

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2**

YEAR ENDED SEPTEMBER 30, 2022

**FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT**

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2**

**FINANCIAL STATEMENTS,
SUPPLEMENTARY INFORMATION
AND
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED
SEPTEMBER 30, 2022**

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

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ANNUAL FILING AFFIDAVIT

ANNUAL FILING AFFIDAVIT

STATE OF TEXAS
COUNTY OF WILLIAMSON

I, Brad Zamzow, Secretary of the
(Name of Duly Authorized District Representative)

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
(Name of District)

hereby swear, or affirm, that the District above has reviewed and approved at a meeting of the District's Board of Directors on the **26th day of January, 2023** its annual audit report for the fiscal year ended **September 30, 2022** and that copies of the annual audit report have been filed in the District's office, located at:

4301 Bull Creek Road, Suite 150 Austin, TX 78731.
(Address of District's Office)

This annual filing affidavit and the attached copy of the audit report are being submitted to the Texas Commission on Environmental Quality in satisfaction of annual filing requirements of Texas Water Code Section 49.194.

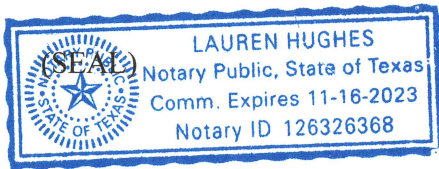
Date: January 26, 2023

By: _____

(Signature of District Representative)

Brad Zamzow, Secretary
(Typed Name and Title of District Representative)

Sworn to and subscribed to before me this 26th day of January, 2023.



(Signature of Notary)

My Commission Expires On: 11-16, 2023.
Notary Public in the State of Texas

INDEPENDENT AUDITOR'S REPORT

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
West Williamson County Municipal Utility District No. 2
Williamson County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of West Williamson County Municipal Utility District No. 2 (the "District") as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2022, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Budgetary Comparison Schedule - General Fund 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 District's basic financial statements. The Texas Supplementary Information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or provide any assurance on it.

Other Information

Management is responsible for the Other Supplementary Information included in the annual report. The Other Supplementary Information does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the Other Supplementary Information, and we do not express an opinion or any form of assurance thereon.

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

McCall Gibson Swedlund Barfoot PLLC

McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

January 26, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

In accordance with Governmental Accounting Standards Board Statement No. 34 ("GASB 34"), the management of West Williamson County Municipal Utility District No. 2 (the "District") offers the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended September 30, 2022. Since this information is designed to focus on current period activities, resulting changes, and currently known facts, it should be read in conjunction with the District's financial statements that follow.

FINANCIAL HIGHLIGHTS

- *General Fund:* At the end of the current fiscal year, the General Fund had a fund balance of \$1,010,860. For the year ended September 30, 2022, General Fund revenues were \$490,868 and expenditures were \$93,506.
- *Debt Service Fund:* Fund balance restricted for debt service increased to \$171,751 in the current fiscal year. The District received \$284,369 of property tax revenues and paid \$180,000 of bond principal and \$239,694 of interest on outstanding bonded debt. The Debt Service Fund received \$136,612 of capitalized interest from the sale of its Series 2021 unlimited tax bonds for future debt service payments.
- *Capital Projects Fund:* Fund balance restricted for capital projects decreased to \$58,922 in the current fiscal year. The District issued \$2,350,000 of unlimited tax bonds during the current fiscal year and used the proceeds to reimburse the developer \$2,057,830 for intangible and infrastructure assets, pay \$128,785 of developer interest and pay \$300,842 of bond-related expenditures.
- *Governmental Activities:* On a government-wide basis for governmental activities, the District had expenses net of revenues of \$99,362. Net position decreased from a prior year deficit balance of \$996,773 to a deficit balance of \$1,096,135 at the end of the current fiscal year.

OVERVIEW OF THE DISTRICT

The District, a political subdivision of the State of Texas, was created by order of the Texas Commission on Environmental Quality (the "TCEQ" or the "Commission"), effective April 27, 2015, and confirmed pursuant to an election held within the District on November 3, 2015. The District was created for the purpose of providing, operating, and maintaining facilities to control storm water, distribute potable water, and to collect and treat wastewater and operates pursuant to Chapters 49 and 54 of the Texas Water Code, as amended, and Article XVI, Section 59 of the Texas Constitution. The District contains approximately 437.049 acres.

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

USING THIS ANNUAL REPORT

This annual report consists of five parts:

1. *Management's Discussion and Analysis* (this section)
2. *Basic Financial Statements* (including Notes to the Financial Statements)
3. *Required Supplementary Information*
4. *Texas Supplementary Information* (required by the Texas Commission on Environmental Quality (the TSI section))
5. *Other Supplementary Information* (the OSI section)

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the required funds and government-wide statements in a single schedule. The requirement for fund financial statements that are prepared on the modified accrual basis of accounting is met with the "Governmental Funds Total" column. An adjustment column includes those entries needed to convert to the full accrual basis government-wide statements. Government-wide statements are comprised of the Statement of Net Position and the Statement of Activities.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The *Statement of Net Position and Governmental Funds Balance Sheet* includes a column (titled "Governmental Funds Total") that represents a balance sheet prepared using the modified accrual basis of accounting. This method measures cash and all other financial assets that can be readily converted to cash. The adjustments column converts those balances to a balance sheet that more closely reflects a private-sector business. Over time, increases or decreases in the District's net position will indicate financial health.

The *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* includes a column (titled "Governmental Funds Total") that derives the change in fund balance resulting from current year revenues, expenditures, and other financing sources or uses. These amounts are prepared using the modified accrual basis of accounting. The adjustments column converts those activities to full accrual, a basis that more closely represents the income statement of a private-sector business.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the information presented in the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances*.

The *Required Supplementary Information* presents a comparison statement between the District's adopted budget and its actual results.

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Statement of Net Position:

The following table reflects the condensed Statement of Net Position:

	<u>Summary Statement of Net Position</u>		
	Governmental Activities		Change Increase (Decrease)
	2022	2021	
Current and other assets	\$ 1,330,423	\$ 1,136,708	\$ 193,715
Capital and intangible assets	6,315,050	4,429,684	1,885,366
Total Assets	7,645,473	5,566,392	2,079,081
Current Liabilities	236,406	235,318	1,088
Long-term Liabilities	8,505,202	6,327,847	2,177,355
Total Liabilities	8,741,608	6,563,165	2,178,443
Net Investment in Capital Assets	(2,321,230)	(1,766,146)	(555,084)
Restricted	157,162	155,543	1,619
Unrestricted	1,067,933	613,830	454,103
Total Net Position	\$ (1,096,135)	\$ (996,773)	\$ (99,362)

As of September 30, 2022, the District had total assets of \$7,645,473 and total liabilities of \$8,741,608 resulting in a deficit in net position of \$1,096,135.

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (Continued)

The following table reflects the condensed Statement of Activities:

Summary Statement of Activities

	Governmental Activities		Change Increase (Decrease)
	2022	2021	
Property taxes	\$ 830,943	\$ 436,819	\$ 394,124
Drainage fees	-	140,700	(140,700)
Other	9,729	533	9,196
Total Revenues	840,672	578,052	262,620
District operations	24,475	12,000	12,475
Professional fees	55,321	50,186	5,135
Other	15,935	13,670	2,265
Developer interest	128,785	206,191	(77,406)
Debt service	543,054	679,109	(136,055)
Depreciation/amortization	172,464	130,521	41,943
Total Expenses	940,034	1,091,677	(151,643)
Change in Net Position	(99,362)	(513,625)	414,263
Beginning Net Position	(996,773)	(483,148)	(513,625)
Ending Net Position	\$ (1,096,135)	\$ (996,773)	\$ (99,362)

Revenues were \$840,672 for the year ended September 30, 2022, while expenses were \$940,034 resulting in a decrease in net position of \$99,362.

Property tax revenue in the current period was \$830,943. Property tax revenue is derived from taxes being levied based upon the assessed value of real and personal property within the District. Property taxes levied for the 2021 tax year were based upon a current adjusted assessed value of \$88,728,428 and a tax rate of \$0.869 per \$100 of assessed valuation. Property taxes levied for the 2020 tax year were based upon a current adjusted assessed value of \$45,683,315 and a tax rate of \$0.95 per \$100 of assessed valuation.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2 MANAGEMENT'S DISCUSSION AND ANALYSIS SEPTEMBER 30, 2022

ANALYSIS OF GOVERNMENTAL FUNDS

	<u>Governmental Funds by Year</u>		
	2022	2021	2020
Cash and cash equivalents	\$ 1,220,771	\$ 1,083,471	\$ 443,788
Receivables and other	152,851	94,383	97,906
Total Assets	<u>\$ 1,373,622</u>	<u>\$ 1,177,854</u>	<u>\$ 541,694</u>
Accounts payable	\$ 26,147	\$ 49,965	\$ 8,770
Other payables	43,199	41,146	48,075
Total Liabilities	<u>69,346</u>	<u>91,111</u>	<u>56,845</u>
Deferred Inflows of Resources	<u>62,743</u>	<u>549</u>	<u>433</u>
Nonspendable	3,737	3,633	3,289
Restricted	230,673	472,696	201,952
Unassigned	1,007,123	609,865	279,175
Total Fund Balances	<u>1,241,533</u>	<u>1,086,194</u>	<u>484,416</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,373,622</u>	<u>\$ 1,177,854</u>	<u>\$ 541,694</u>

For the fiscal year ended September 30, 2022, the District's General Fund reflects a nonspendable and unassigned fund balance of \$1,010,860, an increase of \$397,362 from the previous fiscal year.

The Debt Service Fund reflects an increase of \$1,072 in fiscal year 2022. The District received \$284,369 of property tax revenues and paid \$180,000 of bond principal and \$239,694 of interest on outstanding bonded debt. The Debt Service Fund received \$136,612 of capitalized interest from the sale of its Series 2021 unlimited tax bonds for future debt service payments. More detailed information about the District's debt is presented in the *Notes to the Financial Statements*.

The Capital Project Fund purchases the District's infrastructure. Fund balance restricted for capital projects decreased to \$58,922 in the current fiscal year. The District issued \$2,350,000 of unlimited tax bonds during the current fiscal year and used the proceeds to reimburse the developer \$2,057,830 for intangible and infrastructure assets, fund \$128,785 of developer interest and pay \$300,842 of bond-related expenditures.

BUDGETARY HIGHLIGHTS

The *General Fund* pays for daily operating costs of the District. On September 13, 2021, the Board of Directors adopted a budget that included revenues of \$557,275 as compared to expenditures of \$105,470. When comparing actual to budget, the District had a negative variance of \$54,443. More detailed information about the District's budgetary comparison is presented in the *Required Supplementary Information*.

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

INTANGIBLE ASSETS

The District is located within the City of Leander (the "City"). In accordance with the Consent Agreement entered into by the District, the developer and the City, the City is the retail water and wastewater service provider. The City of Georgetown ("Georgetown") provides wastewater service to the City for sewer service for projects as detailed in the Consent Agreement. The offsite wastewater improvements constructed by the developer and the District required for Georgetown to provide wholesale wastewater service to the City were dedicated to Georgetown. The remaining water and wastewater improvements required for water and wastewater service from the City are conveyed to the City for service to the District. As a result, the District has recognized intangible assets, consisting of the right to receive service, in the government-wide column in the Statement of Net Position. Intangible assets are valued at the cost of facilities conveyed to the City or Georgetown and amortized over the term of the Consent Agreement, which is 40 years from the effective date of such agreement. The balance of the intangible assets, net of accumulated amortization, was \$4,149,648 as of September 30, 2022. More detailed information about the District's intangible assets is presented in the *Notes to the Financial Statements*.

CAPITAL ASSETS

The District's governmental activities have invested \$2,165,402 in land, drainage facilities and impact fees. The detail is reflected in the following schedule:

Summary of Capital Assets, net

	<u>9/30/2022</u>	<u>9/30/2021</u>
Land	\$ 228,418	\$ 94,716
Drainage facilities	600,000	-
Impact fees	1,406,594	732,466
Less: Accumulated depreciation	(69,610)	(21,543)
Total Net Capital Assets	<u>\$ 2,165,402</u>	<u>\$ 805,639</u>

More detailed information about the District's capital assets is presented in the *Notes to the Basic Financial Statements*.

**WEST WILLIAMSON COUNTY
MUNICIPAL UTILITY DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2022**

LONG TERM DEBT

As of September 30, 2022, the District has the following balances outstanding on unlimited tax bonds:

	Bonds Payable
Series 2019	\$ 2,460,000
Series 2020	3,815,000
Series 2021	2,340,000
Total	<u>\$ 8,615,000</u>

As of September 30, 2022, the District owes approximately \$8.6 million to bond holders. As of September 30, 2022, the ratio of the District's long-term debt to the total 2021 taxable assessed valuation (\$88,728,428) is 9.7%. The District's population as provided by the District, as of October 1, 2022, was 936. More detailed information about the District's long-term debt is presented in the *Notes to the Financial Statements*.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

For the 2022 tax year (fiscal year 2023), the District has adopted a tax rate of \$0.823 per \$100 of assessed valuation of which 65% is allocated to the General Fund and 35% is allocated to the Debt Service Fund. The adopted budget for fiscal year 2023 projects a \$460,545 increase in General Fund fund balance.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District in care of McLean & Howard, LLP, 4301 Bull Creek Road, Suite 150, Austin, TX 78731.

FINANCIAL STATEMENTS

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - Wide Statement of Net Position
<u>ASSETS</u>						
Cash and cash equivalent investments:						
Cash	\$ 56,731	\$ -	\$ -	\$ 56,731	\$ -	\$ 56,731
Cash equivalents	925,609	179,509	58,922	1,164,040	-	1,164,040
Receivables:						
Property taxes	57,073	5,670	-	62,743	-	62,743
Interfund	43,172	27	-	43,199	(43,199)	-
Prepaid expenditures	3,737	-	43,172	46,909	-	46,909
Intangible assets, net of accumulated amortization	-	-	-	-	4,149,648	4,149,648
Capital assets, net of accumulated depreciation:						
Land	-	-	-	-	228,418	228,418
Drainage facilities	-	-	-	-	590,500	590,500
Impact fees	-	-	-	-	1,346,484	1,346,484
TOTAL ASSETS	\$ 1,086,322	\$ 185,206	\$ 102,094	\$ 1,373,622	6,271,851	7,645,473
<u>LIABILITIES</u>						
Accounts payable	\$ 18,362	\$ 7,785	\$ -	\$ 26,147	-	26,147
Accrued bond interest payable	-	-	-	-	20,259	20,259
Interfund payables	27	-	43,172	43,199	(43,199)	-
Bonds payable:						
Due within one year	-	-	-	-	190,000	190,000
Due after one year	-	-	-	-	8,505,202	8,505,202
TOTAL LIABILITIES	18,389	7,785	43,172	69,346	8,672,262	8,741,608
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Deferred revenue - property taxes	57,073	5,670	-	62,743	(62,743)	-
TOTAL DEFERRED INFLOWS OF RESOURCES	57,073	5,670	-	62,743	(62,743)	-
<u>FUND BALANCES / NET POSITION</u>						
Fund balances:						
Nonspendable	3,737	-	-	3,737	(3,737)	-
Restricted for debt service	-	171,751	-	171,751	(171,751)	-
Restricted for authorized construction	-	-	58,922	58,922	(58,922)	-
Unassigned	1,007,123	-	-	1,007,123	(1,007,123)	-
TOTAL FUND BALANCES	1,010,860	171,751	58,922	1,241,533	(1,241,533)	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,086,322	\$ 185,206	\$ 102,094	\$ 1,373,622		
Net position:						
Net investment in capital assets					(2,321,230)	(2,321,230)
Restricted for debt service					157,162	157,162
Unrestricted					1,067,933	1,067,933
TOTAL NET POSITION					\$ (1,096,135)	\$ (1,096,135)

The accompanying notes are an integral part of this statement.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Debt Service Fund	Capital Projects Fund	Governmental Funds Total	Adjustments Note 2	Government - Wide Statement of Activities
REVENUES						
Property taxes, including penalties	\$ 484,380	\$ 284,369	\$ -	\$ 768,749	\$ 62,194	\$ 830,943
Interest and other	6,488	2,810	431	9,729	-	9,729
TOTAL REVENUES	490,868	287,179	431	778,478	62,194	840,672
EXPENDITURES / EXPENSES						
Pond maintenance	24,475	-	-	24,475	-	24,475
Legal fees	22,350	-	-	22,350	-	22,350
Engineering fees	5,491	-	-	5,491	-	5,491
Bookkeeping fees	16,050	-	-	16,050	-	16,050
Audit fees	9,750	-	-	9,750	-	9,750
Director fees, including payroll taxes	4,844	-	-	4,844	-	4,844
Insurance	5,501	-	-	5,501	-	5,501
Financial advisor fees	1,058	622	-	1,680	-	1,680
Tax appraisal/collection fees	2,730	1,603	-	4,333	-	4,333
Other	1,257	-	-	1,257	-	1,257
Developer interest	-	-	128,785	128,785	-	128,785
Debt service:						
Principal	-	180,000	-	180,000	(180,000)	-
Interest	-	239,694	-	239,694	1,718	241,412
Fiscal agent fees	-	800	-	800	-	800
Bond issuance costs	-	-	300,842	300,842	-	300,842
Capital outlay	-	-	2,057,830	2,057,830	(2,057,830)	-
Amortization/depreciation	-	-	-	-	172,464	172,464
TOTAL EXPENDITURES / EXPENSES	93,506	422,719	2,487,457	3,003,682	(2,063,648)	940,034
Excess (deficiency) of revenues over (under) expenditures / expenses	397,362	(135,540)	(2,487,026)	(2,225,204)	2,125,842	(99,362)
OTHER FINANCING SOURCES						
Proceeds from sale of bonds	-	136,612	2,213,388	2,350,000	(2,350,000)	-
Bond premium	-	-	30,543	30,543	(30,543)	-
TOTAL OTHER FINANCING SOURCES	-	136,612	2,243,931	2,380,543	(2,380,543)	-
NET CHANGE IN FUND BALANCES	397,362	1,072	(243,095)	155,339	(155,339)	-
CHANGE IN NET POSITION					(99,362)	(99,362)
FUND BALANCES / NET POSITION						
Beginning of the year	613,498	170,679	302,017	1,086,194	(2,082,967)	(996,773)
End of the year	\$ 1,010,860	\$ 171,751	\$ 58,922	\$ 1,241,533	\$ (2,337,668)	\$ (1,096,135)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of West Williamson County Municipal Utility District No. 2 (the "District") relating to the funds included in the accompanying financial statements conform to generally accepted accounting principles ("GAAP") as applied to governmental entities. GAAP for local governments include those principles prescribed by the *Governmental Accounting Standards Board* ("GASB"), which constitutes the primary source of GAAP for governmental units. The more significant of these accounting policies are described below and, where appropriate, subsequent pronouncements will be referenced.

Reporting Entity - The District, a political subdivision of the State of Texas, was created by order of the Texas Commission on Environmental Quality (the "TCEQ" or the "Commission"), effective April 27, 2015, and confirmed pursuant to an election held within the District on November 3, 2015. The District was created for the purpose of providing, operating, and maintaining facilities to control storm water, distribute potable water, and to collect and treat wastewater and operates pursuant to Chapters 49 and 54 of the Texas Water Code, as amended, and Article XVI, Section 59 of the Texas Constitution. The District contains approximately 437.049 acres. The reporting entity of the District encompasses those activities and functions over which the District's officials exercise significant oversight or control. The District is governed by a five member Board of Directors (the "Board"), who have been elected by District residents or appointed by the Board. The District is not included in any other governmental "reporting entity" as defined by GASB standards since the majority of Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. In addition, there are no component units as defined by GASB standards which are included in the District's reporting entity.

Basis of Presentation - Government-wide and Fund Financial Statements - These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting ("GASB Codification").

GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

- **Net Investment in Capital Assets** – This component of net position consists of capital and intangible assets, including restricted capital assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- **Restricted Net Position** – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

The financial statements are prepared in conformity with GASB Statement No. 34, and include a column for government-wide (based upon the District as a whole) and fund financial statement presentations. GASB Statement No. 34 also requires as supplementary information Management's Discussion and Analysis, which includes an analytical overview of the District's financial activities. In addition, a budgetary comparison statement is presented that compares the adopted General Fund budget with actual results.

- **Government-wide Statements:** The District's statement of net position includes both non-current assets and non-current liabilities of the District, which were previously recorded in the General Fixed Assets Account Group and the General Long-Term Debt Account Group. In addition, the government-wide statement of activities column reflects depreciation and amortization expense on the District's capital and intangible assets, including infrastructure.

The government-wide focus is more on the sustainability of the District as an entity and the change in aggregate financial position resulting from financial activities of the fiscal period. The focus of the fund financial statements is on the individual funds of the governmental categories. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

- **Fund Financial Statements:** Fund based financial statement columns are provided for governmental funds. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures of either fund category) for the determination of major funds. All of the District's funds are reported as major funds.

Governmental Fund Types - The accounts of the District are organized and operated on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. The various funds are grouped by category and type in the financial statements. The District maintains the following fund types:

- **General Fund** - The General Fund accounts for financial resources in use for general types of operations which are not encompassed within other funds. This fund is established to account for resources devoted to financing the general services that the District provides for its residents. Tax revenues and other sources of revenue used to finance the fundamental operations of the District are included in this fund.
- **Debt Service Fund** - The Debt Service Fund is used to account for the resources restricted, committed or assigned for the payment of debt principal, interest and related costs.
- **Capital Projects Fund** - The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Non-current Governmental Assets and Liabilities - GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the government-wide financial statement column in the Statement of Net Position.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

Basis of Accounting

Government-wide Statements - The government-wide financial statement column is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Fund Financial Statements - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using the current financial resources measurement focus. 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 the net fund balances. Governmental funds are accounted for on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available).

"Measurable" means that the amount of the transaction can be determined and "available" means the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures, if measurable, are generally recognized on the accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include the unmatured principal and interest on general obligation long-term debt which is recognized when due. This exception is in conformity with generally accepted accounting principles.

Property tax revenues are recognized when they become available. In this case, available means when due, or past due and receivable within the current period and collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. Such time thereafter shall not exceed 60 days. Tax collections expected to be received subsequent to the 60-day availability period are reported as deferred inflows of resources. All other revenues of the District are recorded on the accrual basis in all funds.

The District may report unearned revenue on its balance sheet. Unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when revenue recognition criteria are met, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

Budgets and Budgetary Accounting - An unappropriated budget was adopted on September 13, 2021, for the General Fund on a basis consistent with generally accepted accounting principles. The District's Board utilizes the budget as a management tool for planning and cost control purposes. The budget was not amended during the current fiscal year. The Budgetary Comparison Schedule – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

Pensions - The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that Directors are considered to be “employees” for federal payroll tax purposes only.

Cash and Cash Equivalent Investments - Includes cash on deposit as well as investments with maturities of three months or less. The investments, consisting of obligations in the State Treasurer's Investment Pool, are recorded at amortized cost.

Intangible Assets - The District is located within the City of Leander (the “City”). In accordance with the Consent Agreement entered into by the District, the developer and the City, the City is the retail water and wastewater service provider. The City of Georgetown (“Georgetown”) provides wastewater service to the City for sewer service for projects as detailed in the Consent Agreement. The offsite wastewater improvements constructed by the developer and the District required for Georgetown to provide wholesale wastewater service to the City were dedicated to Georgetown. The remaining water and wastewater improvements required for water and wastewater service from the City are conveyed to the City for service to the District. As a result, the District has recognized intangible assets, consisting of the right to receive service, in the government-wide column in the Statement of Net Position. Intangible assets are valued at the cost of facilities conveyed to the City or Georgetown and amortized over the term of the Consent Agreement, which is 40 years from the effective date of such agreement. See Note 10 for information concerning the construction and conveyance of certain assets to the City and Georgetown.

Interfund Transactions - Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay that amount and if the debtor fund has the ability to repay the advance on a timely basis. Operating transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

Long-Term Debt - Unlimited tax bonds, which have been issued to fund capital projects, are to be repaid from tax revenues of the District.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums and discounts on debt issuances are reported as other financing sources and uses.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (continued) –

Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in both the government-wide and the fund financial statements.

Fund Balance - Fund balances in governmental funds are classified using the following hierarchy:

- *Nonspendable*: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- *Restricted*: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.
- *Committed*: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.
- *Assigned*: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District does not have any assigned fund balances.
- *Unassigned*: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

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

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

2. RECONCILIATION OF THE GOVERNMENTAL FUNDS

Adjustments to convert the Governmental Funds Balance Sheet to the Statement of Net Position are as follows:

Fund Balances - Total Governmental Funds		\$ 1,241,533
Intangible and capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds:		
Intangible assets	4,450,511	
Less: Accumulated amortization	(300,863)	
Capital assets	2,235,012	
Less: Accumulated depreciation	<u>(69,610)</u>	6,315,050
Deferred charges on refunding		-
Revenue is recognized when earned in the government-wide statements, regardless of availability. Governmental funds report deferred inflows for revenues earned but not available.		62,743
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Bonds payable	(8,615,000)	
Issuance premiums/discounts, net	(80,202)	
Due to developer	-	
Accrued interest	<u>(20,259)</u>	(8,715,461)
Net Position - Governmental Activities		<u><u>\$ (1,096,135)</u></u>

Adjustments to convert the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities are as follows:

Net Change in Fund Balances - Governmental Funds		\$ 155,339
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report:		
Capital expenditures in period purchased	-	
Interest expenditures in year paid	(4,906)	
Tax revenue when collected	62,194	
Developer advances when repaid	-	
Principal in year paid	180,000	
Capital expenditures in period purchased	2,057,830	
Bond sales and related bond discount/premium in year received/paid	<u>(2,380,543)</u>	(85,425)
Governmental funds do not report:		
Amortization of bond discount		-
Depreciation/amortization		(172,464)
Amortization of bond discount/premium		<u>3,188</u>
Change in Net Position - Governmental Activities		<u><u>\$ (99,362)</u></u>

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

3. CASH AND CASH EQUIVALENT INVESTMENTS

The investment policies of the District are governed by Section 2256 of the Texas Government Code (the "Public Funds Investment Act") and an adopted District investment policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District's investment policy, which complies with the Public Funds Investment Act, include: depositories must be Federal Deposit Insurance Corporation ("FDIC") insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; and securities collateralizing time deposits are held by independent third party trustees.

Cash - At September 30, 2022, the carrying amount of the District's deposits was \$56,731 and the bank balance was \$57,008. The bank balance was covered by federal depository insurance.

Cash Equivalents and Investments -

Interest rate risk. In accordance with its investment policy, the District manages its exposure to declines in fair values through investment diversification and limiting investments as follows:

- Money market mutual funds are required to have weighted average maturities of 90 days or fewer; and
- Other mutual fund investments are required to have weighted average maturities of less than two years.

Credit risk. The District's investment policy requires the application of the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, and considering the probable safety of their capital as well as the probable income to be derived. The District's investment policy requires that District funds be invested in:

- Obligations of the United States Government and/or its agencies and instrumentalities;
- Money market mutual funds with investment objectives of maintaining a stable net asset value of \$1 per share;
- Mutual funds rated in one of the three highest categories by a nationally recognized rating agency;
- Securities issued by a State or local government or any instrumentality or agency thereof, in the United States, and rated in one of the three highest categories by a nationally recognized rating agency; and
- Public funds investment pools rated AAA or AAAM by a nationally recognized rating agency.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

3. CASH AND CASH EQUIVALENT INVESTMENTS (continued) –

Cash Equivalents and Investments (continued) -

At September 30, 2022, the District held the following investments:

Investment	Fair Value at 9/30/2022	Governmental Fund			Investment Rating	
		General	Debt Service	Capital Projects	Rating	Rating Agency
		Unrestricted	Restricted (1)	Restricted (2)		
TexPool	\$ 1,164,040	\$ 925,609	\$ 179,509	\$ 58,922	AAAm	Standard & Poors
	\$ 1,164,040	\$ 925,609	\$ 179,509	\$ 58,922		

(1) Restricted for payment of debt service and cost of assessing and collecting taxes.

(2) Restricted for purchase of capital assets.

The District invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Investors, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all of its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

Concentration of credit risk. In accordance with the District's investment policy, investments in individual securities are to be limited to ensure that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. As of September 30, 2022, the District did not own any investments in individual securities.

Custodial credit risk-deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The government's investment policy requires that the District's deposits be fully insured by FDIC insurance or collateralized with obligations of the United States or its agencies and instrumentalities. As of September 30, 2022, the District's bank deposits were fully covered by FDIC insurance.

4. PROPERTY TAXES

Property taxes attach as an enforceable lien on January 1. Taxes are levied on or about October 1, are due on November 1, and are past due the following February 1. The Williamson Central Appraisal District establishes appraisal values in accordance with requirements of the Texas Legislature. The District levies taxes based upon the appraised values. The Williamson County Tax Assessor Collector bills and collects the District's property taxes. The Board of Directors set current tax rates on September 13, 2021.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

4. PROPERTY TAXES (continued) –

The property tax rates, established in accordance with state law, were based on 100% of the net assessed valuation of real property within the District on the 2021 tax roll. The tax rate, based on total taxable assessed valuation of \$88,728,428 was \$0.869 on each \$100 valuation and was allocated \$0.5475 to the General Fund and \$0.3215 to the Debt Service Fund. The maximum allowable maintenance tax of \$1.00 was established by the voters at an election held on November 3, 2015.

Property taxes of \$57,073 for the General Fund and \$5,670 for the Debt Service Fund were receivable at September 30, 2022.

5. CHANGES IN INTANGIBLE ASSETS

A summary of changes in intangible assets follows:

	Balance 10/1/2021	Additions	Deletions	Balance 9/30/2022
Intangible assets being amortized -				
Right to receive water and wastewater service	\$ 3,800,511	\$ 650,000	\$ -	\$ 4,450,511
Total intangible assets being amortized	3,800,511	650,000	-	4,450,511
Less accumulated amortization for -				
Right to receive water and wastewater service	(176,466)	(124,397)	-	(300,863)
Total accumulated amortization	(176,466)	(124,397)	-	(300,863)
Total intangible assets being amortized, net of accumulated amortization	3,624,045	525,603	-	4,149,648
Total intangible assets, net	\$ 3,624,045	\$ 525,603	\$ -	\$ 4,149,648

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

6. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets follows:

	Balance 10/1/2021	Additions	Deletions	Balance 9/30/2022
Capital assets not being depreciated -				
Land	\$ 94,716	\$ 133,702	\$ -	\$ 228,418
Capital assets being depreciated:				
Drainage facilities	-	600,000	-	600,000
Impact fees	732,466	674,128	-	1,406,594
Total capital assets being depreciated	732,466	1,274,128	-	2,006,594
Less accumulated depreciation for:				
Drainage facilities	-	(9,500)	-	(9,500)
Impact fees	(21,543)	(38,567)	-	(60,110)
Total accumulated depreciation	(21,543)	(48,067)	-	(69,610)
Total capital assets being depreciated, net of accumulated depreciation	710,923	1,226,061	-	1,936,984
Total capital assets, net	\$ 805,639	\$ 1,359,763	\$ -	\$ 2,165,402

7. BONDED DEBT

The following is a summary of bond transactions of the District for the year ended September 30, 2022:

	Unlimited Tax and Revenue Bonds
Bonds payable at October 1, 2021	\$ 6,445,000
Bonds issued	2,350,000
Bonds retired	(180,000)
Bond premium/discount, net	80,202
Bonds payable at September 30, 2022	\$ 8,695,202

Bonds payable at September 30, 2022, were comprised of the following individual issues:

Unlimited Tax Bonds:

\$2,460,000 – 2019 Unlimited Tax Bonds payable serially through the year 2043 at interest rates which range from 2.40% to 4.00%. Bonds maturing on or after September 1, 2026 are callable prior to maturity beginning September 1, 2025, or any date thereafter. Bonds maturing September 1, 2033 and 2038 are term bonds and are subject to mandatory sinking fund redemption.

\$3,815,000 – 2020 Unlimited Tax Bonds payable serially through the year 2045 at interest rates which range from 2.25% to 4.25%. Bonds maturing on or after September 1, 2026 are callable prior to maturity beginning September 1, 2025, or any date thereafter. Bonds maturing September 1, 2039, 2042 and 2045 are term bonds and are subject to mandatory sinking fund redemption.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

7. BONDED DEBT (continued) -

\$2,340,000 – 2021 Unlimited Tax Bonds payable serially through the year 2046 at interest rates which range from 2.625% to 4.625%. Bonds maturing on or after September 1, 2027 are callable prior to maturity beginning September 1, 2026, or any date thereafter. Bonds maturing September 1, 2029, 2031, 2033, 2036, 2039 and 2046 are term bonds and are subject to mandatory sinking fund redemption.

The annual requirements to amortize all bonded debt at September 30, 2022, including interest, are as follows:

Year Ended September 30,	Annual Requirements for All Series		
	Principal	Interest	Total
2023	\$ 190,000	\$ 252,891	\$ 442,891
2024	195,000	246,166	441,166
2025	205,000	239,078	444,078
2026	275,000	231,568	506,568
2027	285,000	220,893	505,893
2028-2032	1,580,000	963,049	2,543,049
2033-2037	1,825,000	727,063	2,552,063
2038-2042	2,120,000	447,344	2,567,344
2043-2046	1,940,000	127,768	2,067,768
	<u>\$ 8,615,000</u>	<u>\$ 3,455,820</u>	<u>\$ 12,070,820</u>

On December 15, 2021, the District issued Unlimited Tax Bonds, Series 2021, of \$2,350,000 with interest rates ranging from 2.625% to 4.625%. The net proceeds of \$2,383,661 (after payment of underwriter fees and other bond related costs along with \$301,901 of surplus funds from prior bond issues) were used to finance developer funded infrastructure improvement costs, fund future interest payments and pay subsequent bond issue costs.

Bonds authorized but not issued as of September 30, 2022, are as follows:

Type	Amount
Unlimited Tax Bonds	\$ 89,750,000
Park and Recreational Facilities	\$ 18,610,000
Road Bonds	\$ 8,745,000
Refunding Bonds	\$ 189,082,500

\$171,751 is available in the Debt Service Fund to service the bonded debt.

The existing outstanding bonds of the District are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

8. COMMITMENTS AND CONTINGENCIES

The developer of the land within the District has incurred costs related to construction of facilities. Such costs may be reimbursable to the developer by the District from proceeds of future District bond issues, subject to approval by the Texas Commission on Environmental Quality. The District, as of September 30, 2022, has recorded no liability pertaining to such costs.

9. RISK MANAGEMENT

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District has obtained coverage from commercial insurance companies to effectively manage its risk. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

10. CONSENT AGREEMENT

Pursuant to the Consent Agreement entered into by the District, the developer and the City, effective April 24, 2015, the District and the developer will design, finance and construct all water and wastewater facilities required to serve the District in accordance with the applicable City requirements and design standards. These facilities include the internal onsite and offsite facilities required for the City to provide retail services to the District, and the offsite wastewater facilities required for Georgetown to provide wholesale wastewater service to the City for the District. Upon completion of the construction of water and wastewater facilities constructed by or on behalf of the District, the facilities will be conveyed to the City (or to Georgetown with respect to the wholesale wastewater service facilities), as outlined in the Consent Agreement. In exchange for the conveyance of the water and wastewater facilities to serve the District, the City agrees to operate and maintain all water and wastewater facilities conveyed and to provide retail water and wastewater services to customers within the District at the City's standard water and wastewater rates and Georgetown agrees to provide wholesale water treatment and disposal services to the City. The Consent Agreement will continue in effect for 40 years from the effective date.

11. SUBSEQUENT EVENT

On December 15, 2022, the District issued \$6,325,000 of Unlimited Tax Bonds, Series 2022. Proceeds of the bonds were used to reimburse a developer within the District for certain water, wastewater and drainage facilities and fund bond issue costs and future interest costs. The Series 2022 bonds were sold with interest rates ranging from 4.00% to 6.00% and principal maturities through September 2047.

REQUIRED SUPPLEMENTARY INFORMATION

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2022

	<u>Actual</u>	<u>Original and Final Budget</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Property taxes, including penalties	\$ 484,380	\$ 492,175	\$ (7,795)
Drainage fees	-	65,100	(65,100)
Interest and other	6,488	-	6,488
TOTAL REVENUES	<u>490,868</u>	<u>557,275</u>	<u>(66,407)</u>
EXPENDITURES			
Pond maintenance	24,475	30,500	6,025
Legal fees	22,350	21,000	(1,350)
Engineering fees	5,491	8,000	2,509
Bookkeeping fees	16,050	17,350	1,300
Audit fees	9,750	9,500	(250)
Director fees, including payroll taxes	4,844	6,520	1,676
Insurance	5,501	6,000	499
Financial advisor fees	1,058	1,500	442
Tax appraisal/collection fees	2,730	3,200	470
Other	1,257	1,900	643
TOTAL EXPENDITURES	<u>93,506</u>	<u>105,470</u>	<u>11,964</u>
NET CHANGE IN FUND BALANCE	397,362	<u><u>\$ 451,805</u></u>	<u><u>\$ (54,443)</u></u>
FUND BALANCE:			
Beginning of the year	<u>613,498</u>		
End of the year	<u><u>\$ 1,010,860</u></u>		

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TEXAS SUPPLEMENTARY INFORMATION

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-1. SERVICES AND RATES
SEPTEMBER 30, 2022

1. Services Provided by the District during the Fiscal Year:

<input type="checkbox"/> Retail Water	<input type="checkbox"/> Wholesale Water	<input checked="" type="checkbox"/> Drainage
<input type="checkbox"/> Retail Wastewater	<input type="checkbox"/> Wholesale Wastewater	<input type="checkbox"/> Irrigation
<input type="checkbox"/> Parks/Recreation	<input type="checkbox"/> Fire Protection	<input type="checkbox"/> Security
<input type="checkbox"/> Solid Waste/Garbage	<input type="checkbox"/> Flood Control	<input type="checkbox"/> Roads
<input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)		
<input type="checkbox"/> Other (specify): _____		

2. Retail Service Providers

a. Retail Rates Based on 5/8" Meter (or equivalent):

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage Levels
WATER:	(1)	(1)	(1)	(1)	(1)
WASTEWATER:	(1)	(1)	(1)	(1)	(1)
SURCHARGE:	(1)	(1)	(1)	(1)	(1)

District employs winter averaging for wastewater usage? Yes ☐ No ☐

Total charges per 10,000 gallons usage: Water (1) Wastewater (1)

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFC's
Unmetered			1.0	
< 3/4"			1.0	
1"			2.5	
1 1/2"			5.0	
2"			8.0	
3"			15.0	
4"			25.0	
6"			50.0	
8"			80.0	
10"			115.0	
Total Water	(1)	(1)		(1)
Total Wastewater	(1)	(1)	1.0	(1)

⁽¹⁾ Water and wastewater service is provided to District customers by the City of Leander, Texas.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-1. SERVICES AND RATES (continued)
SEPTEMBER 30, 2022

3. Total Water Consumption during the Fiscal Year (rounded to the nearest thousand):

Gallons pumped into system: _____ (1)

Gallons billed to customers: _____ (1)

Water Accountability Ratio

(Gallons billed / Gallons Pumped)

N/A

4. Standby Fees (authorized only under TWC Section 49.231):

Does the District assess standby fees? Yes ☐ No ☒

If yes, Date of the most recent Commission Order: _____

Does the District have Operation and Maintenance standby fees? Yes ☐ No ☒

If yes, Date of the most recent Commission Order: _____

5. Location of District

County(ies) in which district is located: _____ Williamson County, Texas

Is the District located entirely within one county? Yes ☒ No ☐

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

City(ies) in which district is located: _____

Is the District located within a city's extra territorial jurisdiction (ETJ)?

Entirely ☒ Partly ☐ Not at all ☐

ETJ's in which district is located: _____ City of Leander, Texas

Are Board members appointed by an office outside the district?

Yes ☐ No ☒

If Yes, by whom? _____

(1) Water and wastewater service is provided to District customers by the City of Leander, Texas.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-2. GENERAL FUND EXPENDITURES
SEPTEMBER 30, 2022

Personnel Expenditures (including benefits)	\$ -
Professional Fees:	
Auditing	9,750
Legal	22,350
Engineering	5,491
Financial Advisor	1,058
Purchased Services For Resale -	
Bulk Water and Wastewater Purchases	-
Contracted Services:	
Bookkeeping	16,050
General Manager	-
Appraisal District/Tax Collector	2,730
Other Contracted Services	-
Utilities	-
Repairs and Maintenance	24,475
Chemicals	-
Administrative Expenditures:	
Directors' Fees	4,844
Office Supplies	-
Insurance	5,501
Other Administrative Expenditures	1,257
Capital Outlay:	
Capitalized Assets	-
Expenditures not Capitalized	-
Bad Debt	-
Parks and Recreation	-
Other Expenditures	-
TOTAL EXPENDITURES	\$ 93,506

Number of persons employed by the District:

☐ Full-Time ☐ Part-Time

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-3. TEMPORARY INVESTMENTS
SEPTEMBER 30, 2022

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
General Fund -					
TexPool	XXX001	Varies	N/A	\$ 925,609	\$ -
Total - General Fund				925,609	-
Debt Service Fund:					
TexPool	XXX002	Varies	N/A	5,139	-
TexPool	XXX003	Varies	N/A	95,044	-
TexPool	XXX007	Varies	N/A	79,326	-
Total - Debt Service Fund				179,509	-
Capital Projects Fund -					
TexPool	XXX008	Varies	N/A	58,922	-
Total - Capital Projects Fund				58,922	-
Total - All Funds				\$ 1,164,040	\$ -

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-4. TAXES LEVIED AND RECEIVABLE
SEPTEMBER 30, 2022

	Maintenance Taxes	Debt Service Taxes	
Taxes Receivable, Beginning of Year	\$ 332	\$ 217	
2021 Original Tax Levy, less abatements	492,791	289,374	
Adjustments:			
Current year	(7,003)	(4,112)	
Prior years	55,140	4,513	
Total to be accounted for	541,260	289,992	
Tax collections:			
Current year	484,187	284,322	
Prior years	-	-	
Total collections	484,187	284,322	
Taxes Receivable, End of Year	\$ 57,073	\$ 5,670	
Taxes Receivable, By Years			
2020 and before	\$ 55,472	\$ 4,730	
2021	1,601	940	
Taxes Receivable, End of Year	\$ 57,073	\$ 5,670	
Property Valuations:	2021	2020	2019
Land and improvements	\$ 88,728,428 (a)	\$ 45,683,315 (a)	\$ 17,602,711 (a)
Total Property Valuations	\$ 88,728,428	\$ 45,683,315	\$ 17,602,711
Tax Rates per \$100 Valuation:			
Debt Service tax rates	\$ 0.3215	\$ 0.3750	\$ 0.2275
Maintenance tax rates	0.5475	0.5750	0.7225
Total Tax Rates per \$100 Valuation:	\$ 0.8690	\$ 0.9500	\$ 0.9500
Adjusted Tax Levy	\$ 771,050	\$ 436,627	\$ 167,659
Percent of Taxes Collected to Taxes Levied *	99.7%	100.0%	100.0%
Maximum Tax Rate Approved by Voters:	\$ 1.00 on	11/3/2015.	

*Calculated as taxes collected in current and previous years divided by tax levy.

(a) Valuations are provided by the appropriate Appraisal District. Due to various factors including tax protests and disputes, such valuations change over time; therefore, they may vary slightly from those disclosed to the District's bond offering documents or the District's annual bond disclosure filings.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-5. LONG-TERM DEBT SERVICE REQUIREMENTS - BY YEARS
SEPTEMBER 30, 2022

Fiscal Year Ending	Unlimited Tax Bonds Series 2019			Unlimited Tax Bonds Series 2020			Unlimited Tax Bonds Series 2021			Annual Requirements for All Series		
	Principal Due 9/01	Interest Due 3/01, 9/01	Total	Principal Due 9/01	Interest Due 3/01, 9/01	Total	Principal Due 9/01	Interest Due 3/01, 9/01	Total	Principal Due 9/01	Interest Due 3/01, 9/01	Total
2023	\$ 75,000	\$ 84,372	\$ 159,372	\$ 105,000	\$ 101,419	\$ 206,419	\$ 10,000	\$ 67,100	\$ 77,100	\$ 190,000	\$ 252,891	\$ 442,891
2024	75,000	82,572	157,572	110,000	96,956	206,956	10,000	66,638	76,638	195,000	246,166	441,166
2025	80,000	80,622	160,622	115,000	92,281	207,281	10,000	66,175	76,175	205,000	239,078	444,078
2026	85,000	78,462	163,462	120,000	87,394	207,394	70,000	65,712	135,712	275,000	231,568	506,568
2027	90,000	76,124	166,124	120,000	82,294	202,294	75,000	62,475	137,475	285,000	220,893	505,893
2028	90,000	73,604	163,604	125,000	77,194	202,194	80,000	60,225	140,225	295,000	211,023	506,023
2029	95,000	70,994	165,994	130,000	71,881	201,881	85,000	57,825	142,825	310,000	200,700	510,700
2030	100,000	68,144	168,144	135,000	68,956	203,956	80,000	55,275	135,275	315,000	192,375	507,375
2031	105,000	65,144	170,144	145,000	65,919	210,919	75,000	52,875	127,875	325,000	183,938	508,938
2032	110,000	61,732	171,732	150,000	62,656	212,656	75,000	50,625	125,625	335,000	175,013	510,013
2033	115,000	57,882	172,882	155,000	59,281	214,281	75,000	48,375	123,375	345,000	165,538	510,538
2034	120,000	53,856	173,856	160,000	55,794	215,794	75,000	46,125	121,125	355,000	155,775	510,775
2035	125,000	49,656	174,656	165,000	52,194	217,194	75,000	43,875	118,875	365,000	145,725	510,725
2036	130,000	45,282	175,282	175,000	48,481	223,481	70,000	41,625	111,625	375,000	135,388	510,388
2037	135,000	40,568	175,568	180,000	44,544	224,544	70,000	39,525	109,525	385,000	124,637	509,637
2038	140,000	35,506	175,506	185,000	40,494	225,494	75,000	37,425	112,425	400,000	113,425	513,425
2039	145,000	30,256	175,256	195,000	36,331	231,331	70,000	35,175	105,175	410,000	101,762	511,762
2040	150,000	24,818	174,818	205,000	31,944	236,944	70,000	33,075	103,075	425,000	89,837	514,837
2041	160,000	19,194	179,194	210,000	27,075	237,075	65,000	31,238	96,238	435,000	77,507	512,507
2042	165,000	13,194	178,194	220,000	22,087	242,087	65,000	29,532	94,532	450,000	64,813	514,813
2043	170,000	6,800	176,800	230,000	16,862	246,862	65,000	27,825	92,825	465,000	51,487	516,487
2044	-	-	-	235,000	11,400	246,400	245,000	26,118	271,118	480,000	37,518	517,518
2045	-	-	-	245,000	5,819	250,819	245,000	19,688	264,688	490,000	25,507	515,507
2046	-	-	-	-	-	-	505,000	13,256	518,256	505,000	13,256	518,256
	<u>\$ 2,460,000</u>	<u>\$ 1,118,782</u>	<u>\$ 3,578,782</u>	<u>\$ 3,815,000</u>	<u>\$ 1,259,256</u>	<u>\$ 5,074,256</u>	<u>\$ 2,340,000</u>	<u>\$ 1,077,782</u>	<u>\$ 3,417,782</u>	<u>\$ 8,615,000</u>	<u>\$ 3,455,820</u>	<u>\$ 12,070,820</u>

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-6. CHANGES IN LONG-TERM BONDED DEBT
SEPTEMBER 30, 2022

	<u>Bond Issue Series 2019</u>	<u>Bond Issue Series 2020</u>	<u>Bond Issue Series 2021</u>	<u>Total</u>
Interest Rate	2.40% - 4.00%	2.25% - 4.25%	2.625% - 4.625%	
Dates Interest Payable	3/01 , 9/01	3/01 , 9/01	3/01 , 9/01	
Maturity Dates	9/1/2043	9/1/2045	9/1/2046	
Bonds Outstanding at Beginning of Current Fiscal Year	\$ 2,530,000	\$ 3,915,000	\$ -	\$ 6,445,000
Bonds Sold During the Current Fiscal Year	-	-	2,350,000	2,350,000
Retirements During the Current Fiscal Year:				
Principal	(70,000)	(100,000)	(10,000)	(180,000)
Refunded	-	-	-	-
Bonds Outstanding at End of Current Fiscal Year	<u>\$ 2,460,000</u>	<u>\$ 3,815,000</u>	<u>\$ 2,340,000</u>	<u>\$ 8,615,000</u>
Interest Paid During the Current Fiscal Year	<u>\$ 85,981</u>	<u>\$ 105,669</u>	<u>\$ 48,044</u>	<u>\$ 239,694</u>
Paying Agent's Name & Address:	<u>UMB Bank</u> <u>Austin, TX</u>	<u>UMB Bank</u> <u>Austin, TX</u>	<u>UMB Bank</u> <u>Austin, TX</u>	
Bond Authority:	<u>Unlimited</u> <u>Tax Bonds*</u>	<u>Recreational</u> <u>Facilities*</u>	<u>Road</u> <u>Bonds*</u>	<u>Refunding</u> <u>Bonds*</u>
Amount Authorized by Voters	\$ 98,700,000	\$ 18,610,000	\$ 8,745,000	\$ 189,082,500
Amount Issued	(8,950,000)	-	-	-
Remaining To Be Issued	<u>\$ 89,750,000</u>	<u>\$ 18,610,000</u>	<u>\$ 8,745,000</u>	<u>\$ 189,082,500</u>
* Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.				
Debt Service Fund Cash and Temporary Investments balances as of September 30, 2022:				<u>\$ 179,509</u>
Average Annual Debt Service Payment (Principal & Interest) for the remaining term of all debt:				<u>\$ 502,951</u>

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-7. COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS
SEPTEMBER 30, 2022

	Amounts					Percent of Fund Total Revenues				
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
GENERAL FUND REVENUES:										
Property taxes	\$ 484,380	\$ 264,320	\$ 127,211	\$ 72,222	\$ 52,288	98.7%	65.2%	98.3%	29.6%	82.5%
Drainage fees	-	140,700	1,400	171,500	-	-	34.7%	1.1%	70.3%	-
Developer advances	-	-	-	-	11,100	-	-	-	-	17.5%
Interest and other	6,488	178	730	261	-	1.3%	0.1%	0.6%	0.1%	-
TOTAL GENERAL FUND REVENUES	490,868	405,198	129,341	243,983	63,388	100.0%	100.0%	100.0%	100.0%	100.0%
GENERAL FUND EXPENDITURES:										
Pond maintenance	24,475	12,000	12,000	5,150	-	4.9%	2.9%	9.3%	2.1%	-
Director fees, including payroll taxes	4,844	4,844	3,875	3,230	2,261	0.9%	1.2%	3.0%	1.3%	3.6%
Legal fees	22,350	18,307	14,496	22,308	9,656	4.6%	4.5%	11.2%	9.2%	15.2%
Engineering fees	5,491	5,459	4,907	9,071	9,032	1.1%	1.3%	3.8%	3.7%	14.2%
Bookkeeping fees	16,050	15,450	14,350	9,750	3,400	3.3%	3.8%	11.1%	4.0%	5.4%
Audit fees	9,750	9,250	8,750	5,950	-	2.0%	2.3%	6.8%	2.4%	-
Financial advisor fees	1,058	1,041	1,072	1,240	1,240	0.2%	0.3%	0.8%	0.5%	2.0%
Tax appraisal/collection fees	2,730	1,553	793	433	8	0.6%	0.4%	0.6%	0.2%	-
Insurance	5,501	5,105	4,836	4,386	1,395	1.1%	1.3%	3.7%	1.8%	2.2%
Other	1,257	1,155	614	16	7	0.3%	0.3%	0.5%	-	-
TOTAL GENERAL FUND EXPENDITURES	93,506	74,164	65,693	61,534	26,999	19.0%	18.3%	50.8%	25.2%	42.6%
EXCESS OF REVENUES OVER EXPENDITURES	\$ 397,362	\$ 331,034	\$ 63,648	\$ 182,449	\$ 36,389	81.0%	81.7%	49.2%	74.8%	57.4%
DEBT SERVICE FUND REVENUES:										
Interest	\$ 2,810	\$ 216	\$ 1,987	\$ 1,475	\$ -	0.7%	0.1%	4.7%	0.8%	-
Property taxes, including penalties	284,369	172,383	40,056	-	-	67.1%	44.8%	95.3%	-	-
Bond proceeds	136,612	212,085	-	194,194	-	32.2%	55.1%	-	99.2%	-
TOTAL DEBT SERVICE FUND REVENUES	423,791	384,684	42,043	195,669	-	100.0%	100.0%	100.0%	100.0%	-
DEBT SERVICE FUND EXPENDITURES:										
Bond interest	239,694	183,749	87,521	22,367	-	56.5%	47.8%	208.2%	11.4%	-
Bond principal	180,000	155,000	-	-	-	42.5%	40.3%	-	-	-
Fiscal agent fees and other	3,025	2,092	988	-	-	0.7%	0.5%	2.3%	-	-
TOTAL DEBT SERVICE FUND EXPENDITURES	422,719	340,841	88,509	22,367	-	99.7%	88.6%	210.5%	11.4%	-
EXCESS (DEFICIENCY) OF DEBT SERVICE FUND REVENUES OVER (UNDER) EXPENDITURES	\$ 1,072	\$ 43,843	\$ (46,466)	\$ 173,302	\$ -	0.3%	11.4%	-110.5%	88.6%	-
TOTAL ACTIVE RETAIL WATER CONNECTIONS	(1)	(1)	(1)	(1)	(1)					
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	(1)	(1)	(1)	(1)	(1)					

(1) Water and wastewater service is provided to District customers by the City of Leander, Texas.

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
TSI-8. BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
SEPTEMBER 30, 2022

Complete District Mailing Address:	<u>4301 Bull Creek Blvd. Suite 150</u> <u>Austin, TX 78731</u>
District Business Telephone Number:	<u>(512) 328-2008</u>
Submission Date of the most recent District Registration Form TWC Sections 36.054 & 49.054):	<u>May 6, 2022</u>
Limits on Fees of Office that a Director may receive during a fiscal year: (Set by Board Resolution TWC Section 49.060)	<u>\$7,200</u>

Name and Address:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid * 9/30/2022	Expense Reimbursements 9/30/2022	Title at Year End
Board Members:				
JUSTIN LANGE	(Elected) 5/7/2022 - 5/2/2026	\$ 900	\$ -	President
AARON GOOGINS	(Elected) 5/7/2022 - 5/2/2026	\$ 900	\$ -	Vice President
BRAD ZAMZOW	(Elected) 5/7/2022 - 5/2/2026	\$ 900	\$ -	Secretary
ALEXANDER DAGEL	(Appointed) 1/31/2022 - 5/4/2024	\$ 600	\$ -	Assistant Secretary
JOSEPH L. GRAHAM	(Appointed) 5/2/2020 - 5/4/2024	\$ 1,050	\$ -	Assistant Secretary
Consultants:				
McLean & Howard, LLP	4/4/2017	\$ 24,964	\$ -	Attorney
		\$ 35,250	\$ -	Bond Related Services
McCall Parkhurst & Horton LLP	8/7/2015	\$ 46,397	\$ -	Bond Counsel
Jones-Heroy & Associates, Inc.	6/10/2015	\$ 6,194	\$ -	Engineer
		\$ 72,958	\$ -	Bond Related Services
Bott & Douthitt, PLLC	6/10/2015	\$ 16,050	\$ 193	District Accountant
McCall Gibson Swedlund Barfoot PLLC	3/20/2019	\$ 9,750	\$ -	Auditor
		\$ 12,250	\$ -	Bond Related Services
Public Finance Group LLC	6/10/2015	\$ 1,680	\$ -	Financial Advisor
		\$ 63,146	\$ -	Bond Related Services
Williamson County Tax Assessor/Collector	7/28/2016	\$ 145	\$ -	Tax Collector

**Fees of Office* are the amounts actually paid to a director during the District's fiscal year.

OTHER SUPPLEMENTARY INFORMATION

WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
OSI-1. PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2022

Taxpayer	Type of Property	Tax Roll Year		
		2022	2021	2020
Continental Homes of Texas LP	N/A	\$ 15,987,208	\$ 11,126,010	\$ 7,711,184
Hwy 29 Ventures 2015 LP	N/A	11,710,359	2,060,046	1,678,047
Homeowner	N/A	998,034	656,106	-
Cash Construction	N/A	903,831	-	-
Homeowner	N/A	645,308	-	-
Homeowner	N/A	643,359	-	-
Homeowner	N/A	632,126	-	-
Homeowner	N/A	575,078	-	-
Homeowner	N/A	557,902	-	-
Homeowner	N/A	553,148	-	-
Whitehorn Pipeline LLC	N/A	-	494,810	531,354
Homeowner	N/A	-	461,056	-
Homeowner	N/A	-	460,841	-
Homeowner	N/A	-	448,157	-
Homeowner	N/A	-	439,819	-
Homeowner	N/A	-	439,170	-
Homeowner	N/A	-	436,829	-
Homeowner	N/A	-	-	497,629
Homeowner	N/A	-	-	303,831
Homeowner	N/A	-	-	303,831
Homeowner	N/A	-	-	302,455
Homeowner	N/A	-	-	298,902
Homeowner	N/A	-	-	296,509
Homeowner	N/A	-	-	294,784
Total		\$ 33,206,353	\$ 17,022,844	\$ 12,218,526
Percent of Assessed Valuation		24.6%	19.2%	26.7%

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WEST WILLIAMSON COUNTY MUNICIPAL UTILITY DISTRICT NO. 2
OSI-2. ASSESSED VALUE BY CLASSIFICATION
SEPTEMBER 30, 2022

Type of Property	Tax Roll Year					
	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Single Family Residential	\$ 135,001,585	100.0%	\$ 80,811,556	91.1%	\$ 25,700,785	56.2%
Vacant Platted Lots/Tracts	20,068	-	84,768	0.1%	147,538	0.3%
Real Acreage	1,610,594	1.2%	3,881,416	4.4%	4,326,977	9.5%
Farm & Ranch Improvements	11,804,145	8.7%	2,028,292	2.3%	1,645,247	3.6%
Utilities	494,456	0.4%	494,810	0.6%	531,354	1.2%
Tangible Personal, Business	1,069,326	0.8%	126,394	0.1%	9,915	-
Real Inventory	33,611,097	24.9%	16,090,830	18.1%	25,520,794	55.9%
Exemptions/Adjustments	<u>(48,627,753)</u>	<u>-36.0%</u>	<u>(14,789,638)</u>	<u>-16.7%</u>	<u>(12,199,295)</u>	<u>-26.7%</u>
Total	<u><u>\$ 134,983,518</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 88,728,428</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 45,683,315</u></u>	<u><u>100.0%</u></u>