC.	52,713	1.25%
WILLIAMSON COUNTY	31,404	0.74%
Georgetown Independent School District	28,881	0.68%
SOUTHWESTERN UNIVERSITY	21,914	0.52%
PERRY HOMES	20,576	0.49%
PULTE HOMES OF TEXAS LP	17,068	0.40%
GEORGETOWN INFINITI	15,565	0.37%
CITY OF GEORGETOWN	14,473	0.34%
ST DAVIDS GTWN HOSPITAL	13,646	0.32%
TAYLOR MORRISON	12,227	0.29%
	<u>228,467</u>	<u>5.41%</u>

Source: City of Georgetown

City of Georgetown, Texas

Valuation, Exemptions and Ad Valorem Tax Debt For the Fiscal Year Ended September 30, 2025

VALUATION, EXEMPTIONS AND AD VALOREM TAX DEBT
SEPTEMBER 30, 2025

2024/25 Market Valuation Established by Williamson Central Appraisal District (excluding totally exempt property)	19,802,369,296
Less Exemptions/Reductions at 100% Market Value:	<u>(1,410,694,050)</u>
2024/25 Taxable Assessed Valuation	18,391,675,246

City Funded Debt Payable from Ad Valorem Taxes ⁽¹⁾	\$ 387,939,910
The Bonds	37,565,000
The Certificates	<u>63,790,000</u>
Total Debt Payable from Ad Valorem Taxes ⁽¹⁾	489,294,910
Interest and Sinking Fund	<u>(2,306,985)</u>
Net Debt Payable from Ad Valorem Taxes	486,987,925
Ratio of Net Tax Supported Debt to Taxable Assessed Valuation ⁽¹⁾	2.65%

2025 Estimated Population - 115,079
Per Capita Taxable Assessed Valuation - \$159,818
Per Capita Net Ad Valorem Tax Debt Payable from Ad Valorem Taxes - \$4,232

City of Georgetown, Texas

Taxable Assessed Valuations by Category Last Ten Fiscal Years

Category	2025		2024	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 12,586,253,595	61.19%	\$ 12,287,568,313	63.81%
Real, Residential, Multi-Family	2,162,197,626	10.51%	1,994,628,957	10.36%
Real, Vacant Lots/Tracts	252,135,174	1.23%	276,136,734	1.43%
Real, Acreage (Land Only)	394,599,239	1.92%	392,272,745	2.04%
Real, Farm and Ranch Improvements	187,935,789	0.91%	146,458,431	0.76%
Real, Commercial/Industrial	3,157,407,680	15.35%	2,600,894,495	13.51%
Real and Intangible, Personal, Utilities, Other	158,473,235	0.77%	122,281,531	0.63%
Tangible Personal, Commercial	1,049,761,804	5.10%	840,963,964	4.37%
Tangible Personal, Industrial	-	0.00%	-	0.00%
Tangible Personal, Other, Inventory	619,787,967	3.01%	595,990,099	3.09%
Total Appraisal Value Before Exemptions	\$ 20,568,552,109	100.00%	\$ 19,257,195,269	100.00%
Less: Total Exemptions/Reductions	2,176,876,863		2,504,666,253	
Taxable Assessed Value	\$ 18,391,675,246		\$ 16,752,529,016	

Category	2020		2019	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 6,186,218,922	64.77%	\$ 5,771,630,770	66.32%
Real, Residential, Multi-Family	553,433,317	5.79%	392,904,514	4.51%
Real, Vacant Lots/Tracts	132,587,985	1.39%	126,008,013	1.45%
Real, Acreage (Land Only)	376,424,722	3.94%	380,712,227	4.37%
Real, Farm and Ranch Improvements	94,432,830	0.99%	86,900,050	1.00%
Real, Commercial/Industrial	1,376,948,403	14.42%	1,327,848,862	15.26%
Real and Intangible, Personal, Utilities, Other	69,585,049	0.73%	65,072,520	0.75%
Tangible Personal, Commercial	462,417,703	4.84%	316,561,698	3.64%
Tangible Personal, Industrial	-	0.00%	-	0.00%
Tangible Personal, Other, Inventory	298,544,512	3.13%	235,348,599	2.70%
Total Appraisal Value Before Exemptions	\$ 9,550,593,443	100.00%	\$ 8,702,987,253	100.00%
Less: Total Exemptions/Reductions	868,752,561		872,636,836	
Taxable Assessed Value	\$ 8,681,840,882		\$ 7,830,350,417	

Source: Williamson County Appraisal District

2023		2022		2021	
Amount	% of Total	Amount	% of Total	Amount	% of Total
\$12,032,925,491	68.48%	\$ 8,154,721,328	65.63%	\$ 6,318,239,568	62.68%
1,214,014,651	6.91%	818,970,533	6.59%	633,531,009	6.29%
174,253,795	0.99%	147,232,992	1.18%	153,372,158	1.52%
453,661,017	2.58%	373,263,529	3.00%	356,440,543	3.54%
213,435,675	1.21%	112,143,114	0.90%	111,480,801	1.11%
2,078,674,336	11.83%	1,666,799,158	13.41%	1,469,237,893	14.58%
105,789,450	0.60%	97,602,903	0.79%	71,978,325	0.71%
723,300,791	4.12%	636,474,210	5.12%	578,114,694	5.74%
-	0.00%	-	0.00%	-	0.00%
575,014,503	3.27%	418,065,418	3.36%	387,242,840	3.84%
\$17,571,069,709	100.00%	\$12,425,273,185	100.00%	\$10,079,637,831	100.00%
3,690,076,822		1,475,216,802		905,301,719	
<u>\$13,880,992,887</u>		<u>\$10,950,056,383</u>		<u>\$ 9,174,336,112</u>	
2018		2017		2016	
Amount	% of Total	Amount	% of Total	Amount	% of Total
\$ 5,269,955,833	67.22%	\$ 4,843,150,575	66.57%	\$ 4,461,872,364	66.73%
321,729,040	4.10%	301,347,956	4.14%	244,374,369	3.65%
113,986,653	1.45%	102,618,534	1.41%	109,578,980	1.64%
413,248,527	5.27%	392,906,486	5.40%	400,074,586	5.98%
12,051,614	0.15%	11,464,706	0.16%	10,959,024	0.16%
1,090,806,455	13.91%	1,119,423,577	15.39%	1,018,036,078	15.22%
55,881,385	0.71%	20,955,168	0.29%	39,895,007	0.60%
441,440,286	5.63%	365,113,563	5.02%	294,660,363	4.41%
-	0.00%	-	0.00%	-	0.00%
120,423,148	1.54%	118,430,638	1.63%	107,456,924	1.61%
\$ 7,839,522,941	100.00%	\$ 7,275,411,203	100.00%	\$ 6,686,907,695	100.00%
748,856,130		793,443,750		848,833,023	
<u>\$ 7,090,666,811</u>		<u>\$ 6,481,967,453</u>		<u>\$ 5,838,074,672</u>	

City of Georgetown, Texas

Authorized but Unissued General Obligation Bonds
September 30, 2025

Purpose	Date Authorized	Amount Authorized	Amount Issued	Unissued Balance
Roads	05/09/2015	\$ 105,000,000	\$ 102,975,000	\$ 2,025,000
Roads	05/10/2021	90,000,000	90,000,000	-
Facilities-Prop A	11/7/2023	56,000,000	7,000,000	49,000,000
Parks Facilities-Prop B	11/7/2023	49,000,000	-	49,000,000
Facilities-Prop C	11/7/2023	15,000,000	3,000,000	12,000,000
Parks Facility-Prop D	11/7/2023	10,000,000	-	10,000,000
Total		<u>\$ 325,000,000</u>	<u>\$ 202,975,000</u>	<u>\$ 122,025,000</u>

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City of Georgetown, Texas

General Fund Revenues and Expenditure History Last Ten Fiscal Years

	Fiscal Year Ending September 30,			
	2025	2024	2023	2022
Revenues:				
Taxes	\$ 63,698,236	\$ 60,325,676	\$ 55,933,478	\$ 52,808,791
Charges for Services	17,214,270	17,806,445	27,871,272	27,540,383
Fines and Forfeitures	654,997	578,769	583,368	395,868
Miscellaneous and Interest	10,199,627	12,105,173	11,250,463	9,168,270
Total Revenues	91,767,130	90,816,063	95,638,581	89,913,312
Expenditures:				
General Government	15,718,666	15,875,730	15,200,563	8,183,267
Development Services	7,195,532	5,446,318	4,850,483	4,272,405
Culture / Recreation	16,437,516	15,392,263	14,188,891	12,854,601
Fire Services	33,644,309	31,779,911	28,414,442	24,149,250
Police Services	28,911,949	26,425,074	23,235,945	20,596,780
Environmental Services / Streets	7,471,848	6,669,037	20,702,518	15,141,625
Capital Outlay	473,593	349,183	1,001,300	670,030
Total Expenditures	109,853,413	101,937,516	107,594,142	85,867,958
Excess (Deficiency) of				
Revenues Over Expenditures	(18,086,283)	(11,121,453)	(11,955,561)	4,045,354
Transfers In	20,669,394	14,539,171	13,101,180	10,355,279
Transfers Out	(3,685,501)	(1,191,998)	(3,429,079)	(6,931,401)
Proceeds from lease	-	-	619,543	234,571
Proceeds from lease	-	-	99,375	-
Net Increase (Decrease)	(1,102,390)	2,225,720	(1,564,542)	7,703,803
Fund Balance, Beginning of Year	38,176,422	35,950,702	37,515,244	29,811,441
Fund Balance, End of Year	<u>\$ 37,074,032</u>	<u>\$ 38,176,422</u>	<u>\$ 35,950,702</u>	<u>\$ 37,515,244</u>

Source: City's Audited Financial Statements.

Fiscal Year Ending September 30,					
2021	2020	2019	2018	2017	2016
\$ 46,453,931	\$ 40,326,794	\$ 36,564,950	\$ 33,892,988	\$ 31,618,006	\$ 29,675,061
23,379,815	20,732,256	22,894,696	16,236,312	14,490,911	12,789,375
375,174	363,513	348,353	352,296	453,675	476,138
7,056,643	5,883,819	1,511,303	1,082,940	825,006	1,074,393
77,265,563	67,306,382	61,319,302	51,564,536	47,387,598	44,014,967
5,746,940	4,815,269	4,914,894	4,913,556	4,436,866	3,237,092
3,693,025	3,380,104	3,126,561	2,910,130	2,389,998	2,297,979
10,915,628	10,485,028	10,994,484	10,319,911	9,552,133	9,447,132
22,039,309	19,557,377	18,113,884	13,526,334	12,500,721	11,806,803
18,598,445	17,188,341	16,295,091	15,804,410	14,471,049	13,778,073
13,809,311	12,263,385	12,294,557	12,663,901	10,310,775	10,333,422
191,594	1,213,733	-	-	-	-
74,994,252	68,903,237	65,739,471	60,138,242	53,661,542	50,900,501
2,271,311	(1,596,855)	(4,420,169)	(8,573,706)	(6,273,944)	(6,885,534)
10,017,430	8,877,033	7,686,360	9,165,637	9,592,342	8,909,975
(3,673,910)	(524,860)	(771,646)	(1,970,809)	(2,489,735)	(1,531,334)
-	-	-	-	-	-
-	-	-	-	-	-
8,614,831	6,755,318	2,494,545	(1,378,878)	828,663	493,107
21,196,610	14,441,292	11,946,747	13,325,625	12,496,962	12,003,855
<u>\$ 29,811,441</u>	<u>\$ 21,196,610</u>	<u>\$ 14,441,292</u>	<u>\$ 11,946,747</u>	<u>\$ 13,325,625</u>	<u>\$ 12,496,962</u>

City of Georgetown, Texas

Municipal Sales Tax History – General Fund Last Ten Fiscal Years

Fiscal Year Ended September 30,	Total Collected	% of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate	Per Capita	Levy	Tax Rate
2016	12,679,188	54.22%	0.2353	216	23,384,947	0.4340
2017	13,595,005	53.21%	0.2256	232	25,551,262	0.4240
2018	14,827,612	52.87%	0.2221	235	28,043,693	0.4200
2019	16,581,705	54.38%	0.2284	245	30,490,501	0.4200
2020	19,108,465	56.75%	0.2383	265	33,674,169	0.4200
2021	23,895,422	65.72%	0.2747	313	36,361,454	0.4180
2022	28,335,537	68.48%	0.2746	338	41,374,812	0.4010
2023	28,571,800	57.10%	0.2136	306	50,038,063	0.3740
2024	30,293,223	51.54%	0.1927	291	58,780,343	0.3740
2025	31,673,955	50.95%	0.1858	275	62,167,624	0.3647

City of Georgetown, Texas

Monthly and Volumetric Water Rates
For the Fiscal Year Ended September 30, 2025

Customer Meter Size	Customer Charge per Month	
	Inside City	Outside City
5/8 inch	\$30.50	\$36.70
3/4 inch	45.75	55.05
1 inch	76.25	91.75
1 1/2 inch	152.50	183.50
2 inch	305.00	367.00
3 inch	732.00	880.80
4 inch	1,281.00	1,541.40
6 inch	2,806.00	3,376.40
8 inch	4,880.00	5,872.00
Fire Hydrant	732.00	880.80

Residential Water Rates	
1,000 Gallons	Volumetric Rate
0 - 7	\$2.55
7 - 15	3.85
15 - 25	6.75
25 and over	13.50

Nonresidential Water Rates	
Cost per thousand gallons, Tier 1	\$3.40
Cost per thousand gallons, Tier 2	9.15
Irrigation Meter, cost per thousand gallons, Tier 1	10.15
Fire Hydrant Meter	12.00

Source: City of Georgetown

Note: Rates effective October 1, 2024

City of Georgetown, Texas

Monthly Wastewater Rates

For the Fiscal Year Ended September 30, 2025

Residential and Small Commercial

Net Monthly Rate:

Flat Rate Inside City Limits:	\$54.35
Flat Rate Outside City Limits:	\$62.50

* Low income residential discount: 20% below current flat rate for qualifying households

Commercial

Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$82.15 per month
2. Volumetric Charge *	\$4.75 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$94.55 per month
2. Volumetric Charge *	\$5.40 per 1,000 gallons

Multifamily

Net Monthly Rate:

a. Inside City Limits	
1. Volumetric Charge *	2/3 Residential Rate x # of Dwelling Units
b. Outside City Limits	
1. Volumetric Charge *	2/3 Residential Rate x # of Dwelling Units

* Multifamily Dwellings served by one master meter will be billed on a per unit basis.
The minimum charge will be based on premises location and multiplied by number of dwelling unit.
Any non-residential portion of a multifamily location with a separate meter shall be considered a small commercial, commercial, or large commercial consumer, depending upon the size of the line to said meter.

Large Commercial

Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$145.90 per month
2. Volumetric Charge *	\$4.75 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$167.90 per month
2. Volumetric Charge *	\$5.40 per 1,000 gallons

Industrial

Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$113.65 per month
2. Volumetric Charge *	\$4.75 per 1,000 gallons multiplied by the customer's wastewater strength factor
b. Outside City Limits	
1. Customer Charge	\$125.75 per month
2. Volumetric Charge *	\$5.40 per 1,000 gallons multiplied by the customer's wastewater strength factor

Large Industrial

Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$177.10 per month
2. Volumetric Charge *	\$4.75 per 1,000 gallons multiplied by the customer's wastewater strength factor
b. Outside City Limits	
1. Customer Charge	\$199.00 per month
2. Volumetric Charge *	\$5.40 per 1,000 gallons multiplied by the customer's wastewater strength factor

Source: City of Georgetown
Note: Rates effective October 1, 2024

City of Georgetown, Texas

Monthly Electric Rates

For the Fiscal Year Ended September 30, 2025

All Customers	
Purchased Power Cost Adjustment:	\$0.01375 per kWh
Transmission Cost of Service:	\$0.0000 per kWh
Residential Sales Tax:	2.00% of total electric charges; outside City limits: None
Commercial Sales Tax:	8.25% of total electric charges; outside City limits: 6.25%
Energy Conservation	
Residential	\$1.00 per month
Net Energy Metering - Residential	\$1.00 per month
Small General	\$1.00 per month
Net Energy Metering - Small General	\$1.00 per month
School	\$5.00 per month
Municipal Water and Wastewater Pumping	\$5.00 per month
Municipal	\$5.00 per month
Large General	\$10.00 per month
Commercial & Industrial	\$15.00 per month
Large Commercial & Industrial	\$25.00 per month
Very Large Commercial & Industrial	\$25.00 per month
Streetlight Fee	
Monthly Fee	\$2.40 per account within City limits
Residential Service	
Customer Charge:	\$24.80 per month
Energy Charge:	\$0.0958 per kWh
Electric Discount (Medicaid):	\$7.44 Credit against meter base charge
Net Energy Metering (NEM) Effective 03/01/25)	
Customer Charge:	\$24.80 per month
Com Customer Charge:	\$24.80 per month
Energy Received Credit:	\$0.04321 per kWh
Small General Service	
Customer Charge:	\$50.00 per month
Energy Charge:	\$0.0902 per kWh
Minimum Bill:	\$50.00 per month
School Charge	
Customer Charge:	\$200.00 per month
Energy Charge:	\$0.1150 per kWh
Minimum Bill:	\$200.00 per month
Water & Wastewater Pumping Service	
Customer Charge:	\$195.00 per month
Energy Charge:	\$0.04504 per kWh
Demand Charge:	\$19.58 per kWh
Minimum Bill:	\$195.00 per month

City of Georgetown, Texas

Monthly Electric Rates (Continued)

For the Fiscal Year Ended September 30, 2025

Municipal Service	
Customer Charge:	\$132.00 per month
Energy Charge:	\$0.0700 per kWh
Minimum Bill:	\$132.00 per month
Large General Service	
Customer Charge:	\$175.00 per month
Demand Charge:	\$11.00 per kWh (50 kW minimum), but not less than \$550.00
Energy Charge:	\$0.06543 per kWh
Minimum Bill:	\$725.00 per month
Commercial & Industrial Services	
Customer Charge:	\$350.00 per month
Demand Charge:	\$16.00 per kWh, but not less than \$8,000.00 per month
Energy Charge:	\$0.05648 per kWh
Minimum Bill:	\$8,350.00 per month
Large Commercial & Industrial Service	
Customer Charge:	\$510.00 per month
Demand Charge:	\$19.25 per kWh, but not less than \$38,500.00
Energy Charge:	\$0.05317 per kWh
Minimum Bill:	\$39,010.00 per month
Very Large Commercial & Industrial Service	
Customer Charge:	\$5,500.00 per month
Demand Charge:	\$19.25 per kWh
Energy Charge:	\$0.05317 per kWh
High Pressure Sodium Lighting Service	
Security Lighting	
100 Watt per light (35 kWh)	\$8.50 per month
200 Watt per light (71 kWh)	\$14.50 per month
250 Watt per light (86 kWh)	\$16.70 per month
400 Watt per light (137 kWh)	\$23.50 per month

Source: City of Georgetown
Effective October 1, 2024
PCA effective February 1, 2021

Compliance Section

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**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 Georgetown, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Georgetown, Texas (the City), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated **March XX, 2026.**

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 were not 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Honorable Mayor and
Members of the City Council
City of Georgetown, Texas

**DRAFT FOR DISCUSSION PURPOSES ONLY -
Subject to final review and possible
revision and should not be relied upon
or distributed
February 17, 2026. Version 4**

Purpose of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

[NAME OF FIRM]

Austin, Texas

[REPORT RELEASE DATE]

**Independent Auditor's Report on Compliance for Each Major Federal
Program and Report on Internal Control over Compliance
in Accordance with the Uniform Guidance**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Georgetown, Texas (the City) with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2025. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

The Honorable Mayor and
Members of the City Council
City of Georgetown, Texas

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

[NAME OF FIRM]

Austin, Texas
[REPORT RELEASE DATE]

City of Georgetown, Texas

Schedule of Expenditures of Federal Awards

Fiscal Year Ended September 30, 2025

FEDERAL GRANTOR / PASS-THROUGH GRANTOR / PROGRAM	Federal Assistance Listing Number	Federal Award Number	Federal Expenditures
U.S. Department of Housing & Urban Development			
<u>Passed through Williamson County</u>			
CDBG Entitlement Grants Cluster:			
Community Development Block Grant (Home Repair FY22)	14.218	B-22-UC-48-0502	\$ 67,116
Total Assistance Listing Number 14.218			
Total CDBG Entitlement Grants Cluster			67,116
Total U.S. Department of Housing & Urban Development			67,116
U.S. Department of Justice			
<u>Direct Programs</u>			
Equitable Sharing Program	16.922	TX2460200	7,272
Total U.S. Department of Justice			7,272
Federal Aviation Administration			
<u>Passed through Texas Department of Transportation-Aviation Division</u>			
Airport Pavement Project	20.106	2314GRGTN	49,429
Total Federal Aviation Administration			49,429
U.S. Department of Transportation			
<u>Passed through Texas Department of Transportation</u>			
STEP - Click it or Ticket	20.616		6,983
STEP - Operation Slow Down	20.600		6,270
Ronald Reagan Blvd at CR 245 (AFR)	20.205	CSJ 0914-05-239	28,029
Williams Drive Safety Lighting (AFA)	20.205	CSJ-0914-05-216	66,982
Total Assistance Listing Number 20.205			95,011
Total U.S. Department of Transportation			108,264
U.S. Department of Treasury			
<u>Direct Programs</u>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027		2,685,766
Total U.S. Department of Treasury			2,685,766
Institute of Museum & Library Services			
<u>Texas State Library & Archives Commission</u>			
State Library Program	45.310	LS-256843-OLS-24	37,317
Total Institute of Museum & Library Services			37,317
Federal Emergency Management Agency			
<u>Passed through Texas Department of Public Safety - TDEM</u>			
Wildfire Season 2025	97.036	TX-TFMS-250001	59,761
04JUL Severe Weather	97.036	TX-TFMS-250013	98,241
July Severe Weather/Flood	97.036	FEMA-4879-DR-TX	83,217
Total Assistance Listing Number 97.036			241,219
Total Federal Emergency Management Agency			241,219
Total expenditures of federal awards			\$ 3,196,383

City of Georgetown, Texas

Notes to the Schedule of Expenditures of Federal Awards
Fiscal Year Ended September 30, 2025

Note 1. General

The accompanying schedule of expenditures of federal awards presents the activity of all applicable federal awards of the City of Georgetown, Texas (the City). The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the respective schedule. The City has not elected to use the 10% de minimis indirect cost rate.

Note 2. Basis of Accounting

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

Note 3. Relationship to Federal Financial Reports

Grant expenditures reports as of September 30, 2025, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.

Note 4. Expenditures Incurred in a Prior Year

The City disclosed amounts in the Schedule for expenditures incurred in a prior year as follows:

Description	Amount
ALN 97.036 - Federal Emergency Management Agency Winter Storm Mara Relief	\$ 158,002

City of Georgetown, Texas

Schedule of Findings and Questioned Costs

Fiscal Year Ended September 30, 2025

Section 1. Summary of Auditor's Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor's report issued | Unmodified |
| 2. Internal Control over Financial Reporting: | |
| a. Material Weakness(es) identified? | No |
| b. Significant Deficiency identified that are not
considered to be material weaknesses? | No |
| 3. Noncompliance material to Financial Statements noted? | No |

Federal Awards

- | | |
|---|--|
| 4. Internal control over major programs: | |
| a. Material Weakness(es) identified? | No |
| b. Significant Deficiency(ies) identified that are
not considered to be material weaknesses? | No |
| 5. Type of auditor's report issued on compliance with
major programs | Unmodified |
| 6. Any Audit Findings Disclosed that are Required to be
Reported in Accordance with Uniform Guidance § 200.516(a)? | No |
| 7. Identification of Major Programs | 21.027 Coronavirus State and Local Fiscal Recovery Funds |
| 8. Dollar Threshold Used to Distinguish Between
Type A and Type B Federal Programs | \$750,000 |
| 9. Auditee Qualified as a Low-Risk Auditee? | Yes |

City of Georgetown, Texas

Schedule of Findings and Questioned Costs - Continued
Fiscal Year Ended September 30, 2025

Section 2. Financial Statement Findings

None

Section 3. Schedule of Prior Audit Findings and Questioned Costs

Finding 2024-001

Significant Deficiency in Internal Control over Financial Reporting—Financial Statement Misstatements

Current Status

The City reviewed its internal controls regarding billing of Contribution in Aid of Construction (CIAC) revenues and implemented new procedures and resolved this internal control deficiency in the current fiscal year.

FY2025

Annual Comprehensive Financial Report

For the Year Ended September 30, 2025

Council Audit and Finance Sub-Committee
February 24, 2026



Background & Terms

- ACFR or AFR - Annual Comprehensive Financial Report
- GAAP - Generally Accepted Accounting Principals
 - Rules and standards by which all financial reporting is presented and prepared
 - Not the same as budgetary accounting
- GASB - Governmental Accounting Standards Board
 - The oversight body for accounting standards for governmental entities

Independent Audit

- Performed by outside independent audit firm
- Firm is selected by Council
- Provides assurances of accurate reporting and financial integrity
- Conducted in accordance with Government Auditing Standards
- Ensures the City complies with internal policies
- Ensures the City complies with external requirements

Contents of the AFR:

- Introductory Section
- Independent Audit Report
- Management Discussion & Analysis (MD&A)
- Financial Sections
- Notes to the Financials
- Statistical Section

Summary Statement of Net Position

This statement is similar to a Balance Sheet in the private sector

- Current and other assets increased \$94 million resulting from increased cash from bond proceeds and receivables
- Capital assets increased \$335 million
 - \$216 million resulting from projects in process (WIP)
- Increase in liabilities resulting from an increase in Other Post-employment Benefits (OPEB), Net Pension Liability, Arbitrage Liability and Bond issuance

Amounts reflected in Thousands	Total Primary Government	
	2025	2024
Current and other assets	\$ 1,200,360	\$ 1,106,788
Capital assets	2,063,542	1,728,257
Total assets	\$ 3,263,902	\$ 2,835,045
Deferred outflows of resources	20,952	\$ 22,006
Total assets and deferred outflows	\$ 3,284,854	\$ 2,857,051
Long-term liabilities	1,246,480	\$ 1,084,826
Other liabilities	111,453	105,140
Total liabilities	\$ 1,357,933	\$ 1,189,966
Deferred inflows of resources	11,745	5,261
Net position:		
Net Investment in capital assets	\$ 1,453,328	\$ 1,295,719
Restricted	149,269	92,290
Unrestricted	312,580	273,820
Total net position	\$ 1,915,177	\$ 1,661,829

Summary Statement of Activities

This statement is similar to an Income Statement in the private sector

Governmental revenue:

- 4.6% increase in Sales Tax revenue
- Increases in property taxes
- Interest Income

Business-type Activities revenue:

- Increase in Charges for services due to water/sewer rate increases, customer growth, and Electric's new Very Large Load customers

Governmental expenses:

- Increased by \$11 million due to new positions, pay increases, and increased capital project spending for parks, roads, and public safety

Business-type Expenses:

- Increased due to customer growth, pay increases, new positions, and water debt service for capital projects

<i>Amounts reflected in millions</i>			
	Total Primary Government		
	2025	2024	
Revenues:			
Governmental	\$ 231,276	\$ 214,440	
Business-Type	455,649	376,797	
Total Revenues	\$ 686,925	\$ 591,237	
Expenses:			
Governmental	176,602	165,539	
Business-Type	256,975	231,052	
Total Expenses	\$ 433,577	\$ 396,591	
Change in net position	253,348	194,646	
Net Position - Beginning	1,661,828	1,468,632	
Change in accounting	0	(1,450)	
Net Position - Ending	\$ 1,915,176	\$ 1,661,828	

2025 Highlights

- Property tax collections \$62.6 million, 5.6% over prior year
- Sales tax collections \$52.8 million total, 4.6% over prior year
- Franchise tax collections \$9.7 million, 15% increase over prior year
- Investment Income \$48 million
 - Staff continues monitoring increased arbitrage liability; increased by \$4.5 million in FY25; mostly in the Water fund
- \$9.4 million from reimbursement from Chisholm Trail Foundation for improvements to Garey Park
- Utility Fleet assets transferred to the utility fund balance sheets to benefit from depreciation; Fleet fund will still manage acquisition, maintenance and replacement
- Electric sales revenues 8% increase due to organic growth and Very Large C&I customer load; Water/Sewer sales revenues 30% increase due to expanded irrigation schedule, organic growth and rate increases to support the capital program and new water supply

Comments from External Auditor

- Adam McCane, CPA
- Weaver and Tidwell, LLP

Questions

Annual Comprehensive Financial Report as of September 30, 2025

- Will be available on the City Website

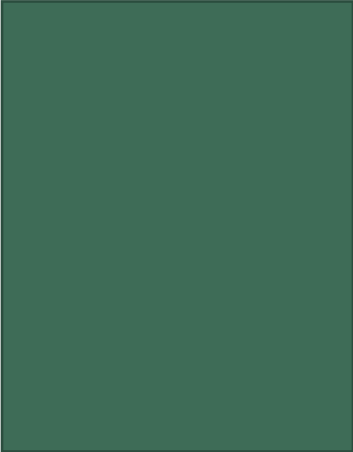


City of Georgetown

Communication with City Council Audit Committee

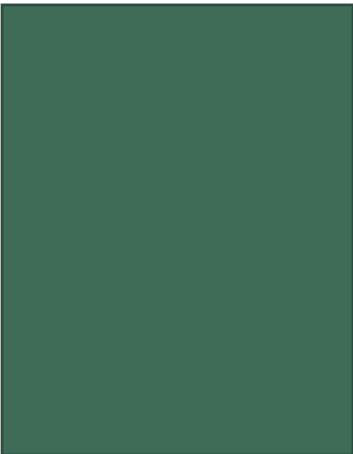
For the Year Ended September 30, 2025

Today's Presenters



Adam McCane, CPA *Partner, Assurance Services*

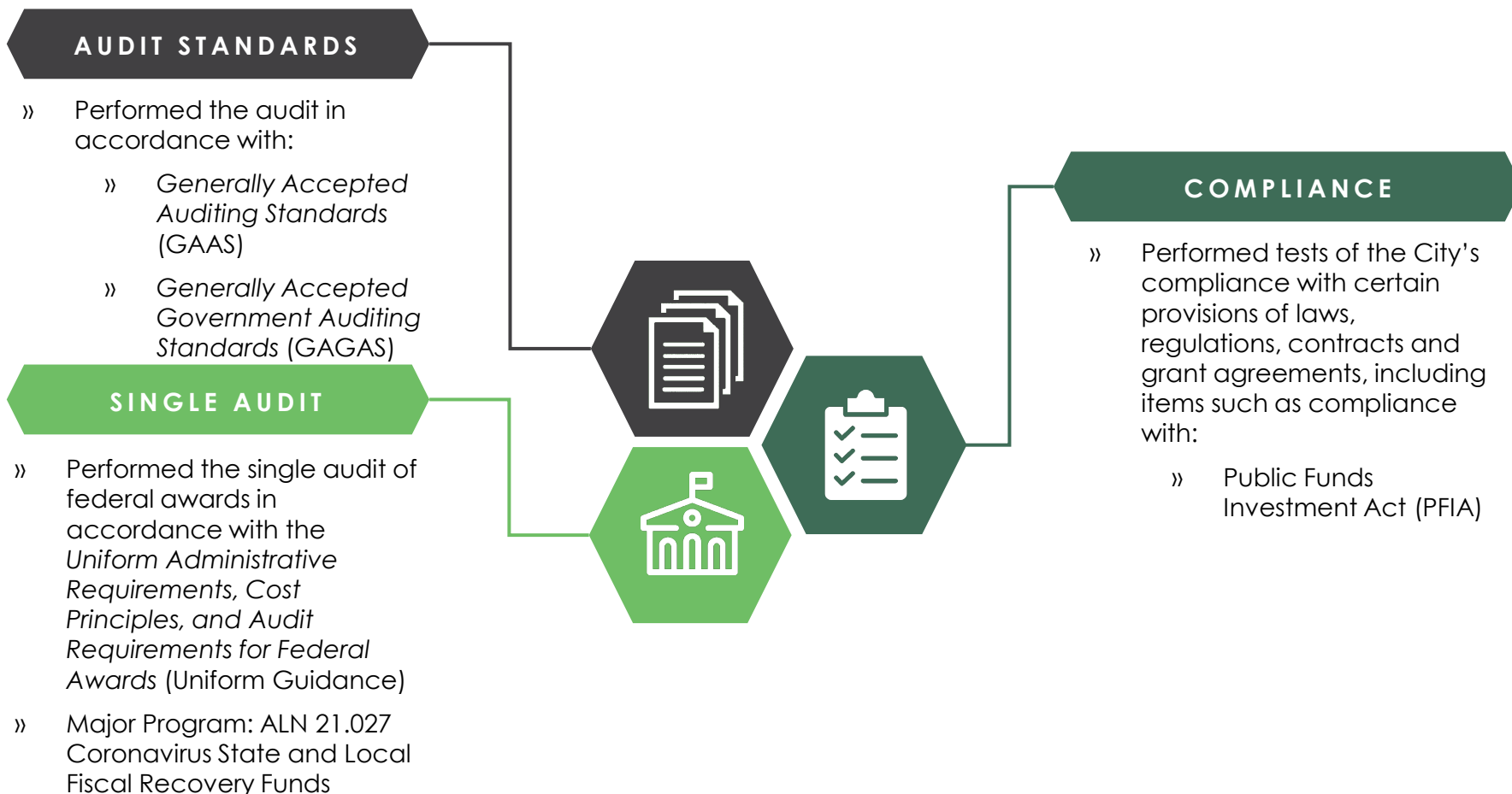
- ▶ Your relationship partner
- ▶ 20+ years of experience
- ▶ Practice emphasis in auditing and consulting for cities, counties, and school districts



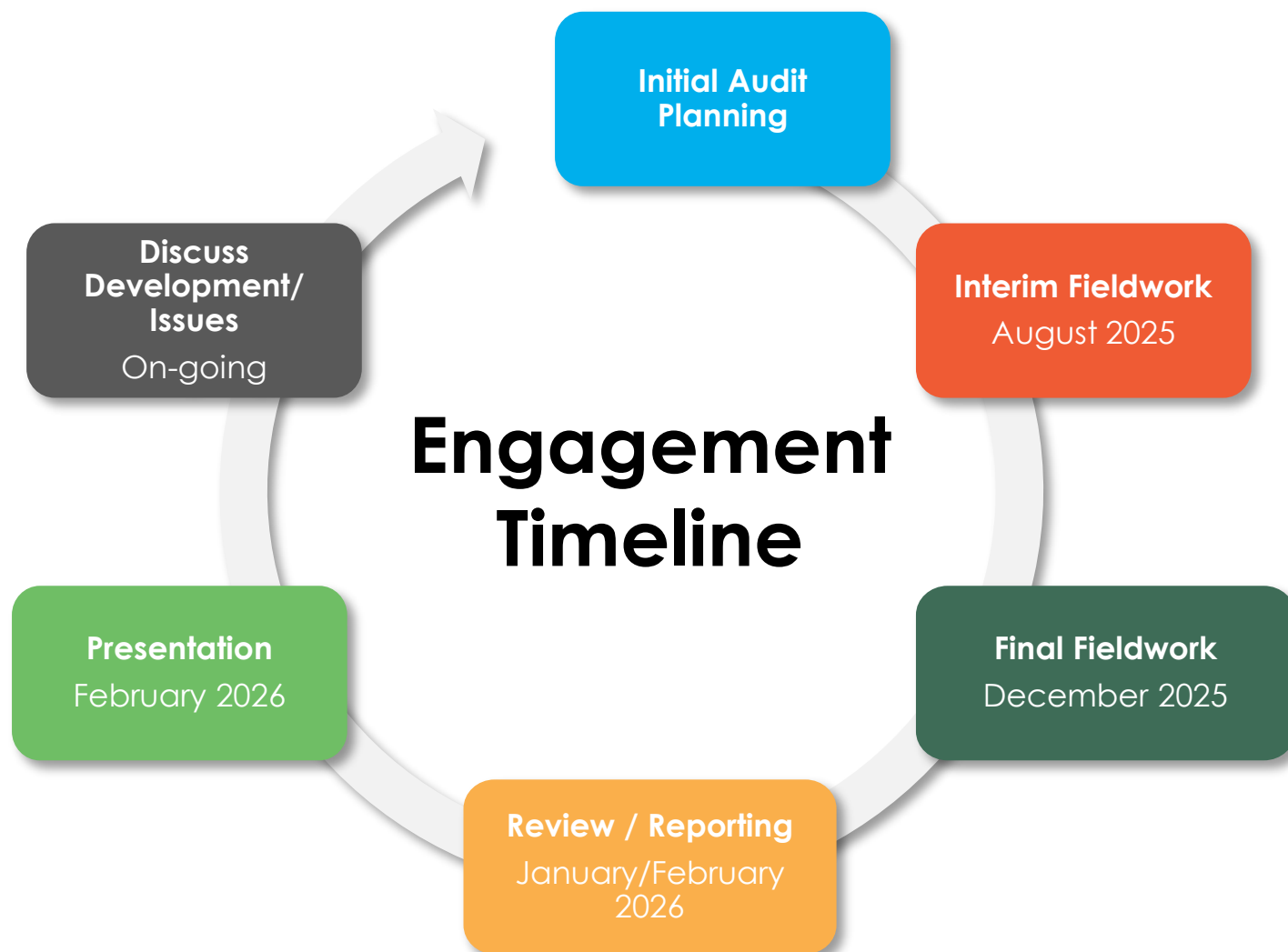
Brandon Tran, CPA *Senior Manager, Assurance Services*

- ▶ Your audit manager
- ▶ 10+ years of experience
- ▶ Practice emphasis in auditing and consulting for cities, counties and school districts

Audit Process



Audit Timeline





Auditor Communications

for the year ended September 30, 2025

Overview

SIGNIFICANT CHANGES TO OUR PLANNED AUDIT STRATEGY

- » There were no changes to our planned audit approach from those communicated to you during interim.

RESULTS OF WORK PERFORMED

- » There were no material misstatements identified by audit procedures and corrected by management.
- » There are no material weaknesses or significant deficiencies in internal control over financial reporting.
- » There are no independence matters to report.

OUR AUDIT REPORT

- » We plan to issue our unmodified audit report on the financial statements. A draft of our report has been provided to you.
- » We plan to issue the 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* with no findings noted.
- » We plan to issue the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance with an unmodified opinion and no findings noted.

OTHER MATTERS

- » As of the date of these communications, the following items are outstanding:
 - » Receipt of Management representation letter
 - » Final reviews and sign offs

Significant Risks

The following significant risks were identified during the performance of our risk assessment procedures:

SIGNIFICANT RISK IDENTIFIED	RELATED ASSERTIONS	RESULTS OF WORK PERFORMED
Management Override of Controls <i>(Note: This is a presumed risk on all audit engagements.)</i>	Pervasive	No audit findings noted.
Risk of Fraud in Revenue Recognition – Property Tax Revenue	EO, AV	No audit findings noted.
Risk of Movement of Expenses – Budget Compliance	UC	No audit findings noted.

Response to Identified Risks

The following additional procedures were performed in response to identified risks during the performance of our risk assessment procedures:

RISKS	PROCEDURES & RESULTS OF WORK PERFORMED
Expenditures and related liabilities, including payroll, capital projects, and general disbursements	Procedures including control testing, detail testing of specific transactions and vouching to source documents, analytical procedures, and budget analysis were performed. No audit findings noted.
Revenue and related receivables, including utility revenues, taxes, charges for services, and grant revenues	Procedures including detail testing of specific transactions and vouching to source documents and analytical procedures were performed. No audit findings noted.
Cash and investments	Confirmation with third parties and detail testing of account reconciliations were performed. No audit findings noted.
Long-term debt	Confirmation with third parties and detail testing of account reconciliations were performed. No audit findings noted.

Required Communications

 REQUIRED COMMUNICATIONS	 COMMENTS
<i>Significant Accounting Policies</i>	A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Required Communications

 REQUIRED COMMUNICATIONS	 COMMENTS
<i>Financial Statement Disclosures</i>	The most sensitive disclosures affecting the City's financial statements relate to: debt, regulatory asset, and commitments and contingencies.
<i>Significant Unusual Transactions</i>	No significant unusual transactions were identified during the course of the audit.
<i>Identified or Suspected Fraud</i>	No identified or suspected fraud noted.
<i>Significant Difficulties Encountered during the Audit</i>	We encountered no significant difficulties in dealing with management relating to the performance of the audit.
<i>Disagreements with Management</i>	No such disagreements arose during the course of the audit.

Required Communications

 REQUIRED COMMUNICATIONS	 COMMENTS
<i>Representations Requested from Management</i>	We will request certain written representations from management in the form of a letter addressed to Weaver and Tidwell, L.L.P.
<i>Adoption of New Accounting Principles</i>	There were no new GASB pronouncements implemented in 2025 that had an impact on the City's financial statements. The City previously adopted GASB101 during fiscal year 2024.
<i>Management's Consultations with Other Accountants</i>	Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.
<i>Other Significant Matters, Findings, or Issues</i>	We encountered no other matters that require communication at this time.

We have enjoyed
working with you
as your external
auditor and express
our appreciation to
the finance
department for all
their support!

Thank
You!