CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
CITY OF CELINA, TEXAS

AUDITED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2023, AND 2022

CUSIP NUMBERS:

Phases #2 Project
15114CBU7
15114CBV5

Phase #3 Project
15114CCL6
15114CCM4
15114CCN2

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

ANNUAL FINANCIAL STATEMENTS
SEPTEMBER 30, 2023, AND 2022

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Independent Auditor's Report

The Honorable Mayor and Members of the City Council
Creeks of Legacy Public Improvement District
Celina, Texas

Opinion

We have audited the financial statements of the Creeks of Legacy Public Improvement District (PID), as of and for the years ended September 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the PID's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the PID, as of September 30, 2023 and 2022, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the PID's ability to continue as a going concern for 12 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 PID'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 PID'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 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 GAAS, 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.

Forvis Mazars, LLP

Dallas, Texas
July 8, 2024

II. MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the financial performance of the Creeks of Legacy Public Improvement District (the "PID") provides an overall review of the PID's financial activities for the years ended September 30, 2023, and 2022. The intent of this discussion and analysis is to look at the PID's financial performance as a whole. Readers should also review the basic financial statements and notes to the financial statements to enhance their understanding of the PID's financial performance.

Highlights

1. The PID was created pursuant to the PID Act and Resolution No. 2014-17R, which was passed and approved by the City Council of the City of Celina (the "City Council") on April 29, 2014, to finance the costs of certain public improvements for the benefit of property in the PID, all of which is located within the City of Celina (the "City").

2. The PID has issued seven sets of bonds ("PID Bonds"):

   a. The $8,750,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2014, Creeks of Legacy Public Improvement District Phase #1 Project (the "Phase #1 Bonds") were issued on July 1, 2014. They were refunded on May 31, 2023, and replaced by the $10,181,000 City of Celina, Texas, Special Assessment Revenue Refunding Bonds, Series 2023, Creeks of Legacy Public Improvement District Phase #1 Project (the "Phase #1 Refunding Bonds"), which were a private placement.

   b. The $6,575,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2014, Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project (the "Phases #2-3 Bonds") were issued on July 1, 2014. They were refunded on May 31, 2023, and replaced by the $5,415,000 City of Celina, Texas, Special Assessment Revenue Refunding Bonds, Series 2023, Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project (the "Phases #2-3 Refunding Bonds"), which were a private placement.

   c. The $3,750,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018, Creeks of Legacy Public Improvement District Phase #1B Project (the "Phase #1B Bonds") were issued on September 6, 2018. The Phase #1B Bonds were issued to replace the Phase #1 Reimbursement Agreement. They were refunded on May 31, 2023, and replaced by the Phase #1 Refunding Bonds.

   d. The $6,875,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2018, Creeks of Legacy Public Improvement District Phase #2 Project (the "Phase #2 Bonds") were issued on September 6, 2018.

e. The $3,600,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2020, Creeks of Legacy Public Improvement District Phase #3 Project (the "Phase #3 Bonds") were issued on September 1, 2020. The Phase #3 Bonds were issued to replace the Phase #3 Reimbursement Agreement.

3. The PID's debt will be paid through the collection of assessments imposed on the chargeable properties benefiting from the public improvements, as well as through a portion of the tax increment reinvestment zone (the "TIRZ") revenues collected by the City from each parcel of assessed property that pays City taxes in a given year.

4. Net position at September 30, 2023 and 2022 totaled ($23,807,102) and ($23,447,197), respectively.

5. There were no capital assets at September 30, 2023 and 2022. Capital assets relating to the PID Bonds, in the amount of $23,439,483 have been completed and accepted by the City in fiscal years 2016 through 2020.

6. Annual assessments of $1,631,765 and $$1,743,501 were billed to the property owners for the 2022-2023, and 2021-2022 tax years, respectively. The annual installments of assessments are remitted to the PID monthly as they are received by the Collin County Tax Assessor Collector (the "CCTAC"). As of September 30, 2023, all but $845 of the annual installments of assessments due to date for the 2022-2023 tax year had been remitted to the PID. As of September 30, 2023, all annual installments of assessments due for the 2021-2022 tax year had been remitted to the PID.

7. TIRZ payments of $784,966 and $643,230 were received from the City for the 2022-2023, and 2021-2022 tax years, respectively.

8. Call premiums of $223,200, $168,075, and $176,250 were assessed for the early redemption of the Phase #1 Bonds, the Phase #1B Bonds, and the Phases #2-3 Bonds, respectively. They are being amortized over the time to maturity of the original or refunding bonds, whichever is earlier. Please see Note 5 for further discussion.

Overview of the Financial Statements

This annual report consists of two parts – (i) Management's Discussion and Analysis and (ii) the basic financial statements consisting of a *Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows,* and related footnotes. The Statement of Net Position represents the financial position of the PID and provides information about the activities of the PID, including all short-term and long-term financial resources and obligations. Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included in the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net total financial position. The Statement of Cash Flows reflects how the PID finances and meets its cash flow needs. Finally, the notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided on the basic financial statements.

Comparative Financial Statements

Summary Statement of Net Position:

	2023	2022	2021
Assets:			
Current and other assets	$ 1,809,656	$ 4,058,458	$ 3,890,607
Total assets	1,809,656	4,058,458	3,890,607
Deferred outflow of resources	557,172	-	-
Total assets and deferred outflows of resources	2,366,828	4,058,458	3,890,607
Liabilities:			
Current liabilities	733,930	645,655	630,500
Long-term debt	25,440,000	26,860,000	27,340,000
Total Liabilities	26,173,930	27,505,655	27,970,500
Net Position			
Restricted	1,798,698	4,045,863	3,890,575
Unrestricted	(25,605,800)	(27,493,060)	(27,970,468)
Total Net Position	$ (23,807,102)	$ (23,447,197)	$ (24,079,893)

Summary Statement of Revenues, Expenses, and Changes in Net Position:

	2023	2022	2021
Operating Revenues	$ 2,427,202	$ 2,405,483	$ 2,124,159
Operating Expenses	128,348	117,028	124,809
Operating Income	2,298,854	2,288,455	1,999,350
Non-operating Revenues/(Expenses)	(2,658,759)	(1,655,759)	(1,714,605)
Change in Net Position	$ (359,905)	$ 632,696	$ 284,745

The change in net position decreased from fiscal year 2022 to fiscal year 2023 as a result of the costs associated with the refunding of the Phase #1 and Phases #2-3 Bonds.

Capital Assets

There were no capital assets as of September 30, 2023, and 2022. Capital assets in the amount of $23,439,483 from all phases were completed, accepted, and donated to the City in fiscal years 2016 through 2020. All donations were recorded as donated capital assets in the financial statements in the respective fiscal year.

Long-Term Debt

The $8,750,000 Phase #1 Bonds were issued on July 1, 2014, in three series bearing interest at 6.375%, 6.625% and 7.000% per annum with final maturities of September 1, 2028, September 1, 2032, and September 1, 2040, respectively. They were refunded on May 31, 2023, and replaced by the $10,181,000 Phase #1 Refunding Bonds bearing interest at 5.110% per annum with a final maturity of September 1, 2044.

The $6,575,000 Phases #2-3 Bonds were issued on July 1, 2014, in three series bearing interest at 6.750%, 7.250% and 7.625% per annum with final maturities of September 1, 2024, September 1, 2032, and September 1, 2040, respectively. They were refunded on May 31, 2023, and replaced by the $5,415,000 Phases #2-3 Refunding Bonds bearing interest at 5.130% per annum with a final maturity of September 1, 2040.

The $3,750,000 Phase #1B Bonds were issued on September 6, 2018, bearing interest at 5.250% per annum with a final maturity of September 1, 2044. They were refunded on May 31, 2023, and replaced by the Phase #1 Refunding Bonds.

The $6,875,000 Phase #2 Bonds were issued on September 6, 2018, in two series bearing interest at 5.125% and 5.625% per annum with final maturities of September 1, 2028, and September 1, 2048, respectively.

The $3,600,000 Phase #3 Bonds were issued on September 1, 2020, in three series bearing interest at 3.625%, 4.250%, and 4.375% per annum with final maturities of September 1, 2030, September 1, 2040, and September 1, 2049, respectively.

The PID Bonds issuances represent 100% of the PID's long-term debt balance, and are subject to mandatory sinking fund, optional, and extraordinary optional redemption requirements as specified in the Phase #1 Indenture, the Phase #1B Indenture, the Phase #2 Indenture, the Phases #2-3 Indenture, the Phase #3 Indenture, the Phase #1 Refunding Bonds Indenture, and the Phases #2-3 Refunding Bonds Indenture (together the "Indentures").

The PID's debt will be paid through the collection of assessments imposed on the chargeable properties benefiting from the public improvements, as well as through a portion of the TIRZ revenues collected by the City from each parcel of assessed property that pays City taxes in a given year.

The proceeds from the Phase #1 Bonds, Phase #2 Bonds and Phases #2-3 Bonds were used to finance construction of certain public infrastructure improvements within the PID, to pay a portion of the interest on the bonds during and after the period of acquisition and construction of the improvements, to fund a debt service reserve fund, to pay costs of issuing the bonds, and to pay the initial administrative expenses of the bonds.

The proceeds from the Phase #1B Bonds were used to finance construction of certain public infrastructure improvements within the PID, to fund a debt service reserve fund, to pay costs of issuing the Phase #1B Bonds, and to replace the Phase #1 Reimbursement Agreement.

The proceeds from the Phase #3 Bonds were used to finance construction of certain public infrastructure improvements within the PID, to pay a portion of the interest on the bonds during and after the period of acquisition and construction of the improvements, to fund a debt service reserve fund, and to pay costs of issuing the bonds.

The proceeds from the Phase #1 Refunding Bonds and the Phases #2-3 Refunding Bonds (the "Refunding Bonds") are being used to refund the Phase #1 Bonds, the Phase #1B Bonds, and the Phases #2-3 Bonds, to fund a debt service reserve fund, and to pay the costs of issuing the Refunding Bonds.

Mandatory sinking fund payments began on September 1, 2016, for the Phase #1 Bonds and September 1, 2018, for the Phases #2-3 Bonds from assessment and TIRZ revenues received by the PID after the payment of administrative expenses. Mandatory sinking fund payments began on September 1, 2020, for the Phase #2 Bonds, and September 1, 2022, for the Phase #3 Bonds from assessment revenues received by the PID after the payment of administrative expenses. Mandatory sinking fund payments will begin on September 1, 2024, for the Refunding Bonds.

Revenues

Annual assessments are to be imposed and collected on all properties within the PID benefiting from the public improvements to pay debt service and operating costs of the PID. The annual installments of assessments are remitted to the PID monthly as they are received by the CCTAC on behalf of the City.

Annual installments of assessments totaling $1,631,765 and $1,743,501 were imposed for the 2022-2023 and 2021-2022 assessment years as follows:

Assessments	2023	2022
Phase #1 Bonds	$ 492,529	$ 534,917
Phase #1B Bonds	76,737	93,898
Phase #2 Bonds	474,788	482,684
Phases #2-3 Bonds	364,692	408,475
Phase #3 Bonds	223,019	223,527
Total	$ 1,631,765	$ 1,743,501

As of September 30, 2023, $845 was delinquent from the 2022-2023 annual assessments.

Prepaid assessment revenues of $10,776 and $16,663 were collected from property owners in fiscal years 2023 and 2022, respectively. Phase #2 Bonds were redeemed in the amount of $15,000 in fiscal year 2022 from these prepayments.

TIRZ revenues are collected by the City from each parcel of assessed property that pays City taxes in a given year. The TIRZ contributions for tax years 2022 and 2021 (fiscal years 2023 and 2022, respectively) were as follows:

TIRZ Revenues	2023	2022
Phase #1 Bonds	$ 303,372	$ 268,287
Phase #1B Bonds	152,262	130,698
Phase #2 Bonds	-	-
Phases #2-3 Bonds	329,332	244,245
Phase #3 Bonds	-	-
Total	$ 784,966	$ 643,230

Economic Factors and Future Outlook

Presently, the PID is not aware of any significant changes in conditions that would have a significant effect on the administrative expenses in the near future.

Contacting District's Financial Management

This financial report is designed to provide citizens, taxpayers, investors, and creditors with a general overview of the PID's finances and to reflect its accountability for the monies it receives. Questions concerning any of the information in this report or requests for additional information should be directed to the PID's administrator, MuniCap, Inc., at 600 E. John Carpenter Freeway, Suite 150, Irving TX 75062.

III. FINANCIAL STATEMENTS

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT

STATEMENTS OF NET POSITION

As of September 30,

	2023	2022
Assets		
Current Assets		
Restricted cash and cash equivalents	$ 1,798,698	$ 4,045,863
Accrued interest receivable	7,750	7,645
Prepaid expenses	3,208	4,950
Total Current Assets	1,809,656	4,058,458
Deferred Outflow of Resources		
Deferred loss/premium paid on refunding	557,172	-
Total Assets and Deferred Outflows of Resources	2,366,828	4,058,458
Liabilities		
Current Liabilities		
Accounts payable	58,030	40,373
Due to Wells North PID	-	1,258
Accrued interest payable	309,900	139,024
Current portion of long-term debt	366,000	465,000
Total Current Liabilities	733,930	645,655
Noncurrent Liabilities		
Long-term debt	25,440,000	26,860,000
Total Noncurrent Liabilities	25,440,000	26,860,000
Total Liabilities	26,173,930	27,505,655
Net Position		
Restricted	1,798,698	4,045,863
Unrestricted	(25,605,800)	(27,493,060)
Net Position	$ (23,807,102)	$ (23,447,197)

The accompanying notes to the financial statements are an integral part of this statement.

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ending September 30,

	2023	2022
Operating Revenues		
Annual assessment revenues	$ 1,631,460	$ 1,745,590
Prepayment assessment revenues	10,776	16,663
TIRZ contributions	784,966	643,230
Total Operating Revenues	2,427,202	2,405,483
Operating Expenses		
Administrative fees	120,453	112,937
Accounting and audit fees	7,895	4,091
Total Operating Expenses	128,348	117,028
Operating Income	2,298,854	2,288,455
Non-Operating Revenues/(Expenses)		
Interest and dividend income	174,469	31,403
Penalties and interest revenues	2,286	7,127
Bond issuance costs	(1,270,675)	-
Interest expense	(1,564,839)	(1,694,289)
Total Non-Operating Revenues/(Expenses)	(2,658,759)	(1,655,759)
Change in Net Position	(359,905)	632,696
Net Position, Beginning of Year	(23,447,197)	(24,079,893)
Net Position, End of Year	$ (23,807,102)	$ (23,447,197)

The accompanying notes to the financial statements are an integral part of this statement.

CREEKS OF LEGACY PUBLIC IMPROVEMENT DISTRICT
STATEMENTS OF CASH FLOWS
For the Years Ending September 30,

	2023	2022
Cash Flows from Operating Activities		
Cash receipts from property owners	$ 2,425,944	$ 2,406,740
Cash payments for administrative fees	(101,054)	(120,704)
Cash payments for accounting and audit fees	(7,895)	(5,000)
Net Cash Provided by Operating Activities	2,316,995	2,281,036
Cash Flows from Investing Activities		
Interest and dividends received on investments	174,363	23,791
Net Cash Provided by Investing Activities	174,363	23,791
Cash Flows from Capital and Related Financing Activities		
Proceeds from bond issuance	15,596,000	-
Redemption of bonds	(17,050,000)	-
Penalties and interest on delinquent assessments	2,286	7,127
Principal paid on bonds	(65,000)	(460,000)
Bond issuance costs paid	(1,270,675)	-
Interest paid on bonds	(1,951,134)	(1,696,666)
Net Cash Used in Capital and Related Financing Activities	(4,738,523)	(2,149,539)
Change in Cash Balance	(2,247,165)	155,288
Cash and Cash Equivalents, Beginning of Year	4,045,863	3,890,575
Cash and Cash Equivalents, End of Year	$ 1,798,698	$ 4,045,863
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Operating Income	$ 2,298,854	$ 2,288,455
Adjustments		
Decrease (increase) in prepaid expenses	1,742	(4,950)
(Decrease) increase in due to Wells North PID	(1,258)	1,258
Increase (decrease) in accounts payable	17,657	(3,726)
Net Cash Provided by Operating Activities	$ 2,316,995	$ 2,281,036

The accompanying notes to the financial statements are an integral part of this statement.

IV. NOTES TO THE FINANCIALSTATEMENTS

NOTE 1—FINANCIAL REPORTING ENTITY

The Creeks of Legacy Public Improvement District (the "PID") was created pursuant to the PID Act and Resolution No. 2014-17R, which was passed and approved by the City Council of the City of Celina (the "City Council") on April 29, 2014, to finance the costs of certain public improvements for the benefit of property in the PID, all of which is located within the City of Celina (the "City").

The PID has issued seven sets of bonds (the "PID Bonds").

The $8,750,000 Series 2014 Special Assessment Revenue Bonds Phase #1 (the "Phase #1 Bonds") were issued pursuant to the PID Act, and an ordinance adopted by the City Council on June 18, 2014, and an Indenture of Trust, dated as of June 1, 2014, by and between the City and U.S. Bank, National Association (the "Trustee"). The Phase #1 Bonds were issued to finance certain infrastructure improvement projects provided for the benefit of the property in Phase #1 of the PID (the "Phase #1"). Phase #1 consists of approximately 120 acres out of the total 322-acre PID and includes 427 lots. The Phase #1 Bonds were refunded on May 31, 2023, and replaced by the $10,181,000 City of Celina, Texas, Special Assessment Revenue Refunding Bonds, Series 2023, Creeks of Legacy Public Improvement District Phase #1 Project (the "Phase #1 Refunding Bonds"),

The $6,575,000 Series 2014 Special Assessment Revenue Bonds Phases #2-3 (the "Phases #2-3 Bonds") were issued pursuant to the PID Act and an ordinance adopted by the City Council on June 18, 2014, and an Indenture of Trust dated as of June 1, 2014, by and between the City and the Trustee. The Phases #2-3 Bonds were issued to finance certain infrastructure improvement projects provided for the benefit of the property in Phases #2-3 of the PID (the "Phases #2-3"). Phases #2-3 consists of approximately 202 acres (including the 106 acres in Phase #2) out of the total 322-acre PID and is anticipated to include 614 lots. The Phases #2-3 Bonds were refunded on May 31, 2023, and replaced by the $5,415,000 City of Celina, Texas, Special Assessment Revenue Refunding Bonds, Series 2023, Creeks of Legacy Public Improvement District Phases #2-3 Major Improvement Project (the "Phases #2-3 Refunding Bonds").

The $3,750,000 Series 2018 Special Assessment Revenue Bonds Phase #1B (the "Phase #1B Bonds") were issued pursuant to the PID Act and an ordinance adopted by the City Council on August 14, 2018, and an Indenture of Trust dated as of September 1, 2018, by and between the City and Trustee. The Phase #1B Bonds were issued to replace the Phase #1 Reimbursement Agreement and to finance certain infrastructure improvement projects located within Phase #1 of the PID. The Phase #1B Bonds were refunded on May 31, 2023, and replaced by the Phase #1 Refunding Bonds.

The $6,875,000 Series 2018 Special Assessment Revenue Bonds Phase #2 (the "Phase #2 Bonds") were issued pursuant to the PID Act, and an ordinance adopted by the City Council on August 14, 2018, and an Indenture of Trust dated as of September 1, 2018, by and between the City and Trustee.

The Phase #2 Bonds were issued to finance certain infrastructure improvement projects provided for the benefit of the property in Phase #2 of the PID (the “Phase #2”). Phase #2 consists of approximately 106 acres out of the total 322-acre PID and includes 403 lots being developed in four subphases.

The $3,600,000 Series 2020 Special Assessment Revenue Bonds Phase #3 (the “Phase #3 Bonds”) were issued pursuant to the PID Act, and an ordinance adopted by the City Council on August 11, 2020, and an Indenture of Trust dated as of September 1, 2020, by and between the City and Trustee. The Phase #3 Bonds were issued to finance certain infrastructure improvement projects provided for the benefit of the property in Phase #3 of the PID (the “Phase #3”). Phase #3 consists of an additional fifty-one acres with 211 lots planned for development. All Phase #3 public improvements were completed and accepted by the City at the time of bond issuance. The Phase #3 Bonds were issued to replace the Phase #3 Reimbursement Agreement.

The City is located in north central Collin and Denton Counties, forty miles north of Dallas and fifteen miles northwest of the City of McKinney. The land in the PID is being developed by CTMGT Frontier 80, LLC (the “Developer”). The PID consists of approximately 322 acres and is projected to consist of 1,041 lots and the infrastructure necessary to provide road, water distribution, sanitary sewer, and storm drainage improvements to the PID.

The PID Bonds are intended to be paid primarily from annual assessments imposed by the City and collected by the Collin County Tax Assessor Collector (the “CCTAC”) on behalf of the City against the properties benefiting from the public improvements of the PID. If an annual special assessment is not paid in full, the PID Act authorizes the City to collect interest and collections costs on the outstanding annual special assessment. The City covenanted in the Phase #1 Indenture, the Phase #1B Indenture, the Phase #2 Indenture, the Phases #2-3 Indenture, the Phase #3 Indenture, the Phase #1 Refunding Indenture and the Phases #2-3 Refunding Indenture (together the “Indentures”) that it will take and pursue all actions permissible under applicable laws to cause the annual installments of special assessments to be collected and any resulting liens enforced.

In addition, tax increment reinvestment zone (“TIRZ”) revenues will be collected by the City from each parcel of assessed property that pays City taxes, which were used to pay the Phase #1 Bonds and the Phases #2-3 Bonds. Effective in fiscal year 2024, the TIRZ revenues will be used to pay the Phase #1 Refunding Bonds and the Phase #2-3 Refunding Bonds, (the “Refunding Bonds”).

The PID’s management believes these financial statements present all activities for which the PID is financially accountable.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. The policies conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources.

A. Basis of Presentation

The PID's basic financial statements consist of a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. The PID uses enterprise fund accounting to maintain its financial records during the fiscal year. Enterprise fund accounting focuses on the determination of operating income, financial position and changes in net position, and cash flows.

B. Measurement Focus and Basis of Accounting

The PID's financial activity is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of the PID are included within the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in net position. The Statement of Cash Flows reflects how the PID finances and meets its cash flow needs.

Net Position is segregated into Net Investment in Capital Assets, Restricted, and Unrestricted components, if applicable.

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements, and measurement focus relates to the timing of the measurements made. The PID uses the accrual basis of accounting and the flow of economic resources measurement focus for reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred.

C. Cash and Cash Equivalents

Cash received by the PID is deposited with a financial institution or invested. Deposits and investments having an original maturity of three months or less at the time they are purchased are presented in the financial statements as Cash and Cash Equivalents.

D. Capital Assets

All capital assets are capitalized at cost and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value on the date they will be donated. All infrastructure assets are capitalized. The PID does not depreciate capital assets as all assets are donated to the City upon completion.

E. Net Position

Net position represents the difference between assets, liabilities, and deferred inflows/outflows of resources. Net Position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the PID or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The PID first applies restricted resources when an expense is incurred for which both restricted and unrestricted resources are available.

F. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the PID. For the PID, these revenues are special assessments levied by the City annually and TIRZ contributions. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the PID. All revenues and expenses not meeting this definition are reported as non-operating.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Income Taxes

The PID is a governmental entity, and therefore, is exempt from all federal and state income taxes.

I. Future Accounting Standards

GASB has issued new standards that will become effective in future fiscal years. The PID will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

NOTE 3—CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following as of September 30, 2023, and 2022:

	2023	2022
US Treasury money market funds	$ 1,798,698	$ 1,277,278
Local government investment cooperatives	-	2,768,585
Total	$ 1,798,698	$ 4,045,863

A. Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the PID's deposits may not be returned. There is no custodial credit risk to these accounts as the entire bank balance is required to be invested in accordance with the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended (the "Investment Act") and as authorized by the City's official investment policy.

As of September 30, 2023, cash and cash equivalents consist of investments in money market accounts. Such underlying securities are held by financial institutions in their trust departments in the PID's name.

B. Interest Rate Risk

Interest rate risk is the risk that an interest rate change could adversely affect an investment's fair value. As a means of limiting exposure to fair value losses arising from rising interest rates, the Indentures require the investment of moneys in all funds in accordance with the Investment Act and the City's official investment policy.

C. Credit Risk

Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. The Indentures specify that investments in time deposits or certificates of deposit must be secured in the manner required by law for public funds, or be invested in direct obligations of the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Investment Act, provided that all such deposits and investments shall be made in such manner that the money required to be expended from any fund will be available at the proper time. For purposes of maximizing investment returns, to the extent permitted by law, money in all funds except those pertaining to the Phase #3 Bonds, may be invested in common investments of the kind described above, or in a common pool of such investments which shall be kept and held at an official depository bank. Investments at September 30, 2023 and 2022 were in compliance with the Indentures.

All funds held in the accounts created by the Indentures, which are on deposit with any bank, will be continuously secured in the manner required by the Indentures.

D. Concentration of Credit Risk

Concentration of credit risk can arise by failing to adequately diversify investments. The Investment Act establishes limitations on portfolio composition to control concentration of credit risk.

E. Recurring Measurements

The PID's investments in money market accounts and local government investment cooperatives are measured at the net asset value per share (or its equivalent) practical expedient. Accordingly, these investments have not been classified in the fair value hierarchy.

NOTE 4—CAPITAL ASSETS

There were no capital assets as of September 30, 2023, and 2022. Capital assets in the amount of $23,439,483 from all phases issued prior to the Refunding Bonds were completed, accepted, and donated to the City in fiscal years 2016 through 2020. All donations were recorded as donated capital assets in the financial statements in the respective fiscal year. Public improvements completed consisted of road, water distribution system, sanitary sewer, and storm drainage improvements for the PID.

NOTE 5—LONG-TERM OBLIGATIONS

Long-term obligations consisted of the following at September 30, 2023 and 2022:

2023	Balance October 1, 2022	Increase	Decrease	Balance September 30, 2023	Due in one year
Phase #1	$ 7,440,000	$ -	$ (7,440,000)	$ -	$ -
Phase #1B	3,735,000	-	(3,735,000)	-	-
Phase #1 Ref	-	10,181,000	-	10,181,000	153,000
Phase #2	6,700,000	-	(40,000)	6,660,000	50,000
Phases #2-3	5,875,000	-	(5,875,000)	-	-
Phases #2-3 Ref	-	5,415,000	-	5,415,000	138,000
Phase #3	3,575,000	-	(25,000)	3,550,000	25,000
Total Bonds Payable	**$ 27,325,000**	**$ 15,596,000**	**$ (17,115,000)**	**$ 25,806,000**	**$ 366,000**

2022	Balance October 1, 2021	Increase	Decrease	Balance September 30, 2022	Due in one year
Phase #1	$ 7,665,000	$ -	$ (225,000)	$ 7,440,000	$ 225,000
Phase #1B	3,735,000	-	-	3,735,000	-
Phase #2	6,760,000	-	(60,000)	6,700,000	40,000
Phases #2-3	6,025,000	-	(150,000)	5,875,000	175,000
Phase #3	3,600,000	-	(25,000)	3,575,000	25,000
Total Bonds Payable	**$ 27,785,000**	**$ -**	**$ (460,000)**	**$ 27,325,000**	**$ 465,000**

A. Special Assessment Revenue Bonds, Series 2014

On July 1, 2014, the PID issued $8,750,000 in Series 2014 Special Assessment Revenue Bonds, Phase #1 Project and $6,575,000 in Series 2014 Special Assessment Revenue Bonds, Phases #2-3 Project, (the "Series 2014 Bonds") to finance construction of certain public infrastructure improvements within the respective areas, to pay a portion of the interest on the PID Bonds during and after the period of acquisition and construction, to fund a debt service reserve fund, to pay costs of issuing the Series 2014 Bonds, and to pay the initial administrative expenses of the Series 2014 Bonds. The Series 2014 Bonds were refunded on May 31, 2023.

The Series 2014 Bonds were intended to be paid primarily from annual assessments imposed by the City and collected by the CCTAC on behalf of the City against the properties benefiting from the public improvements. If an annual assessment is not paid in full, the PID Act authorizes the City to collect interest and collections costs on the outstanding annual installment of assessments. The City covenanted in the Indentures that it will take and pursue all actions permissible under applicable laws to cause the annual assessments to be collected and any resulting liens enforced.

The Series 2014 Bonds are special obligations of the City payable solely from and secured by pledged revenues, consisting primarily of assessments. They are not payable from funds raised or to be raised from taxation.

In addition, TIRZ revenues were collected by the City from each parcel of assessed property that pays City taxes, which was used to pay the Series 2014 Bonds.

The Phase #1 Bonds were issued in three series as follows:

	Principal Amount	Rate	Final Maturity
Term 2028	$ 2,900,000	6.375%	September 1, 2028
Term 2032	$ 1,450,000	6.625%	September 1, 2032
Term 2040	$ 4,400,000	7.000%	September 1, 2040

The Phases #2-3 Bonds were issued in three series as follows:

	Principal Amount	Rate	Final Maturity
Term 2024	$ 1,050,000	6.750%	September 1, 2024
Term 2032	$ 2,025,000	7.250%	September 1, 2032
Term 2040	$ 3,500,000	7.625%	September 1, 2040

The Series 2014 Bonds were subject to mandatory sinking fund, optional, and extraordinary optional redemption requirements as specified in the Phase #1 Indenture and the Phases #2-3 Indenture. Principal payments on the 2014 Bonds were due each September 1 and began on September 1, 2016, for the Phase #1 Bonds and September 1, 2018, for the Phases #2-3 Bonds according to the mandatory sinking fund redemption schedule.

Interest on the Series 2014 Bonds was payable according to the terms specified by the Phase #1

Indenture and the Phases #2-3 Indenture semiannually on March 1 and September 1 of each year commencing on September 1, 2014. Interest on the Series 2014 Bonds is calculated based on a 360-day year comprised of twelve 30-day months. Phase #1 Bonds' interest payments totaled $378,966 and $519,631 for the years ended September 30, 2023, and 2022, respectively. Phases #2-3 Bonds' interest payments totaled $327,984 and $447,438 for the years ended September 30, 2023, and 2022, respectively.

1. Optional Redemption

The City reserved the right and option to redeem the Series 2014 Bonds before their scheduled maturity dates, in whole or in part, on any interest payment date on or after September 1, 2022, through August 31, 2025, at the redemption price applicable to the date of redemption, as set forth in the following schedule, plus accrued interest to date of redemption.

Redemption Period	Redemption Price
September 1, 2022, through August 31, 2023	103.00%
September 1, 2023, through August 31, 2024	102.00%
September 1, 2024, through August 31, 2025	101.00%
September 1, 2025, and thereafter	100.00%

Because the bonds were redeemed on May 31, 2023, a call premium of 3% of the redeemed amount was assessed: $223,200 and $176,250 for the Phase #1 Bonds and the Phases #2-3 Bonds, respectively. The premiums are being amortized over the time to maturity of the bonds redeemed which was shorter or equal to the time to maturity of the Refunding Bonds. The amount amortized in fiscal year 2023 was $4,312 and $3,405 for the Phase #1 Bonds and the Phases #2-3 Bonds, respectively.

2. Extraordinary Optional Redemption

The Series 2014 Bonds were subject to extraordinary optional redemption by the City prior to their scheduled maturity on the first day of any month after the required notice of redemption, at a redemption price equal to 100% of the principal amount of the bonds, or portions thereof to be redeemed, plus accrued interest to the redemption date from voluntary prepayments of assessments by property owners, including related transfers to the Redemption Fund, or from unexpended proceeds transferred from the Project Fund as described in the Phase #1 Indenture and the Phases #2-3 Indenture. There were no extraordinary optional redemptions of the Series 2014 Bonds in fiscal years 2023 or 2022.

B. Special Assessment Revenue Bonds, Series 2018

On September 6, 2018, the PID issued $3,750,000 in Series 2018 Special Assessment Revenue Bonds, Phase #1B to replace the Phase #1 Reimbursement Agreement, which was funded with an initial deposit of $2,500,251 and earned interest for the first five years at 7.79%. Reimbursements to the developer were paid from pledged revenues received. The Phase #1B Bonds were refunded on May 31, 2023.

On September 6, 2018, the PID issued $6,875,000 in Series 2018 Special Assessment Revenue Bonds, Phase #2 to finance construction of certain public infrastructure improvements within the PID, to pay a portion of the interest on the Phase #2 Bonds during and after the period of acquisition and construction, to fund a debt service reserve fund, to pay costs of issuing the Phase #2 Bonds, and to pay the initial administrative expenses of the Phase #2 Bonds.

The Phase #1B Bonds and the Phase #2 Bonds, (the "Series 2018 Bonds") are intended to be paid primarily from annual assessments imposed by the City and collected by the CCTAC on behalf of the City against the properties benefiting from the public improvements. If an annual assessment is not paid in full, the PID Act authorizes the City to collect interest and collections costs on the outstanding annual assessments. The City covenanted in the Phase #1B Indenture and the Phase #2 Indenture that it will take and pursue all actions permissible under applicable laws to cause the annual assessments to be collected and any resulting liens enforced.

The Series 2018 Bonds are special obligations of the City payable solely from and secured by pledged revenues, consisting primarily of assessments. They are not payable from funds raised or to be raised from taxation.

In addition, TIRZ revenues were collected by the City from each parcel of assessed property that pays City taxes, which was used to pay the Phase #1B portion of the Series 2018 Bonds.

The Phase #1B Bonds were issued in one series as follows:

	Principal Amount	Rate	Final Maturity
Term 2044	$ 3,750,000	5.250%	September 1, 2044

The Phase #2 Bonds were issued in two series as follows:

	Principal Amount	Rate	Final Maturity
Term 2028	$ 405,000	5.125%	September 1, 2028
Term 2048	$ 6,470,000	5.625%	September 1, 2048

The Series 2018 Bonds are subject to mandatory sinking fund, optional, and extraordinary optional redemption requirements as specified in the Phase #1B Indenture and the Phase #2 Indenture. Principal payments on the Phase #1B Bonds were due to begin on September 1, 2029, according to the mandatory sinking fund redemption schedule. Principal payments on the Phase #2 Bonds are due each September 1 and began on September 1, 2020.

Interest on the Series 2018 Bonds is payable according to the terms specified by the Phase #1B Indenture and the Phase #2 Indenture semiannually on March 1 and September 1 of each year commencing on March 1, 2019. Interest on the Bonds is calculated based on a 360-day year comprised of twelve 30-day months. Phase #1B Bonds' interest payments totaled $147,066 and $196,088 for the years ended September 30, 2023, and 2022, respectively. Phase #2 Bonds' interest payments totaled $375,450 and $378,459 for the years ended September 30, 2023, and 2022, respectively.

The Phase #2 Bonds represent 26% of the PID's fiscal year end 2023 long-term debt balance.

1. Optional Redemption

The City reserves the right and option to redeem the Series 2018 Bonds before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 2028, at a price of par, plus accrued interest to the redemption date. Because the Phase #1B Bonds were redeemed prior to September 1, 2028, a call premium of 4.5% of the amount redeemed was assessed. The premium of $168,075 is being amortized over the time to maturity of the original bonds, which was the same time to maturity as the refunding bonds. The amount amortized in fiscal year 2023 was $2,636.

2. Extraordinary Optional Redemption

The 2018 Bonds are subject to extraordinary optional redemption by the City prior to their scheduled maturity on the first day of any month at a redemption price equal to 100% of the principal amount of the bonds, or portions thereof, to be redeemed, plus accrued interest to the redemption date from amounts on deposit in the Redemption Fund as a result of prepayments, transfers to the Redemption Fund made pursuant to various provisions of the Phase #1B Indenture and the Phase #2 Indenture, or as a result of unexpended proceeds transferred from the Project Fund as described in the Phase #1B Indenture and the Phase #2 Indenture. There were no extraordinary optional redemptions in fiscal year 2023. There was a $15,000 extraordinary optional redemption from prepayments for the Phase #2 Bonds in the fiscal year ending September 30, 2022.

C. Special Assessment Revenue Bonds, Series 2020

On September 1, 2020, the PID issued $3,600,000 in Series 2020 Special Assessment Revenue Bonds, Phase #3 to finance construction of certain public infrastructure improvements within the PID, to pay a portion of the interest on the Phase #3 Bonds during and after the period of acquisition and construction, to fund a debt service reserve fund, to pay costs of issuing the Phase #3 Bonds, and to replace the Phase #3 Reimbursement Agreement.

The Phase #3 Bonds are intended to be paid primarily from annual assessments imposed by the City and collected by the CCTAC on behalf of the City against the properties benefiting from the public improvements. If an annual assessment is not paid in full, the PID Act authorizes the City to collect interest and collections costs on the outstanding annual assessments. The City covenanted in the Phase #3 Indenture that it will take and pursue all actions permissible under applicable laws to cause the annual assessments to be collected and any resulting liens enforced.

The Phase #3 Bonds are special obligations of the City payable solely from and secured by pledged revenues, consisting primarily of assessments. They are not payable from funds raised or to be raised from taxation.

The Phase #3 Bonds were issued in three series as follow:

		Principal Amount	Rate	Final Maturity
Term 2030	$	250,000	3.625%	September 1, 2030
Term 2040	$	460,000	4.250%	September 1, 2040
Term 2049	$	2,890,000	4.375%	September 1, 2049

The Phase #3 Bonds represent 14% of the PID Bonds' fiscal year end 2023 long-term debt balance, and are subject to mandatory sinking fund, optional, and extraordinary optional redemption requirements as specified in the Phase #3 Indenture. Principal payments on the bonds are due each September 1 and began on September 1, 2022, according to the mandatory sinking fund redemption schedule.

Interest on the Phase #3 Bonds is payable according to the terms specified by the Phase #3 Indenture semiannually on March 1 and September 1 of each year commencing on March 1, 2021. Interest on the Bonds is calculated based on a 360-day year comprised of twelve 30-day months. Phase #3 Bonds' interest payments totaled $154,144 and $155,050 in the fiscal years ending September 30, 2023, and 2022, respectively.

1. Optional Redemption

The City reserves the right and option to redeem the Phase #3 Bonds maturing on or after September 1, 2040, before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 2030, at a price of par, plus accrued interest to the redemption date.

2. Extraordinary Optional Redemption

The Phase #3 Bonds are subject to extraordinary optional redemption by the City prior to their scheduled maturity on the first day of any month at a redemption price equal to 100% of the principal amount of the bonds, or portions thereof to be redeemed, plus accrued interest to the redemption date, from amounts on deposit in the Redemption Fund as a result of prepayments or transfers to the Redemption Fund made pursuant to various provisions of the Phase #3 Indenture. There were no extraordinary optional redemptions in fiscal years 2023 or 2022.

D. Special Assessment Revenue Refunding Bonds, Series 2023

On May 31, 2023, the PID issued $10,181,000 in Series 2023 Special Assessment Revenue Refunding Bonds, Phase #1 and $5,415,000 in Series 2023 Special Assessment Revenue Refunding Bonds, Phases #2-3 to refund the Phase #1 Bonds, the Phase #1B Bonds, and the Phases #2-3 Bonds, to fund a debt service reserve fund, and to pay the costs of issuing the Refunding Bonds, which are privately held. The issuance of the Phase #1 Refunding Bonds and the Phases #2-3 Refunding Bonds resulted in net present value savings of $786,655 and $657,750, respectively.

The Refunding Bonds are intended to be paid primarily from annual assessments imposed by the City and collected by the CCTAC on behalf of the City against the properties benefiting from the public improvements. If an annual assessment is not paid in full, the PID Act authorizes the City to collect interest and collections costs on the outstanding annual assessments. The City covenanted in the Phase #1 Refunding Indenture and the Phases #2-3 Refunding Indenture that it will take and pursue all actions permissible under applicable laws to cause the annual assessments to be collected and any resulting liens enforced.

The Refunding Bonds are special obligations of the City payable solely from and secured by pledged revenues, consisting primarily of assessments. They are not payable from funds raised or to be raised from taxation.

The Phase #1 Refunding Bonds bear interest at 5.110% per annum and are term bonds with maturity dates of September 1, 2024, to final maturity on September 1, 2044. The Phases #2-3 Refunding Bonds bear interest at 5.130% per annum and are term bonds with maturity dates of September 1, 2024, to final maturity of September 1, 2040.

The Phase #1 Refunding Bonds and the Phases #2-3 Refunding Bonds represent 39% and 21%, respectively, of the PID Bonds' fiscal year end 2023 long-term debt balance, and are subject to mandatory sinking fund, optional, and extraordinary optional redemption requirements as specified in the Phase #1 Refunding Indenture and the Phases #2-3 Refunding Indenture. Principal payments on the bonds are due each September 1 and will begin on September 1, 2024, according to the mandatory sinking fund redemption schedules.

Interest on the Refunding Bonds is payable according to the terms specified by the Phase #1 Refunding Indenture and the Phases #2-3 Refunding Indenture semiannually on March 1 and September 1 of each year commencing on March 1, 2024. Interest on the Bonds is calculated based on a 360-day year comprised of twelve 30-day months.

1. Optional Redemption

The City reserves the right and option to redeem the Refunding Bonds on any date on or after September 2, 2027, at a price of par, plus accrued interest to the redemption date.

2. Extraordinary Optional Redemption

The Refunding Bonds are subject to extraordinary optional redemption by the City prior to their scheduled maturity on any date at a redemption price equal to 100% of the principal amount of the bonds, or portions thereof to be redeemed, plus accrued interest to the redemption date, from amounts on deposit in the Redemption Fund as a result of prepayments or transfers to the Redemption Fund made pursuant to various provisions of the Phase #1 Refunding Indenture and the Phases #2-3 Refunding Indenture. There were no extraordinary optional redemptions in fiscal year 2023.

E. Mandatory Sinking Fund Redemption

The PID Bonds are required to be redeemed each September 1 in the years and in the amounts set forth below:

For year ending	Phase #1 Ref		Phase #2	
September 30:	Principal	Interest	Principal	Interest
2024	$ 153,000	$ 651,757	$ 50,000	$ 373,400
2025	292,000	512,431	45,000	370,838
2026	307,000	497,510	55,000	368,531
2027	324,000	481,822	50,000	365,713
2028	341,000	465,266	45,000	363,150
2029-2033	1,999,000	2,045,635	345,000	1,767,656
2034-2038	2,596,000	1,477,097	475,000	1,657,688
2039-2043	3,379,000	738,140	1,970,000	1,432,688
2044-2048	790,000	40,369	3,625,000	633,938
2049	-	-	-	-
Total	$10,181,000	$ 6,910,027	$ 6,660,000	$ 7,333,602

For year ending	Phases #2-3 Ref		Phase #3	
September 30:	Principal	Interest	Principal	Interest
2024	$ 138,000	$ 348,009	$ 25,000	$ 153,238
2025	228,000	270,710	25,000	152,331
2026	225,000	259,014	30,000	151,425
2027	247,000	247,471	30,000	150,338
2028	268,000	234,800	25,000	149,250
2029-2033	1,492,000	959,618	175,000	729,344
2034-2038	1,910,000	536,239	235,000	687,863
2039-2043	907,000	70,025	950,000	604,188
2044-2048	-	-	1,675,000	309,531
2049	-	-	380,000	16,625
Total	$ 5,415,000	$ 2,925,886	$ 3,550,000	$ 3,104,133

For year ending	Total Bonds	
September 30:	Principal	Interest
2024	$ 366,000	$ 1,526,404
2025	590,000	1,306,310
2026	617,000	1,276,480
2027	651,000	1,245,344
2028	679,000	1,212,466
2029-2033	4,011,000	5,502,253
2034-2038	5,216,000	4,358,887
2039-2043	7,206,000	2,845,041
2044-2048	6,090,000	983,838
2049	380,000	16,625
Total	$25,806,000	$20,273,648

NOTE 6—REVENUES

Annual assessments are to be imposed and collected on all properties within the PID benefiting from the public improvements (excepting those for which the assessment lien has been prepaid), to pay debt service and operating costs of the PID. The annual assessments are remitted to the PID monthly as they are received by the CCTAC on behalf of the City. The amount assessed, generally, is equal to: (i) annual debt service and administrative expenses, less (ii) other amounts available for the payment of such debt service and expense. The other amounts available include TIRZ revenues paid by the City to reduce the annual installment, the amount of which is calculated each year based on the Service and Assessment Plan (the "SAP"). Annual installments of special assessments are payable to the City no later than February 1 of each year.

Annual assessments totaling $1,631,765 and $1,743,501 were billed for the 2022-2023 and 2021-2022 assessment years, respectively. The 2022-2023 annual installments of assessments were payable in fiscal year 2023, and the 2021-2022 annual installments of assessments were payable in fiscal year 2022.

Assessments	2023	2022
Phase #1 Bonds	$ 492,529	$ 534,917
Phase #1B Bonds	76,737	93,898
Phase #2 Bonds	474,788	482,684
Phases #2-3 Bonds	364,692	408,475
Phase #3 Bonds	223,019	223,527
Total	$ 1,631,765	$ 1,743,501

As of September 30, 2023, $845 was delinquent from the 2022-2023 assessment year. All annual installments of assessments due in fiscal year 2022 have been remitted to the PID.

Prepaid assessment revenues of $10,776 and $16,663 were collected from property owners in fiscal year 2023 and 2022, respectively. Phase #2 Bonds were redeemed in the amount of $15,000 in fiscal year 2022 from these prepayments.

TIRZ revenues are collected by the City from each parcel of assessed property that pays City taxes. A portion of the taxes paid on each individual parcel (TIRZ contribution percentage) is used to calculate that parcel's TIRZ annual credit for the following year. The TIRZ contribution reduces the amount of annual installments and assists in the repayment of the PID Bonds. The annual TIRZ contribution for the 2022-2023 and 2021-2022 tax levies is as follows:

TIRZ Revenues	2023	2022
Phase #1 Bonds	$ 303,372	$ 268,287
Phase #1B Bonds	152,262	130,698
Phase #2 Bonds	-	-
Phases #2-3 Bonds	329,332	244,245
Phase #3 Bonds	-	-
Total	$ 784,966	$ 643,230

NOTE 7—ARBITRAGE

When applicable, arbitrage calculations are performed on the PID's funds to determine any arbitrage rebate or yield restriction liability. No liabilities for arbitrage rebate or yield restriction were identified in the fiscal years ending September 30, 2023, and 2022.

NOTE 8—SUBSEQUENT EVENTS

As of January 31, 2024, $845 of the 2022-2023 annual installments of assessments were still delinquent.

Annual installments of assessments of $1,328,718 were billed to the property owners for tax year 2023-2024 to be collected in fiscal year 2024. As of January 31, 2024, assessments of $1,244,540 had been collected by the CCTAC.