

**PASEO DEL ESTE
MUNICIPAL UTILITY DISTRICT NO. 9
OF EL PASO COUNTY**

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

**FOR THE YEAR ENDED
SEPTEMBER 30, 2023**


ANNUAL FILING AFFIDAVIT

THE STATE OF TEXAS
COUNTY OF EL PASO

I, Elizabeth Bustamante of the Paseo del Este Municipal Utility District No. 9 of El Paso County hereby swear, or affirm, that the district named above has reviewed and approved at a meeting of the Board of Directors of the District on the 12th day of January 2024, its annual audit report for the fiscal year ended September 30, 2023, and that copies of the annual report have been filed in the district office, located at c/o Gordon Davis Johnson & Shane, 4695 North Mesa, El Paso, Texas 79912.

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

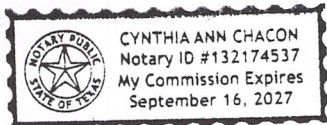
Date: January 12, 2024

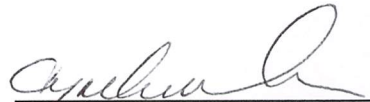
By: 
(Signature of District Representative)

Elizabeth Bustamante, President
(Name & Title of above District Representative)

Sworn to and subscribed to before me this 12th day of January 2024.

(SEAL)




(Signature of Notary)

My Commission Expires On: 9.16, 2027.

Notary Public in and for the State of Texas.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**
Annual Financial Report
For the Year Ended September 30, 2023

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FINANCIAL SECTION

WEST, DAVIS & COMPANY

A LIMITED LIABILITY PARTNERSHIP

Independent Auditor's Report

Board of Directors
Paseo del Este Municipal Utility District No. 9
Of El Paso County
El Paso, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Paseo del Este Municipal Utility District No. 9 of El Paso County (the District) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the District as of September 30, 2023, and the 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 information 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 Commission on Environmental Quality required supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Texas Commission on Environmental Quality required supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the property tax assessed value information but 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 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.



Austin, Texas
December 31, 2023

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

In accordance with Governmental Accounting Standards Board Statement 34 (“GASB 34”), the management of Paseo del Este Municipal Utility District No. 9 of El Paso County (the “District”) offers the following discussion and analysis to provide an overview of the District’s financial activities for the year ended September 30, 2023. Since this information is designed to focus on current year’s 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:** The unassigned fund balance at the end of the year was approximately \$1.3 million which was an increase of \$497 thousand from the end of the previous year end. Revenue increased from \$1.1 million in the previous fiscal year to \$1.3 million in the current fiscal year primarily due to the increase in assessed value of property within the District.
- **Debt Service Fund:** The fund balance at the end of the year was approximately \$595 thousand which was an increase of \$114 thousand from the end of the previous year end. Revenue increased from \$572 thousand in the previous fiscal year to \$659 thousand in the current fiscal year primarily due to a reduction in the debt service tax rate. This fund paid \$264 thousand in interest and \$280 thousand in principal on outstanding bonds.
- **Capital Projects Fund:** This fund balance increased from \$198 thousand to \$207 thousand. The fund did not acquire any utility infrastructure serving residents of the District during the year.
- **Governmental Activities:** On a Government-wide basis for governmental activities, the District had revenue in excess of expenses of approximately \$732 thousand. Net position increased from \$351 thousand to \$1.1 million. This increase is primarily due to growth in the district.

OVERVIEW OF THE DISTRICT

The District, a political subdivision of the State of Texas, was created by an Act of the Texas Legislature. The District was created and organized for the purpose of constructing water, sewer, and drainage facilities and providing water and sewer services to customers within the District. The District has entered into an agreement with Paseo del Este Municipal Utility District No. 1 (Paseo No. 1) under which Paseo No. 1 will serve as the “Master District” for the purpose of providing water acquisition, transportation and treatment, wastewater collection, transportation, treatment and disposal, and drainage facilities and services.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

USING THIS ANNUAL REPORT

The District's reporting is comprised of five parts:

- Management's Discussion and Analysis (this section)
- Basic Financial Statements
 - Statement of Net Position and Reconciliation to Governmental Funds Balance Sheet
 - Statement of Activities and Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds
- Notes to the Financial Statements
- Required Supplementary Information
- Texas Supplementary Information (required by the Texas Commission on Environmental Quality)

The Government-wide statements are reported using the flow of economic resources measurement focus and the full accrual basis of accounting. The Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

For purposes of GASB 34, the District is considered a special purpose government. This allows the District to present the newly required fund 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 Assets 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. 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 Revenues, Expenditures, and Changes in Fund Balances includes a column (titled "Governmental Funds Total") that derives the change in fund balances 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.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

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 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.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Summary Statement of Net Position

	Governmental Activities (in thousands)		Increase (Decrease)
	September 2023	September 2022	
Current and Other Assets	\$ 2,142	\$ 1,500	\$ 642
Capital and Non-Current Assets	8,058	8,231	(173)
Total Assets	10,200	9,731	469
Current Liabilities	336	323	13
Long-Term Liabilities	8,781	9,057	(276)
Total Liabilities	9,117	9,380	(263)
Net Investment in Capital Assets	(832)	(940)	108
Restricted	596	482	114
Unrestricted	1,319	809	510
Total Net Position	\$ 1,083	\$ 351	\$ 732

The District's total assets were approximately \$10.2 million at the end of the current fiscal year. Of this amount, approximately \$2.1 million is accounted for by cash and short-term investments. The District had outstanding liabilities of approximately \$9.1 million. The District's unrestricted net assets, which can be used to finance day to day operations, totaled \$1.3 million.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

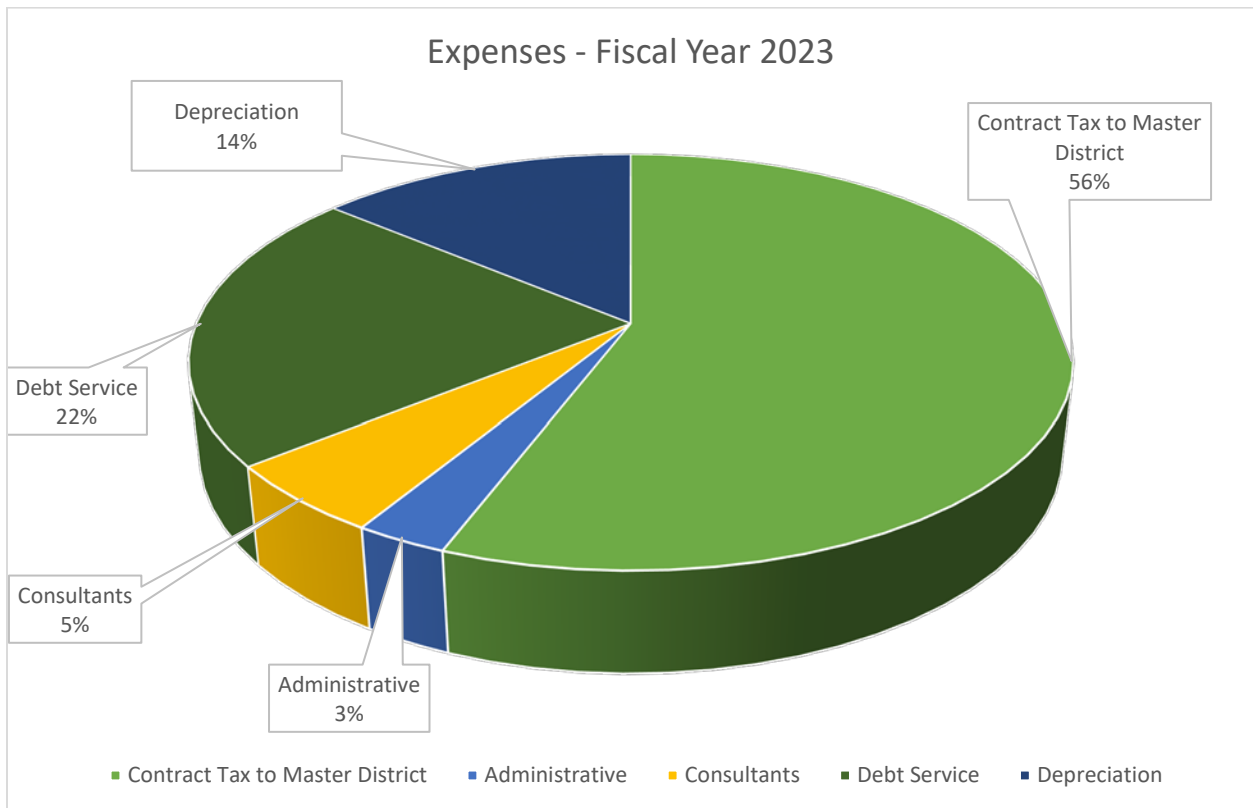
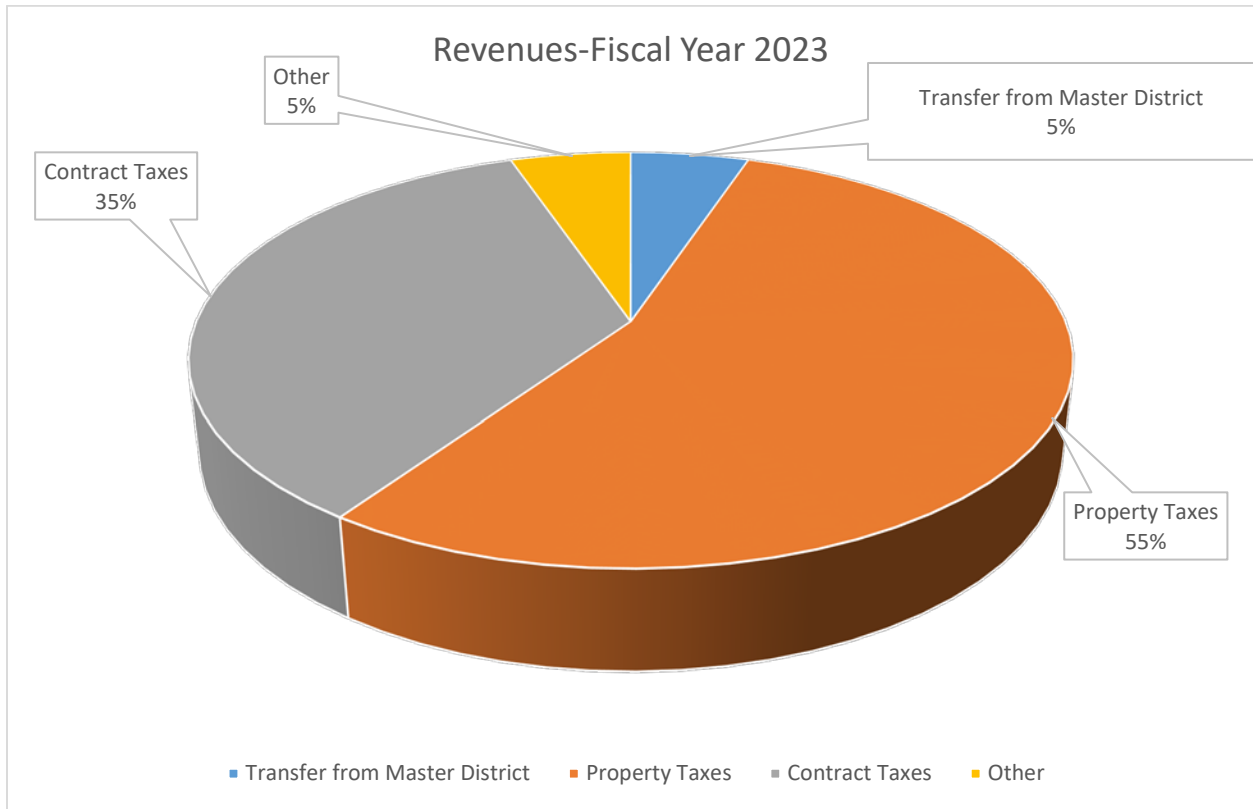
Summary Statement of Activities

	Governmental Activities (in thousands)		Increase (Decrease)
	2023	2022	
Transfer from Master District	\$ 102	\$ 88	\$ 14
Property Taxes	1,076	982	94
Contract Taxes	695	619	76
Other	104	11	93
Total Revenues	1,977	1,700	277
Contract Tax to Master District	695	619	76
Administrative	36	33	3
Consultants	68	73	(5)
Debt Service	273	279	(6)
Depreciation	173	173	-
Total Expenses	1,245	1,177	68
Other Financing Sources (Uses)	-	-	-
Change in Net Position	732	523	209
Beginning Net Position	351	(172)	523
Ending Net Position	\$ 1,083	\$ 351	\$ 732

Revenues were approximately \$2.0 million for the year. Expenses were approximately \$1.2 million for the year. Net assets increased about \$732 thousand primarily due to growth in the district. The following charts summarize the sources of revenue and areas of expenses.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**



**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUND LEVEL STATEMENTS

In comparison to the Government-wide statements, the Fund-level statements focus on the key funds of the District. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The District reports the following types of Governmental funds: General Fund, Debt Service Fund and Capital Projects Fund. The focus of the District's Governmental funds is to provide information on near-term inflows, outflows, and available resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year.

Summary Balance Sheet

	Governmental Funds (in thousands)		Increase (Decrease)
	September 2023	September 2022	
Cash and Investments	\$ 2,114	\$ 1,480	\$ 634
Accounts Receivable	17	20	(3)
Prepaid Expenses	11	-	11
Total Assets	2,142	1,500	642
Accounts Payable	20	10	10
Unrealized Revenue	3	2	1
Total Liabilities	23	12	11
Nonspendable	11	-	11
Restricted for Debt Service	595	481	114
Restricted for Capital Projects	207	198	9
Unassigned	1,306	809	497
Total Fund Balances	2,119	1,488	631
Total Liabilities and Fund Balances	\$ 2,142	\$ 1,500	\$ 642

The General Operating Fund, which pays for daily operating expenses, had an unassigned balance of \$1.3 million at the end of the current fiscal year. This is an increase of \$497 thousand over the prior fiscal year.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

The Debt Service Fund had a balance of \$595 thousand at the end of the year. This is an increase of \$114 thousand.

The Capital Projects Fund had a balance of \$207 thousand at the end of the year. This is an increase of \$9 thousand.

BUDGETARY HIGHLIGHTS

The Board of Directors adopted the fiscal year 2023 annual budget for the General Fund on September 16, 2022. The budget included revenues of \$1.2 million and expenditures of \$793 thousand. Actual revenue amounted to \$1.3 million and expenditures of \$798 thousand. More detailed information about the District’s budgetary comparison is presented in the Required Supplementary Information section.

CAPITAL ASSETS

The District acquired no new infrastructure facilities serving the District’s residents during the year. Below is a summary of the District’s capital assets.

Summary of Capital Assets

	Governmental Activities		
	(in thousands)		
	September 2023	September 2022	Increase (Decrease)
Water, Wastewater and Drainage	\$ 8,654	\$ 8,654	\$ -
Accumulated Depreciation	(596)	(423)	(173)
Total Capital Assets (Net)	\$ 8,058	\$ 8,231	\$ (173)

LONG TERM DEBT

The District issued no new debt during the year. Bonded indebtedness of the District at year end was \$9.3 million. More detailed information about the District’s long-term debt is presented in the Notes to the Basic Financial Statements.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**Management Discussion and Analysis
For the Year Ended September 30, 2023**

ECONOMIC FACTORS

The taxable assessed value of property within the District as of January 1, 2023, has been fixed by the El Paso County Appraisal District at \$267 million. The tax rates adopted by the District on September 15, 2023, for the coming fiscal year are \$0.1809 for maintenance and operations, \$0.29 for contract tax and \$0.2266 for debt service. The District expects this to produce \$1.8 million in total property tax revenue for next year. The adopted budget for fiscal year 2023 projects an increase in the operating 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 Gordon Davis Johnson & Shane 4695 North Mesa, El Paso, Texas 79912.

BASIC FINANCIAL STATEMENTS

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**STATEMENT OF NET POSITION
AND GOVERNMENTAL FUNDS BALANCE SHEET
SEPTEMBER 30, 2023**

	<u>GOVERNMENTAL FUNDS</u>				<u>ADJUST- MENTS</u>	<u>STATEMENT OF NET POSITION</u>
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>		
<u>ASSETS</u>						
Cash	\$ 41,806	\$ -	\$ 357	\$ 42,163	\$ -	\$ 42,163
Investments	1,269,958	595,055	206,845	2,071,858	-	2,071,858
Taxes Receivable	2,235	1,192	-	3,427	-	3,427
Prepaid Costs	11,510	-	-	11,510	-	11,510
Due from Affiliated District	13,376	-	-	13,376	-	13,376
Due from Other Funds	108	-	-	108	(108)	-
Water/WW/Drainage System (Net)	-	-	-	-	8,058,127	8,058,127
Total Assets	<u>\$ 1,338,993</u>	<u>\$ 596,247</u>	<u>\$ 207,202</u>	<u>\$ 2,142,442</u>	<u>\$ 8,058,019</u>	<u>\$ 10,200,461</u>
<u>LIABILITIES</u>						
Accounts Payable	\$ 19,384	\$ -	\$ -	\$ 19,384	\$ 31,844	\$ 51,228
Due to Other Funds	-	108	-	108	(108)	-
Bonds Payable in less than one year	-	-	-	-	285,000	285,000
Bonds Payable in more than one year	-	-	-	-	8,780,796	8,780,796
Total Liabilities	<u>19,384</u>	<u>108</u>	<u>-</u>	<u>19,492</u>	<u>9,097,532</u>	<u>9,117,024</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>						
Property Taxes	2,235	1,192	-	3,427	(3,427)	-
Total Deferred Inflows	<u>2,235</u>	<u>1,192</u>	<u>-</u>	<u>3,427</u>	<u>(3,427)</u>	<u>-</u>
Fund Equity						
Nonspendable	11,510	-	-	11,510	(11,510)	-
Restricted for Debt Service	-	594,947	-	594,947	(594,947)	-
Restricted for Capital Projects	-	-	207,202	207,202	(207,202)	-
Unassigned	1,305,864	-	-	1,305,864	(1,305,864)	-
Total Fund Equity	<u>1,317,374</u>	<u>594,947</u>	<u>207,202</u>	<u>2,119,523</u>	<u>(2,119,523)</u>	<u>-</u>
Total Liabilities, Fund Equity & Deferred Inflows of Resources	<u>\$ 1,338,993</u>	<u>\$ 596,247</u>	<u>\$ 207,202</u>	<u>\$ 2,142,442</u>		
<u>NET POSITION</u>						
Net Investment in Capital Assets					(832,311)	(832,311)
Restricted for Debt Service					596,139	596,139
Unrestricted					1,319,609	1,319,609
Total Net Position					<u>\$ 1,083,437</u>	<u>\$ 1,083,437</u>

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

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>GOVERNMENTAL FUND TYPES</u>				<u>ADJUST- MENTS</u>	<u>STATEMENT OF ACTIVITIES</u>
	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>		
<u>REVENUES</u>						
Transfer From Master District	\$ 101,938	\$ -	\$ -	\$ 101,938	\$ -	\$ 101,938
Property Taxes	458,910	615,369	-	1,074,279	1,995	1,076,274
Contract Taxes	694,935	-	-	694,935	-	694,935
Interest	51,326	43,413	9,161	103,900	-	103,900
TOTAL REVENUES	<u>1,307,109</u>	<u>658,782</u>	<u>9,161</u>	<u>1,975,052</u>	<u>1,995</u>	<u>1,977,047</u>
<u>EXPENDITURES</u>						
Current:						
Contract Tax To Master District	694,935	-	-	694,935	-	694,935
Legal Fees	11,049	-	-	11,049	-	11,049
Audit Fees	5,500	-	-	5,500	-	5,500
Accounting Fees	36,521	-	-	36,521	-	36,521
Engineering Fees	2,749	-	-	2,749	-	2,749
Management Fees	10,324	-	-	10,324	-	10,324
Fiscal Agent Fees	1,500	600	-	2,100	-	2,100
Director Salaries and Payroll Taxes	6,782	-	-	6,782	-	6,782
Insurance	965	-	-	965	-	965
Tax Assessor/Collector	24,224	-	-	24,224	-	24,224
Printing and Office Supplies	473	-	-	473	-	473
Postage and Delivery	63	-	-	63	-	63
Legal Notices	1,360	-	-	1,360	-	1,360
Travel	1,928	-	-	1,928	-	1,928
Interest	-	264,620	-	264,620	8,090	272,710
Principal	-	280,000	-	280,000	(280,000)	-
Depreciation	-	-	-	-	173,091	173,091
Capital Expenditures	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>798,373</u>	<u>545,220</u>	<u>-</u>	<u>1,343,593</u>	<u>(98,819)</u>	<u>1,244,774</u>
Excess (Deficit) of Revenues and Other Financing Sources over Expenditures	508,736	113,562	9,161	631,459	(631,459)	-
Change in Net Position					732,273	732,273
Fund Balance/Net Position-Beginning	808,638	481,385	198,041	1,488,064	(1,136,900)	351,164
Fund Balance/Net Position-Ending	<u>\$ 1,317,374</u>	<u>\$ 594,947</u>	<u>\$ 207,202</u>	<u>\$ 2,119,523</u>	<u>\$ (1,036,086)</u>	<u>\$ 1,083,437</u>

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

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies

The basic financial statements of Paseo del Este Municipal Utility District No. 9 have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

Paseo del Este Municipal Utility District No. 9 of El Paso County (the District), a political subdivision of the State of Texas, was created by an Act of the Texas Legislature. The District was created and organized for the purpose of constructing water, sewer, and drainage facilities and providing water and sewer services to customers within its boundaries and in the surrounding area. The District has entered into an agreement with Paseo del Este Municipal Utility District No. 1 (Paseo No. 1) under which Paseo No. 1 will serve as the “Master District” for the purpose of providing water acquisition, transportation and treatment, wastewater collection, transportation, treatment and disposal, and drainage facilities and services. Under the terms of this agreement Paseo No. 1 has agreed to provide retail water and wastewater service to customers in the District and reimburse all of the District’s operating expenses in exchange for a commitment from the District to levy an ad valorem tax (contract tax) on property within the District to fund the District’s share of certain costs of Paseo No. 1 not provided for by retail revenues.

These financial statements report the financial activity of Paseo del Este Municipal Utility District No. 9. The reporting entity of the District encompasses those activities and functions over which the District’s elected officials exercise significant oversight or control. The District is governed by a five-member Board of Directors (the Board). The funds and account groups presented in this report are within the oversight responsibility of the Board, in accordance with Governmental Accounting Standards Board (GASB) Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting. There are no component units of the District, nor is the District a component unit of any other entity.

A. Basis of Presentation, Basis of Accounting

In accordance with GASB Statement No. 34, the District has elected to combine their Government-wide and Governmental Fund Financial Statements into one set of financial statements with a reconciliation of the individual line items in a separate column on the financial statements.

Government-wide Financial Statements:

The **Statement of Net Position** and the **Statement of Activities** include the financial activities of the overall government. Governmental activities are generally financed through property taxes.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies (continued)

The **Statement of Activities** presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Fund Financial Statements:

The governmental fund financial statement columns are labeled **Governmental Funds Balance Sheet** and **Governmental Funds Revenue, Expenditures and Changes in Fund Balance**. In the fund financial statements, the accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

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

Capital Projects Fund: The Capital Projects Fund is used to account for the acquisition or construction of major capital facilities. Principal sources of revenue are municipal long-term debt proceeds and interest income.

B. Measurement Focus, Basis of Accounting

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

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources management focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District does not consider revenues collected after its year end to be available in the current period. Revenues from local sources consist primarily of property taxes. Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long term debt,

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies (continued)

which is recognized as an expenditure to the extent that it has matured. General capital asset acquisitions are reported as expenditures in major governmental funds. Proceeds of general long-term debt are reported as other financing sources.

C. Fund Balances

The District has adopted GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Those fund balance classifications are described below.

Nonspendable – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed – Amounts that can only be used for specific purposes pursuant to approval by formal action by the Board.

Assigned – For the General Fund, amounts that are appropriated by the Board or Board designee, if any, that are to be used for specific purposes. For all other governmental funds, any remaining positive amounts not previously classified as nonspendable, restricted or committed.

Unassigned – Amounts that are available for any purpose; these amounts can be reported only in the District's General Fund.

Fund balance of the District may be committed for a specific purpose by formal action of the Board, the District's highest level of decision-making authority. Commitments may be established, modified, or rescinded only through a resolution approved by the Board. The Board has not delegated the authority to assign fund balance.

D. Budget

The Board adopted an annual budget for the General Fund on the basis consistent with generally accepted accounting principles. The District's Board of Directors utilizes the budget as a management tool for planning and cost control purposes. All annual appropriations lapse at fiscal year end.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies (continued)

E. Pensions

The District has not established a pension plan.

F. Cash and Cash Equivalents

These include cash on deposit as well as investments with maturities of three months or less at the time of purchase.

G. Prepaid Items

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid assets in both the government-wide and fund financial statements. Prepaid assets are charged to expenditures when consumed.

H. Capital Assets

Capital assets, which include Administrative Facilities and Equipment, Common and Recreation Areas, Water Production and Distribution System, Wastewater Collection System, Water Quality Ponds and Organizational Costs are reported in the Government-wide column in the Statement of Net Position. Public domain (“infrastructure”) capital assets including water, wastewater and drainage systems, are capitalized as acquired. Items purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded as capital assets at estimated fair market value at the time received.

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

<u>Asset</u>	<u>Years</u>
Water/Wastewater/Drainage System	50

I. Interfund Transactions

Transfers from one fund to another fund are reported as interfund receivable 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.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies (continued)

J. Long-Term Debt

Unlimited tax bonds, which will be issued in the future to acquire capital assets, 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. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

K. Deferred Outflows and Inflows of Resources

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent the consumption of the District's net position that is applicable to a future reporting period, and deferred inflows of resources, which represent the District's acquisition of net position applicable to a future reporting period. GASB Statement No. 63 became effective for fiscal years beginning after December 15, 2011 and has been implemented in the financial statements.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. GASB Statement No. 65 is effective for fiscal years beginning after December 15, 2012 and has been implemented in these financial statements.

L. Recently Issued Accounting Pronouncements

In March 2018, the GASB issued GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The objective of GASB Statement No. 88 is to improve the consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. This statement is effective for reporting periods beginning after June 15, 2018. GASB Statement No. 88 has been implemented in these financial statements.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

1. Summary of Significant Accounting Policies (continued)

In June 2018, the GASB issued GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 15, 2020. The objective of GASB Statement No. 89 is to enhance the relevance and comparability of information about capital assets and to simplify accounting for interest costs incurred before the end of a construction period. Under GASB Statement 89, interest costs will no longer be capitalized as part of the asset but will be shown as an expenditure in the fund financial statements and as an expense in the government-wide financial statements. GASB Statement No. 89 has been implemented in these financial statements.

2. Cash and Investments

The investment policies of the District are governed by State statute and an adopted District Investment Policy that includes depository contract provisions and custodial contract provisions. Major provisions of the District's Investment Policy include: depositories must be FDIC-insured Texas banking institutions; depositories must fully insure or collateralize all demand and time deposits; securities collateralizing time deposits are held by independent third-party trustees.

Cash – At year end, deposits were held by the District's depository bank in accounts that were secured at the balance sheet date by Federal Deposit Insurance Corporation (FDIC) coverage or by pledged collateral held by the District's agent bank in the District's name.

Investments - The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must be written; primarily emphasize safety of principal and liquidity; address investment diversification, yield, and maturity and the quality and capability of investment management; and include a list of the types of authorized investments in which the investing entity's funds may be invested; and the maximum allowable stated maturity of any individual investment owned by the entity.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as part of the audit of the general purpose financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirement of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restriction, (1) obligations of the US Treasury, certain US Agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) commercial paper.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

2. Cash and Investments (continued)

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Not all assets meeting the definition of an investment are required to be reported at fair value. Including among excepted investments are certain investments held by 2a7-like external investments pools. As detailed below the District has invested funds in specific 2a7-like external investment pools that are valued at amortized cost and not subject to the fair value hierarchy levels.

The District’s investments at year end are shown below.

<u>Investment</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Maturity</u>	<u>Fair Value</u>
<u>Level</u>				
TexPool	N/A	AAAm	1 day average	\$2,071,858

Analysis of Specific Cash and Investment Risks – GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and, if so, the reporting of certain related disclosures.

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

At year end, the District’s investments, other than those which are obligations of or guaranteed by the US Government, are rated as to credit quality as detailed above.

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

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty’s trust department or agent but not in the District’s name. At year end, the District was not exposed to custodial credit risk.

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

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
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For the Year Ended September 30, 2023**

2. Cash and Investments (continued)

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

Foreign Currency Risk – This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Investment Accounting Policy – The District’s general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value.

All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term “short-term” refers to investments which have a remaining term of one year or less at time of purchase. The term “nonparticipating” means that the investment’s value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Public Funds Investment Pools – Public funds investment pools in Texas (“Pools”) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the Pool and other person who do not have a business relationship with the Pool and are qualified to advise the Pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least on nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio with one half of one percent of the value of its shares.

The District’s investments in Pools are reported at an amount determined by the fair value per share of the Pool’s underling portfolio, unless the Pool is 2a7-like, in which case they are reported at share value. A 2a7-like Pool is one which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940.

TexPool – The District invests in the Texas Local Government Investment Pool (TexPool), which is a local government investment pool that was established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts oversees TexPool. Federated Investors, Inc. is the administrator and investment manager of TexPool under a contract with the State Comptroller.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

2. Cash and Investments (continued)

In accordance with the Public Funds Investment Act, the State Comptroller has appointed the TexPool Investment Advisory Board to advise with respect to TexPool. The board is composed equally of participants in TexPool Portfolios and other persons who do not have a business relationship with TexPool Portfolios and are qualified to advise in respect to TexPool Portfolios. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard & Poor's and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which usually approximates the market value of the securities. The stated objective of TexPool is to maintain a stable average \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured. The financial statements can be obtained from the Texas Trust Safekeeping Trust Company website at www.ttstc.org.

3. Property Taxes

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus delinquent collection fees for attorney costs.

At an election held within the District on May 11, 2013, voters authorized the District to levy an annual ad valorem tax on all taxable property within the District for operation and maintenance purposes and to make certain payments required pursuant to contracts with Paseo No. 1. Voters also authorized the levy of a maintenance tax not to exceed \$1.00 per \$100.00 valuation. Property taxes were levied by the District for the 2022-23 fiscal year at the rate of \$0.1915 per hundred assessed value for maintenance and operations, \$0.2568 per hundred assessed value for debt service and \$0.29 per hundred assessed value for contract tax. The District agreed to remit \$0.29 per hundred assessed value, the contract tax, to the Master District under its cost sharing and utility capacity agreement. Uncollected property taxes amounted to \$3,427 at the end of the year.

4. Capital Assets

During the year, the District acquired no new Water, Wastewater and Drainage facilities serving the District's residents. The facilities are being depreciated over their estimated useful life of 50 years. Depreciation in the amount of \$173,091 has been charged to system operations for the year. Accumulated depreciation to date amounts to \$596,401 leaving a net book value of \$8,058,127.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

4. Capital Assets

A summary of changes in capital assets follows:

	Balance			Balance
<u>Capital Assets:</u>	<u>9/30/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>9/30/2023</u>
Water WW & Drainage	\$ 8,654,528	-	-	\$ 8,654,528
Total	8,654,528	-	-	8,654,528
<u>Accumulated Depreciation:</u>				
Water WW & Drainage	(423,310)	(173,091)	-	(596,401)
Total	(423,310)	(173,091)	-	(596,401)
Total Capital Assets (Net)	<u>\$ 8,231,218</u>	<u>(173,091)</u>	<u>-</u>	<u>\$ 8,058,127</u>

5. Bonds

At an election held within the District on May 11, 2013, voters authorized a total of \$30,000,000 combination unlimited tax and revenue bonds for the purpose of purchasing, constructing, acquiring, owning, improving, extending, maintaining, repairing, or operating a waterworks system, a sanitary sewer system, and a drainage and storm water system for the District. The District's bonds are collateralized by the levy of an annual ad valorem tax against all taxable property within the District. The District has no direct borrowings or direct placement debt.

In December 2019, the District issued \$5,500,000 of these bonds dated December 1, 2019. The bonds mature serially on August 15, in each year 2022 through 2044, in principal amounts set forth below. Bonds maturing on or after August 15, 2029, are subject to redemption, in whole or in part, on August 15, 2028, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption.

In October 2020, the District issued \$4,600,000 of these bonds dated October 1, 2020. The bonds mature serially on August 15, in each year 2021 through 2045, in principal amounts set forth below. Bonds maturing on or after August 15, 2029, are subject to redemption, in whole or in part, on August 15, 2028, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest thereon to the date fixed for redemption.

These bonds are described as follows:

<u>Issue</u>	<u>Original</u>	<u>Installments</u>	<u>Final</u>	<u>Interest</u>	<u>Balance</u>
	<u>Amount</u>	<u>(in thousands)</u>	<u>Maturity</u>	<u>Rates</u>	<u>Outstanding</u>
Series 2019	5,500,000	135 to 380	2044	2.00 - 3.250%	5,220,000
Series 2020	4,600,000	135 to 595	2045	2.00 - 4.000%	4,040,000

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

5. Bonds (continued)

The change in bonds is as follows:

<u>Bonds:</u>	Balance 9/30/2022	Additions	Deletions	Balance 9/30/2023
Unlimited Tax Bonds, Srs 2019	\$ 5,365,000	-	(145,000)	\$ 5,220,000
Issuance Discount, Srs 2019	(145,200)	-	6,600	(138,600)
Unlimited Tax Bonds, Srs 2020	4,175,000	-	(135,000)	4,040,000
Issuance Discount, Srs 2020	(58,132)	-	2,528	(55,604)
Total Bond Indebtedness	\$ 9,336,668	\$ -	\$ (270,872)	\$ 9,065,796

Redemption

Series 2019 Bonds maturing on or after August 15, 2029, are subject to redemption at the option of the District prior to their maturity dates in whole, or from time to time, in part, on August 15, 2028, or on any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Bonds maturing on August 15, 2033, 2041 and 2044 are subject to mandatory sinking fund redemption.

Series 2020 Bonds maturing on or after August 15, 2029, are subject to redemption at the option of the District prior to their maturity dates in whole, or from time to time, in part, on August 15, 2028, or on any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Bonds maturing on August 15, 2033, 2036, 2038, 2040 and 2045 are subject to mandatory sinking fund redemption.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

5. Bonds (continued)

Debt Service Requirements

Debt service requirements on long-term debt as of the end of the year are as follows:

<u>Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2024	\$ 285,000	\$ 256,320	\$ 541,320
2025	295,000	247,170	542,170
2026	305,000	237,695	542,695
2027	315,000	227,970	542,970
2028	325,000	217,920	542,920
2029-2033	1,815,000	953,680	2,768,680
2034-2038	2,165,000	704,232	2,869,232
2039-2043	2,585,000	385,895	2,970,895
2044-2048	1,170,000	45,244	1,215,244
Totals	\$ 9,260,000	\$ 3,276,126	\$ 12,536,126

6. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During the year, the District obtained liability coverage.

7. Contingencies

The District has an obligation to reimburse developers of property in the District costs expended on behalf of the District for the construction of water, sewer and drainage systems designed to serve the District. Since the construction of these facilities is not yet complete, the ultimate amount of the future reimbursements cannot be determined at this time.

8. Estimates

The preparation of financial statements in accordance with U.S. 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.

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

9. Summary of General Fund Items

As mentioned in Note 1, the District has entered into agreements with Paseo del Este Municipal District No. 1. Among other things, these agreements require Paseo 1 to reimburse the District's operating expenses and require the District to remit to Paseo 1 the District's Contract Tax collections. The table below summarizes the different elements of these requirements as they affect the District's General Fund.

<u>REVENUES</u>	General Fund Total	Covered by Master District	Contract Tax	District Items
Transfer from Master District	\$ 101,938	\$ 101,938	\$ -	\$ -
Property Taxes	458,910	-	-	458,910
Contract Taxes	694,935	-	694,935	-
Interest	51,326	-	-	51,326
TOTAL REVENUES	1,307,109	101,938	694,935	510,236
 <u>EXPENDITURES</u>				
Contract Tax to Master District	694,935	-	694,935	-
Legal Fees	11,049	11,049	-	-
Audit Fees	5,500	5,500	-	-
Accounting Fees	36,521	36,521	-	-
Engineering Fees	2,749	2,749	-	-
Management Fees	10,324	10,324	-	-
Fiscal Agent Fees	1,500	-	-	1,500
Director Salaries and Taxes	6,782	6,782	-	-
Insurance	965	965	-	-
Tax Assessor/Collector	24,224	24,224	-	-
Printing & Office Supplies	473	473	-	-
Postage & Delivery	63	63	-	-
Legal Notices	1,360	1,360	-	-
Travel	1,928	1,928	-	-
Capital Expenditures	-	-	-	-
TOTAL EXPENDITURES	798,373	101,938	694,935	1,500
Excess (Deficit)	508,736	-	-	508,736
Fund Balance-Beginning of Year	808,638	-	-	808,638
Fund Balance-End of Year	\$ 1,317,374	\$ -	\$ -	\$ 1,317,374

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

10. Subsequent Events

The District has evaluated subsequent events as of December 31, 2023, the date the financial statements were available to be issued.

11. Reconciliation of Government-wide and Fund Financial Statements

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

Governmental Funds Total Fund Balances	\$ 2,119,523
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	8,058,127
Long-term liabilities (bonds payable) are not due and payable in the current period and, therefore, are not reported in the funds	(9,065,796)
Interest is accrued on outstanding debt in the government-wide statements, whereas in the governmental funds, an interest expenditure is reported when made and not accrued in the funds	(31,844)
Deferred tax revenue is not available to pay for current period expenditures and, therefore, is deferred in the funds	<u>3,427</u>
Total Net Position	<u><u>\$ 1,083,437</u></u>

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY
Notes to the Financial Statements
For the Year Ended September 30, 2023**

11. Reconciliation of Government-wide and Fund Financial Statements (continued)

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

Governmental Funds Excess of Revenues over Expenditures	\$ 631,459
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	
Change in Deferred Tax Revenue	1,995
Governmental funds report capital outlays as expenditures however, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense	
Capital Outlay	-
Depreciation Expense	(173,091)
Governmental funds report principal payments as expenditures however, in the Statement of Activities, these payments are not reported as operating expenses	
Bond Principal	280,000
Governmental funds do not report the change in accrued interest as an expenditure, however, in the Statement of Activities, this change in the amount accrued is reported as an expense	
Accrued Interest	(8,090)
Bond Proceeds are reported as other financing sources in the governmental funds and thus contribute to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities	
Bond Proceeds	-
Bond Discount	-
Change in Net Position	\$ 732,273

REQUIRED SUPPLEMENTARY INFORMATION

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GENERAL FUND
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>ORIGINAL BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE)</u>
REVENUES			
Transfer From Master District	\$ 124,295	\$ 101,938	\$ (22,357)
Property Taxes	440,881	458,910	18,029
Contract Taxes	666,995	694,935	27,940
Interest	1,050	51,326	50,276
TOTAL REVENUES	<u>1,233,221</u>	<u>1,307,109</u>	<u>73,888</u>
EXPENDITURES			
Current:			
Contract Tax Transfer To Master District	666,995	694,935	(27,940)
Legal Fees	15,000	11,049	3,951
Audit Fees	5,500	5,500	-
Accounting Fees	33,000	36,521	(3,521)
Engineering Fees	10,000	2,749	7,251
Management Fees	24,000	10,324	13,676
Fiscal Agent Fees	1,500	1,500	-
Director Salaries and Payroll Taxes	7,500	6,782	718
Insurance	1,500	965	535
Tax Assessor/Collector	23,000	24,224	(1,224)
Printing & Office Supplies	1,075	473	602
Postage & Delivery	470	63	407
Legal Notices	1,000	1,360	(360)
Travel	2,250	1,928	322
Capital Expenditures	-	-	-
TOTAL EXPENDITURES	<u>792,790</u>	<u>798,373</u>	<u>(5,583)</u>
Transfer (to) Other Funds	-	-	-
Excess (Deficit) of Revenues over Expenditures	440,431	508,736	68,305
Fund Balance - Beginning of Year	808,638	808,638	-
Fund Balance - End of Year	<u>\$ 1,249,069</u>	<u>\$ 1,317,374</u>	<u>\$ 68,305</u>

See accompanying independent auditor's report

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
SUPPLEMENTARY INFORMATION

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**INDEX OF SUPPLEMENTAL SCHEDULES REQUIRED
BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(Schedules included are checked; explanatory notes are provided for omitted schedules).

- [√] Schedule of Services and Rates
- [√] Schedule of General Fund Expenditures
- [√] Temporary Investments
- [√] Analysis of Taxes Levied and Receivable
- [√] General Long Term Debt Service Requirements by Years
- [√] Analysis of Changes in General Long Term Debt
- [√] Comparative Schedule of Revenues and Expenditures - General Fund
- [√] Board Members, Key Personnel, and Consultants

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**SCHEDULE OF GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Current:

Purchased Services for Resale

Water	\$ -
Wastewater	-
Connection Fees	-
	-

Professional Fees

Audit	5,500
Engineering	2,749
Fiscal Agent	1,500
Legal	11,049
	20,798

Contracted Services

Accounting	36,521
Management	10,324
Tax Appraisal/Collection	24,224
	71,069

Utilities

Solid Waste Disposal	-
	-

Administrative

Director Salaries and Payroll Taxes	6,782
Insurance	965
Printing and Office Supplies	473
Postage and Delivery	63
Legal Notices	1,360
Travel	1,928
	11,571

Maintenance

Landscape Maintenance	-
Repairs and Maintenance	-
Pond Maintenance	-
	-

Master District Expenses

Contract Tax Transfer To Master District	694,935
	694,935

TOTAL EXPENDITURES	\$ 798,373
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Number of persons employed by the District: -0-

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**TEMPORARY INVESTMENTS
SEPTEMBER 30, 2023**

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
<u>GENERAL FUND</u>					
State Investment Pool	****0006	5.4100%	N/A	\$1,269,958	\$ -
Total				<u>1,269,958</u>	<u>-</u>
<u>DEBT SERVICE FUND</u>					
State Investment Pool	****0002	5.4100%	N/A	-	-
State Investment Pool	****0004	5.4100%	N/A	595,055	-
Total				<u>595,055</u>	<u>-</u>
<u>CAPITAL PROJECTS FUND</u>					
State Investment Pool	****0005	5.4100%	N/A	206,845	-
Total				<u>206,845</u>	<u>-</u>
TOTALS - ALL FUNDS				<u><u>\$2,071,858</u></u>	<u><u>\$ -</u></u>

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**ANALYSIS OF TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>GENERAL FUND</u>			<u>TOTALS</u>
	<u>MAINTENANCE TAXES</u>	<u>CONTRACT TAXES</u>	<u>DEBT SERVICE TAXES</u>	
Taxes Receivable, Beginning of Period	\$ 372	\$ 553	\$ 507	\$ 1,432
2022 Original Levy	459,404	695,703	616,057	1,771,164
Adjustments	(308)	(475)	(448)	(1,231)
Add: Penalty & Interest	331	500	445	1,276
 Total to be accounted for	<u>459,799</u>	<u>696,281</u>	<u>616,561</u>	<u>1,772,641</u>
 Tax collections:				
Current year	458,798	694,786	615,245	1,768,829
Prior years	112	149	124	385
Total Collections	<u>458,910</u>	<u>694,935</u>	<u>615,369</u>	<u>1,769,214</u>
 Taxes Receivable, End of Period	<u>\$ 889</u>	<u>\$ 1,346</u>	<u>\$ 1,192</u>	<u>\$ 3,427</u>

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Property Valuations:					
Land & Improvements	<u>239,897,817</u>	<u>213,446,436</u>	<u>148,685,864</u>	<u>55,276,937</u>	<u>11,343,123</u>
Tax Rates Per \$100 Valuation:					
Debt Service tax rates	\$ 0.2568	\$ 0.2655	\$ 0.4300	\$ -	\$ -
Contract Tax tax rates	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2900	\$ 0.2700
Maintenance tax rates	\$ 0.1915	\$ 0.1945	\$ 0.0300	\$ 0.4600	\$ 0.4800
Totals	<u>\$ 0.7383</u>	<u>\$ 0.7500</u>	<u>\$ 0.7500</u>	<u>\$ 0.7500</u>	<u>\$ 0.7500</u>
 Original Tax Levy	<u>\$ 1,771,166</u>	<u>\$ 1,600,848</u>	<u>\$ 1,115,144</u>	<u>\$ 414,577</u>	<u>\$ 85,073</u>

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**GENERAL LONG TERM DEBT SERVICE REQUIREMENTS-BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

DUE DURING FISCAL YEARS ENDING	ANNUAL REQUIREMENTS FOR 2019 SERIES		
	TOTAL PRINCIPAL DUE	TOTAL INTEREST DUE	TOTAL PRINCIPAL AND INTEREST DUE
2024	150,000	154,989	304,989
2025	155,000	151,239	306,239
2026	165,000	147,364	312,364
2027	170,000	143,239	313,239
2028	180,000	138,989	318,989
2029	190,000	134,489	324,489
2030	200,000	129,549	329,549
2031	210,000	124,149	334,149
2032	220,000	118,269	338,269
2033	230,000	111,669	341,669
2034	240,000	104,769	344,769
2035	250,000	97,569	347,569
2036	260,000	90,069	350,069
2037	275,000	82,269	357,269
2038	290,000	74,019	364,019
2039	300,000	64,956	364,956
2040	315,000	55,581	370,581
2041	330,000	45,738	375,738
2042	345,000	35,425	380,425
2043	365,000	24,213	389,213
2044	380,000	12,350	392,350
2045	-	-	-
2046	-	-	-
	\$ 5,220,000	\$ 2,040,903	\$ 7,260,903

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**GENERAL LONG TERM DEBT SERVICE REQUIREMENTS-BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

DUE DURING FISCAL YEARS ENDING	ANNUAL REQUIREMENTS FOR 2020 SERIES		
	TOTAL PRINCIPAL DUE	TOTAL INTEREST DUE	TOTAL PRINCIPAL AND INTEREST DUE
2024	135,000	101,331	236,331
2025	140,000	95,931	235,931
2026	140,000	90,331	230,331
2027	145,000	84,731	229,731
2028	145,000	78,931	223,931
2029	150,000	73,131	223,131
2030	150,000	70,131	220,131
2031	150,000	67,131	217,131
2032	155,000	34,131	189,131
2033	160,000	61,031	221,031
2034	165,000	57,831	222,831
2035	165,000	54,531	219,531
2036	170,000	51,231	221,231
2037	175,000	47,831	222,831
2038	175,000	44,113	219,113
2039	180,000	40,394	220,394
2040	185,000	36,344	221,344
2041	185,000	32,181	217,181
2042	190,000	27,788	217,788
2043	190,000	23,275	213,275
2044	195,000	18,763	213,763
2045	595,000	14,131	609,131
2046	-	-	-
	<u>\$ 4,040,000</u>	<u>\$ 1,205,223</u>	<u>\$ 5,245,223</u>

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**GENERAL LONG TERM DEBT SERVICE REQUIREMENTS-BY YEARS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

DUE DURING FISCAL YEARS ENDING	ANNUAL REQUIREMENTS FOR ALL SERIES		
	TOTAL PRINCIPAL	TOTAL INTEREST	TOTAL PRINCIPAL AND INTEREST DUE
	DUE	DUE	DUE
2024	285,000	256,320	541,320
2025	295,000	247,170	542,170
2026	305,000	237,695	542,695
2027	315,000	227,970	542,970
2028	325,000	217,920	542,920
2029	340,000	207,620	547,620
2030	350,000	199,680	549,680
2031	360,000	191,280	551,280
2032	375,000	152,400	527,400
2033	390,000	172,700	562,700
2034	405,000	162,600	567,600
2035	415,000	152,100	567,100
2036	430,000	141,300	571,300
2037	450,000	130,100	580,100
2038	465,000	118,132	583,132
2039	480,000	105,350	585,350
2040	500,000	91,925	591,925
2041	515,000	77,919	592,919
2042	535,000	63,213	598,213
2043	555,000	47,488	602,488
2044	575,000	31,113	606,113
2045	595,000	14,131	609,131
2046	-	-	-
	<u>\$ 9,260,000</u>	<u>\$ 3,246,126</u>	<u>\$ 12,506,126</u>

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**ANALYSIS OF CHANGES IN GENERAL LONG TERM DEBT
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	SERIES 2019	SERIES 2020	SERIES FUTURE	TOTALS
Interest Rate	2.00- 3.25%	2.00-4.00%		
Dates Interest Payable	2/15 : 8/15	2/15 : 8/15		
Maturity Dates	8/15/22 to 8/15/44	8/15/21 to 8/15/45		
Bonds-Beginning of Year	\$ 5,365,000	\$ 4,175,000	\$ -	\$ 9,540,000
Bonds Sold During the Year	-	-	-	-
Bonds Defeased During the Year	-	-	-	-
Retirements During the Year	(145,000)	(135,000)	-	(280,000)
Bonds-End of Year	\$ 5,220,000	\$ 4,040,000	\$ -	\$ 9,260,000
Interest Paid During the Year	\$ 157,889	\$ 106,731	\$ -	\$ 264,620
Change In Accrued Interest	(363)	(675)	-	(1,038)
Amortization of Bond Discount	6,600	2,528	-	9,128
Interest on Financial Statements	\$ 164,126	\$ 108,584	\$ -	\$ 272,710
Paying Agent:	BOKF, NA	BOKF, NA		
	Tax Bonds	Refunding Bonds	Other Bonds	
Bond Authority:				
Amount Authorized By Voters	\$ 30,000,000	\$ 30,000,000	\$ -	
Amount Issued	\$ 10,100,000	\$ -	\$ -	
Remaining To Be Issued	\$ 19,900,000	\$ -	\$ -	
Debt Service Fund Cash and Temporary Investments balances as of September 30, 2023				\$ 595,055
Average annual debt service payment (principal & interest) for remaining term of all debt				\$ 569,824

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	AMOUNTS				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
REVENUES					
Transfer From Master District	\$ 101,938	\$ 87,889	\$ 83,641	\$ 75,757	\$ 72,778
Property Tax	458,910	414,929	44,735	254,380	54,629
Contract Tax	694,935	618,763	431,347	160,370	30,729
Interest	51,326	5,524	213	2,251	1,462
TOTAL REVENUES	1,307,109	1,127,105	559,936	492,758	159,598
EXPENDITURES					
Current:					
Contract Tax To Master District	694,935	618,763	431,347	160,370	30,729
Legal Fees	11,049	12,352	14,674	17,850	19,175
Audit Fees	5,500	5,500	5,500	4,000	4,000
Accounting Fees	36,521	24,630	24,294	21,595	20,300
Engineering Fees	2,749	2,587	2,477	3,905	5,104
Management Fees	10,324	9,910	9,287	8,918	8,494
Fiscal Agent Fees	1,500	1,500	1,500	1,500	-
Director Salaries & Payroll Tax	6,782	5,167	7,589	7,428	8,397
Insurance	965	948	885	875	875
Tax Assessor/Collector	24,224	22,724	16,111	6,928	1,761
Printing & Office Supplies	473	721	513	493	459
Postage & Delivery	63	131	529	404	136
Legal Notices	1,360	1,510	1,040	1,457	840
Travel	1,928	1,709	742	1,904	3,238
TOTAL EXPENDITURES	798,373	708,152	516,488	237,627	103,508
Transfer (to) Other Funds	-	-	-	-	-
Excess (Deficit) of					
Revenues over Expenditures	\$ 508,736	\$ 418,953	\$ 43,448	\$ 255,131	\$ 56,090
TOTAL ACTIVE					
WATER CONNECTIONS	-	-	-	-	-
WW CONNECTIONS	-	-	-	-	-

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	PERCENT OF REVENUES				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
REVENUES					
Transfer From Master District	8%	8%	15%	15%	46%
Property Tax	35%	37%	8%	52%	34%
Contract Tax	53%	55%	77%	33%	19%
Interest	4%	0%	0%	0%	1%
TOTAL REVENUES	100%	100%	100%	100%	100%
EXPENDITURES					
Current:					
Contract Tax To Master District	53%	55%	77%	33%	19%
Legal Fees	1%	1%	3%	4%	12%
Audit Fees	0%	0%	1%	1%	3%
Accounting Fees	3%	2%	4%	4%	13%
Engineering Fees	0%	0%	0%	1%	3%
Management Fees	1%	1%	2%	2%	5%
Fiscal Agent Fees	0%	0%	0%	0%	0%
Director Salaries & Payroll Tax	1%	0%	1%	2%	5%
Insurance	0%	0%	0%	0%	1%
Tax Assessor/Collector	2%	2%	3%	1%	1%
Printing & Office Supplies	0%	0%	0%	0%	0%
Postage & Delivery	0%	0%	0%	0%	0%
Legal Notices	0%	0%	0%	0%	1%
Travel	0%	0%	0%	0%	2%
TOTAL EXPENDITURES	61%	63%	92%	48%	65%
Transfer (to) Other Funds	0%	0%	0%	0%	0%
Excess (Deficit) of Revenues over Expenditures	39%	37%	8%	52%	35%
TOTAL ACTIVE					
WATER CONNECTIONS	-	-	-	-	-
WW CONNECTIONS	-	-	-	-	-

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	AMOUNTS				
	<u>9/30/2023</u>	<u>9/30/2022</u>	<u>9/30/2021</u>	<u>9/30/2020</u>	<u>9/30/2019</u>
<u>REVENUES</u>					
Property Tax	615,369	566,555	639,470	-	-
Interest	43,413	5,000	1,426	1,859	-
TOTAL REVENUES	658,782	571,555	640,896	1,859	-
<u>EXPENDITURES</u>					
Debt Service:					
Fiscal Agent Fees	600	600	400	46	-
Interest	264,620	272,720	263,698	105,275	-
Principal	280,000	270,000	290,000	-	-
TOTAL EXPENDITURES	545,220	543,320	554,098	105,321	-
OTHER FINANCING SOURCES (USES)					
	-	-	113,567	356,247	-
Excess (Deficit) of Revenues over Expenditures	113,562	28,235	200,365	252,785	-

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES - DEBT SERVICE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	PERCENT OF REVENUES				
	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
<u>REVENUES</u>					
Property Tax	93%	99%	100%	0%	n/a
Interest	7%	1%	0%	100%	n/a
TOTAL REVENUES	100%	100%	100%	100%	n/a
<u>EXPENDITURES</u>					
Debt Service:					
Fiscal Agent Fees	0%	0%	0%	2%	n/a
Interest	40%	48%	41%	5663%	n/a
Principal	43%	47%	45%	0%	n/a
TOTAL EXPENDITURES	83%	95%	86%	5665%	n/a
OTHER FINANCING SOURCES (USES)					
	0%	0%	18%	19163%	n/a
Excess (Deficit) of Revenues over Expenditures	17%	5%	31%	13598%	n/a

See accompanying independent auditor's report

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**BOARD MEMBERS, KEY PERSONNEL, AND CONSULTANTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

DISTRICT MAILING ADDRESS: c/o Gordon Davis Johnson & Shane, 4695 N Mesa, El Paso, TX 79912

DISTRICT BUSINESS TELEPHONE NUMBER: (915) 545-1133

LIMITS ON FEES OF OFFICETHAT A DIRECTOR MAY RECEIVE DURING A FISCAL YEAR: \$7,200

<u>NAMES</u>	<u>TERM OF OFFICE</u>	<u>SALARY FYE 9/30/23</u>	<u>REIMBURSEMENTS FYE 9/30/23</u>	<u>TITLE AT YEAR END</u>
<u>DIRECTORS</u>				
Elizabeth Bustamante	Elected 5/21-5/25	\$ 1,350	\$ -	President
Yvette Lascurain	Elected 5/21-5/25	1,500	-	Vice-President
Richard Owen	Elected 5/23-5/27	1,200	-	Secretary
Maurice Grenier	Elected 5/21-5/25	1,350	-	Asst Sec
Olivia Zuniga	Elected 5/23-5/27	900	-	Asst Sec
Payments to Former Director		-	-	Former Director
		<u>\$ 6,300</u>	<u>\$ -</u>	

CONSULTANTS

Ronald J. Freeman		\$ 6	\$ -	Attorney
Gordon Davis Johnson & Shane		\$ 11,043	\$ -	Attorney
TRE & Associates		\$ 2,749	\$ -	Engineer
Municipal Accounts & Consulting		\$ 36,521	\$ -	Accountant
West, Davis & Company		\$ 5,500	\$ -	Auditor
Inframark		\$ 10,324	\$ -	Operator

See accompanying independent auditor's report

OTHER INFORMATION

**PASEO DEL ESTE MUNICIPAL UTILITY DISTRICT No. 9
OF EL PASO COUNTY**

**PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2023**

<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>% of 2023 Certified Taxable Assessed Value</u>
MECFE, LLC	\$ 925,456	0.35%
Casas de Leon, LLC	732,892	0.27%
Casas de Leon, LLC	542,175	0.20%
Individual	537,318	0.20%
Individual	492,266	0.18%
Individual	455,705	0.17%
Individual	436,951	0.16%
Individual	422,381	0.16%
Individual	419,551	0.16%
Individual	419,217	0.16%
Total	\$ 5,383,912	2.02%

**ASSESSED VALUE BY CLASSIFICATION
SEPTEMBER 30, 2023**

<u>Type of Property</u>	<u>2023 Taxable Assessed Value</u>
Land	\$ 39,901,741
Improvements	266,768,089
Personal Property	498,015
Total Assessed Valuation	307,167,845
Exemptions	40,068,916
Total Taxable Appraised Valuation	\$ 267,098,929

See accompanying independent auditor's report