

REATA SOUTH METROPOLITAN DISTRICT
2025
BUDGET MESSAGE

Attached please find a copy of the adopted 2025 budget for Reata South Metropolitan District.

Reata South Metropolitan District has adopted a budget for three separate funds, a General Fund to provide for the payment of operating and maintenance expenditures; a Capital Projects Fund to provide for estimated infrastructure costs that are to be built for the benefit of the district; and a Debt Service Fund to provide for payments on the outstanding general obligation bonds.

The district's accountants have utilized the modified accrual basis of accounting, and the budget has been adopted after proper postings, publications, and public hearing.

The primary sources of revenue for the district in 2025 will be interest income, operating service fees, and property taxes from the imposition of a 50.000 mill levy on property within the district for 2025, of which 10.000 mills will be dedicated to the General Fund and the balance of 40.000 mills will be allocated to the Debt Service Fund.

Reata South Metropolitan District
Adopted Budget
General Fund
For the Year Ended December 31, 2025

| | Actual 2023 | Adopted Budget 2024 | Actual 06/30/24 | Estimated 2024 | Adopted Budget 2025 |
|------------------------------------|---------------------|------------------------|---------------------|---------------------|------------------------|
| Beginning fund balance | \$ 2,675,352 | \$ 2,760,198 | \$ 2,825,537 | \$ 2,825,537 | \$ 2,887,657 |
| District Revenues: | | | | | |
| Property taxes | 153,979 | 186,592 | 172,814 | 172,814 | 371,080 |
| Specific ownership taxes | 14,501 | 11,261 | 6,901 | 11,291 | 22,265 |
| Interest Income | 178,265 | 100,000 | 87,104 | 174,208 | 112,500 |
| Operating service fee | 752,993 | 789,700 | 394,966 | 789,700 | 789,700 |
| Sale of open space land | 85,000 | - | - | - | - |
| Miscellaneous income | 121 | 500 | 845 | 845 | 500 |
| Total Revenues | 1,184,859 | 1,088,053 | 662,630 | 1,148,858 | 1,296,045 |
| Total Funds Available | 3,860,211 | 3,848,251 | 3,488,167 | 3,974,395 | 4,183,702 |
| Expenditures: | | | | | |
| Accounting | 27,423 | 26,000 | 16,458 | 32,916 | 26,000 |
| Audit | 8,000 | 8,500 | 8,500 | 8,500 | 6,500 |
| Election expenses | 769 | - | - | - | 20,000 |
| Legal | 45,027 | 30,000 | 11,959 | 23,918 | 30,000 |
| Legal - Special projects | - | 15,000 | - | 15,000 | 15,000 |
| Security Personnel | 321,006 | 323,957 | 154,548 | 323,957 | 377,000 |
| District manager | 103,244 | 104,946 | 53,914 | 106,446 | 109,819 |
| Employee benefits | - | - | - | - | 4,800 |
| Payroll taxes | 36,141 | 32,811 | 17,233 | 32,811 | 37,242 |
| Payroll processing fee | 7,752 | 8,000 | 3,822 | 7,644 | 8,000 |
| Workers' comp insurance | 16,040 | 12,167 | 16,472 | 16,472 | 15,308 |
| Security equip/supplies | 12,466 | 13,300 | 3,440 | 11,800 | 13,300 |
| Access control operating system | 24,802 | 24,600 | 10,430 | 20,860 | 25,755 |
| Vehicle expense payments | 7,425 | 10,130 | 3,713 | 10,130 | 7,700 |
| Fuel/repair/equip | 9,067 | 9,000 | 6,085 | 12,170 | 5,700 |
| Building maintenance | 6,426 | 8,000 | 6,140 | 8,000 | 6,000 |
| Landscape maintenance - entries | 20,893 | 29,300 | 19,022 | 29,300 | 35,000 |
| Insurance (incl: vehicles) | 11,827 | 16,000 | 17,955 | 17,955 | 19,886 |
| Office expense | 3,469 | 5,500 | 3,127 | 6,254 | 5,600 |
| Website | 1,366 | 2,400 | 403 | 806 | 2,400 |
| Utilities - electric | 10,732 | 11,500 | 5,728 | 11,456 | 12,100 |
| Utilities - locates | 2,839 | - | 4 | 8 | - |
| Utilities - cell phone | 2,178 | 2,200 | 1,100 | 2,200 | 2,300 |
| Utilities - irrigation water | 8,491 | 10,000 | 861 | 1,722 | 12,000 |
| Gate repair & maintenance | 10,390 | 15,000 | 3,980 | 7,960 | 15,000 |
| Monument maintenance | 6,501 | 6,500 | 1,508 | 3,016 | 6,500 |
| Miscellaneous | 4,776 | 1,000 | 411 | 822 | 1,000 |
| Fence repair & replacement | 5,096 | 5,000 | - | 5,000 | 5,000 |
| Pest control | 84,324 | 58,400 | 63,201 | 63,201 | 75,000 |
| Landscape improvements | 4,313 | 5,000 | 615 | 5,000 | 10,000 |
| Weed control: | | | | | |
| Mowing | 12,680 | 16,500 | 6,270 | 16,500 | 11,000 |
| Spraying | 8,708 | 8,000 | 6,621 | 8,000 | 8,000 |
| Sidewalk repair & maintenance | 25,229 | 10,000 | 10,162 | 10,162 | 13,600 |
| Curb, gutter and pavers repair | 2,100 | 5,000 | 1,100 | 5,000 | 12,000 |
| Lake erosion project | 13,758 | - | - | - | - |
| Streets-sweeping & maintenance | 43,191 | 55,000 | 49,100 | 55,000 | 20,500 |
| Streets-snow removal | 41,735 | 35,000 | 40,828 | 61,242 | 50,000 |
| Storm Drain Maintenance | 11,221 | 10,000 | 4,943 | 9,000 | 10,000 |
| Trail maintenance | 5,000 | 15,000 | 410 | 5,000 | 15,000 |
| Lake maintenance | 25,062 | 28,000 | 17,801 | 28,000 | 28,000 |
| Memberships-Special Districts Pool | 899 | 1,000 | 917 | 917 | 1,000 |
| Treasurer fees | 2,318 | 2,800 | 2,593 | 2,593 | 5,566 |
| Sub-Total Expenditures | 994,684 | 980,511 | 571,374 | 986,738 | 1,084,576 |
| Contingency | - | 312,097 | - | - | 308,348 |
| Transfer to Capital Fund | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Emergency reserve | - | 29,331 | - | - | 32,370 |
| Total Expenditures | 1,034,674 | 1,421,939 | 614,664 | 1,086,738 | 2,775,294 |
| Ending Fund Balance | \$ 2,825,537 | \$ 2,426,311 | \$ 2,873,503 | \$ 2,887,657 | \$ 1,408,408 |
| Maintenance Reserve | | \$ 2,426,311 | | | \$ 1,408,408 |
| Assessed Valuation | | \$ 34,483,760 | | | \$ 37,107,970 |
| Mill Levy | | 5.411 | | | 10.000 |

Reata South Metropolitan District
Adopted Budget
Capital Projects Fund

| | Actual 2023 | Adopted Budget 2024 | Actual 06/30/24 | Estimated 2024 | Adopted Budget 2025 |
|------------------------------------|----------------|------------------------|--------------------|-------------------|------------------------|
| Beginning fund balance | \$ - | \$ - | \$ - | \$ - | \$ - |
| Revenues: | | | | | |
| Transfer from General Service Fund | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Total Revenues | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Total Funds Available | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Expenditures: | | | | | |
| Capital Expenditures | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Total Expenditures | 39,990 | 100,000 | 43,290 | 100,000 | 1,350,000 |
| Ending Fund Balance | \$ - | \$ - | \$ - | \$ - | \$ - |

Reata South Metropolitan District
Adopted Budget
Debt Service Fund

| | Actual 2023 | Adopted Budget 2024 | Actual 06/30/24 | Estimated 2024 | Adopted Budget 2025 |
|---------------------------|----------------|------------------------|--------------------|-------------------|------------------------|
| Beginning fund balance | \$ 2,646,750 | \$ 3,293,581 | \$ 3,384,547 | \$ 3,384,547 | \$ 4,414,597 |
| Revenues: | | | | | |
| Property taxes | 1,540,184 | 1,965,609 | 1,820,475 | 1,820,475 | 1,484,319 |
| Specific ownership taxes | 145,050 | 118,586 | 72,702 | 118,586 | 89,708 |
| Facility fees | 2,000 | - | - | - | - |
| Interest income | 132,617 | 120,000 | 92,921 | 185,842 | 150,000 |
| Total Revenues | 1,819,851 | 2,204,195 | 1,986,098 | 2,124,903 | 1,724,027 |
| Total Funds Available | 4,466,601 | 5,497,776 | 5,370,645 | 5,509,450 | 6,138,624 |
| Expenditures: | | | | | |
| Series 2018-interest | 1,055,369 | 1,055,369 | 527,684 | 1,055,369 | 1,055,369 |
| Paying agent/Trustee fees | 3,500 | 10,000 | 3,500 | 10,000 | 10,000 |
| County Treasurer fees | 23,185 | 29,484 | 27,320 | 29,484 | 22,265 |
| Total Expenditures | 1,082,054 | 1,094,853 | 558,504 | 1,094,853 | 1,087,634 |
| Ending Fund Balance | \$ 3,384,547 | \$ 4,402,923 | \$ 4,812,141 | \$ 4,414,597 | \$ 5,050,990 |
| Assessed valuation | | \$ 34,483,760 | | | \$ 37,107,970 |
| Mill Levy | | 57.001 | | | 40.000 |
| | | 62.412 | | | 50.000 |