City of Friendswood, Texas

Annual Report of Certain Financial and Local Debt Information

Fiscal Year Ended September 30, 2024

☑ Denotes Required Information Pursuant to Local Government Code, Section 140.008

This report was posted on the City's website on March 26, 2025

☑ Overview of Certain Financial/Bond Ratings

- **Credit Ratings:** The City of Friendswood, Texas (the "City") maintains independent ratings from certain nationally recognized credit rating agencies, such as S&P Global Ratings that evaluates the City's financial strength and its ability to pay its existing bonds. The current credit ratings for the City are displayed below:

Bond Credit Ratings	S&P
General Obligation Debt	**AA+**
Waterworks and Sewer System Revenue Debt	**AA-**

- ✓ **S&P Global Ratings:** Defines the credit rating of the City as: "Having a very strong capacity to meet its financial commitments. It differs from the highest-rating only to a small degree."

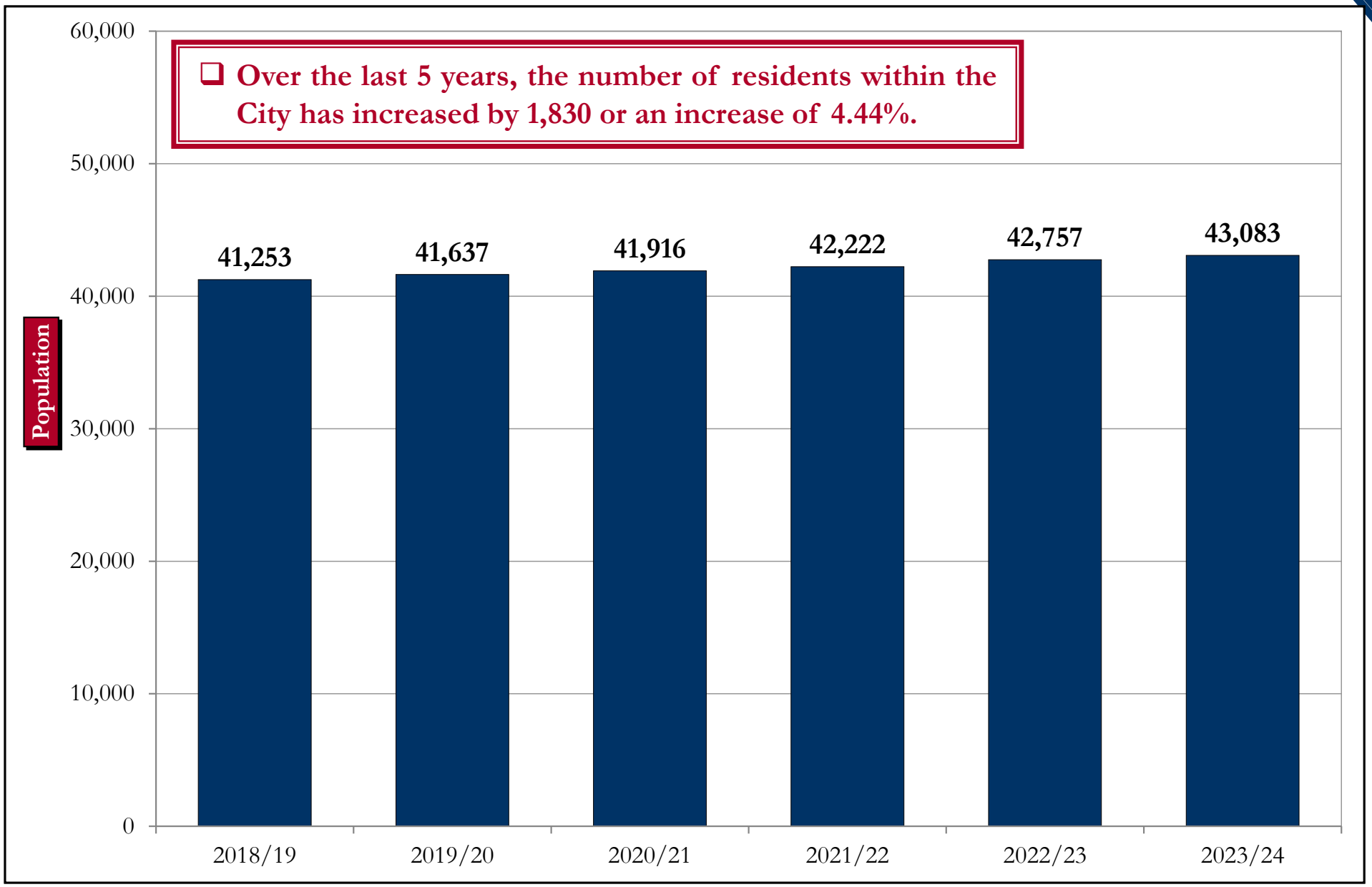
☑ Overview of Historical Bond Elections

- The following summarizes the City's General Obligation bond programs approved by voters since 2003:

City's Historical Bond Elections Approved By Voters				
Election Date	Purpose	Population	Election Amount	Dollar Amount Remaining To Be Issued
February 1, 2003	Public Safety Facilities	33,800	$7,380,000	$0
February 1, 2003	Drainage Improvements	33,800	$5,575,000	$0
February 1, 2003	Street and Thoroughfares	33,800	$4,055,000	$0
February 1, 2003	Centennial Park	33,800	$3,075,000	$0
November 5, 2013	Fire Stations	38,911	$6,565,000	$0
November 5, 2013	Library	38,911	$2,525,000	$0
November 5, 2013	Park Improvements	38,911	$7,285,000	$0
November 5, 2013	Road	38,911	$7,710,000	$0
November 15, 2019	Public Works	41,253	$2,000,000	$0
November 15, 2019	Public Safety	41,253	$9,100,000	$0
November 15, 2019	Drainage Improvements	41,253	$41,000,000	$0
Total Dollar Amount Of Authorized But Unissued Bonds - As of September 30, 2024:				**$0**

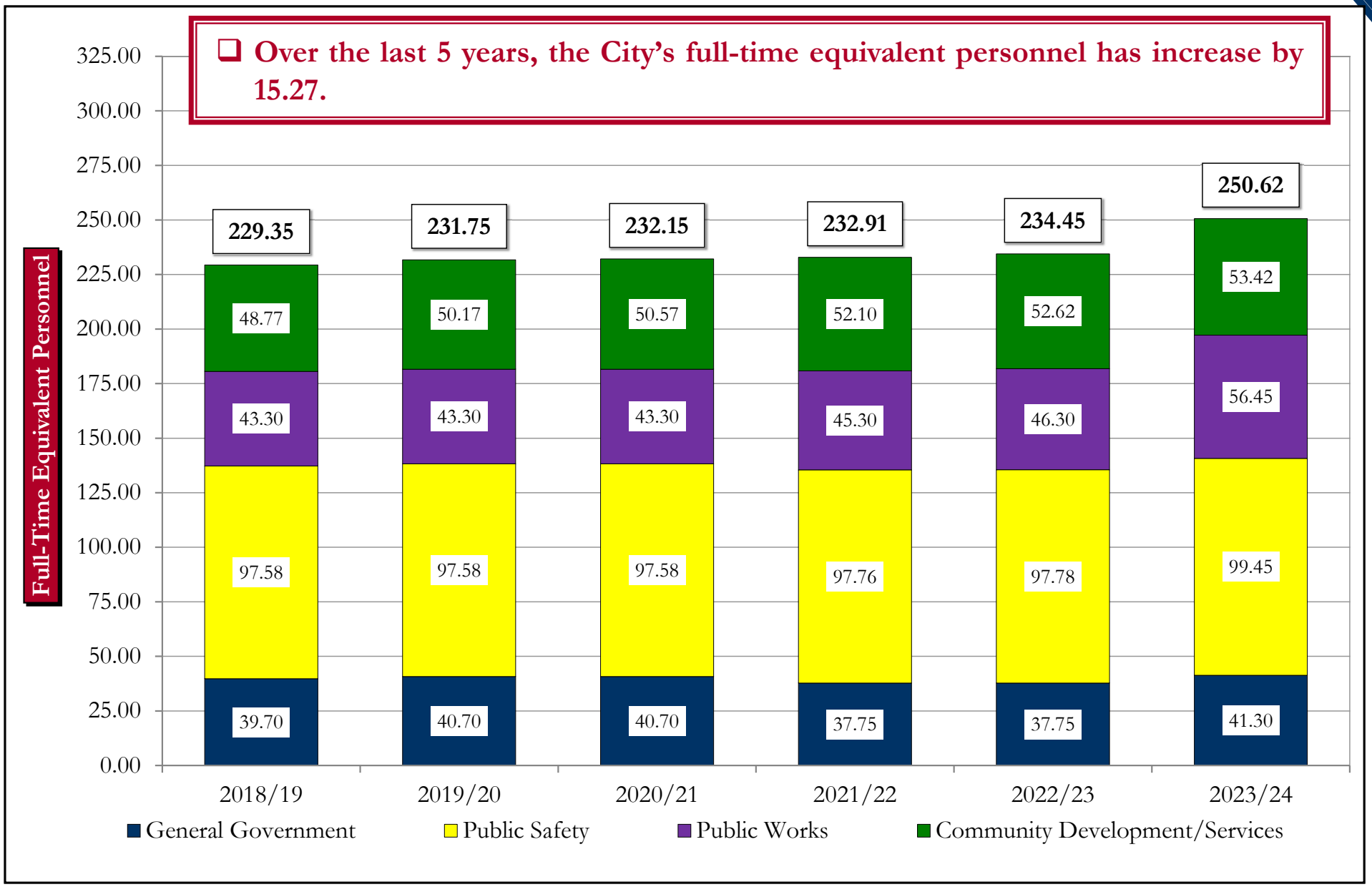
Source: Texas Bond Review Board, U.S. Census Bureau, City's Audited Financial Statements and City records.

Historical Population



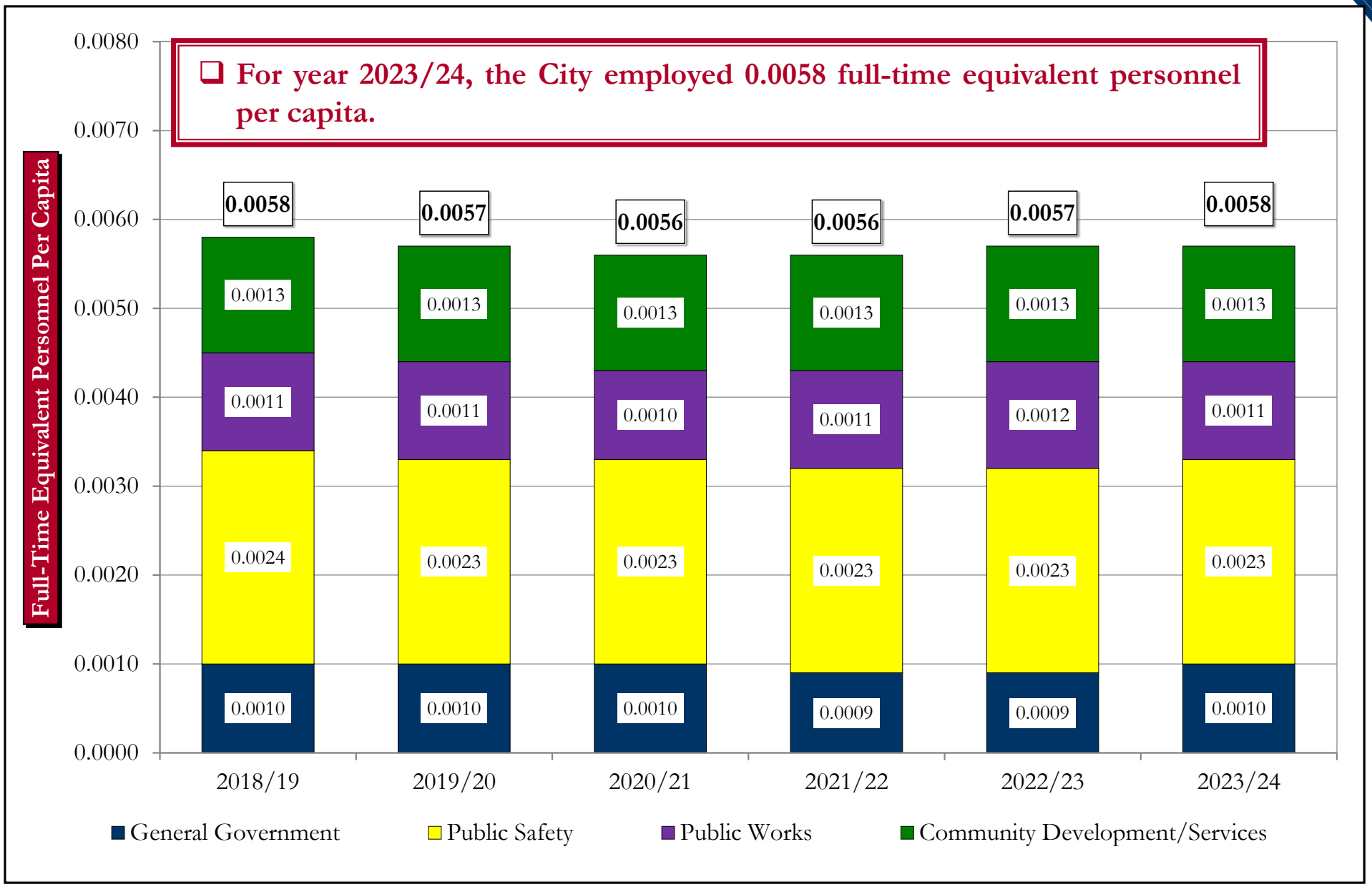
Source: City Audited Financial Statements and City records.

Full-Time Equivalent Personnel



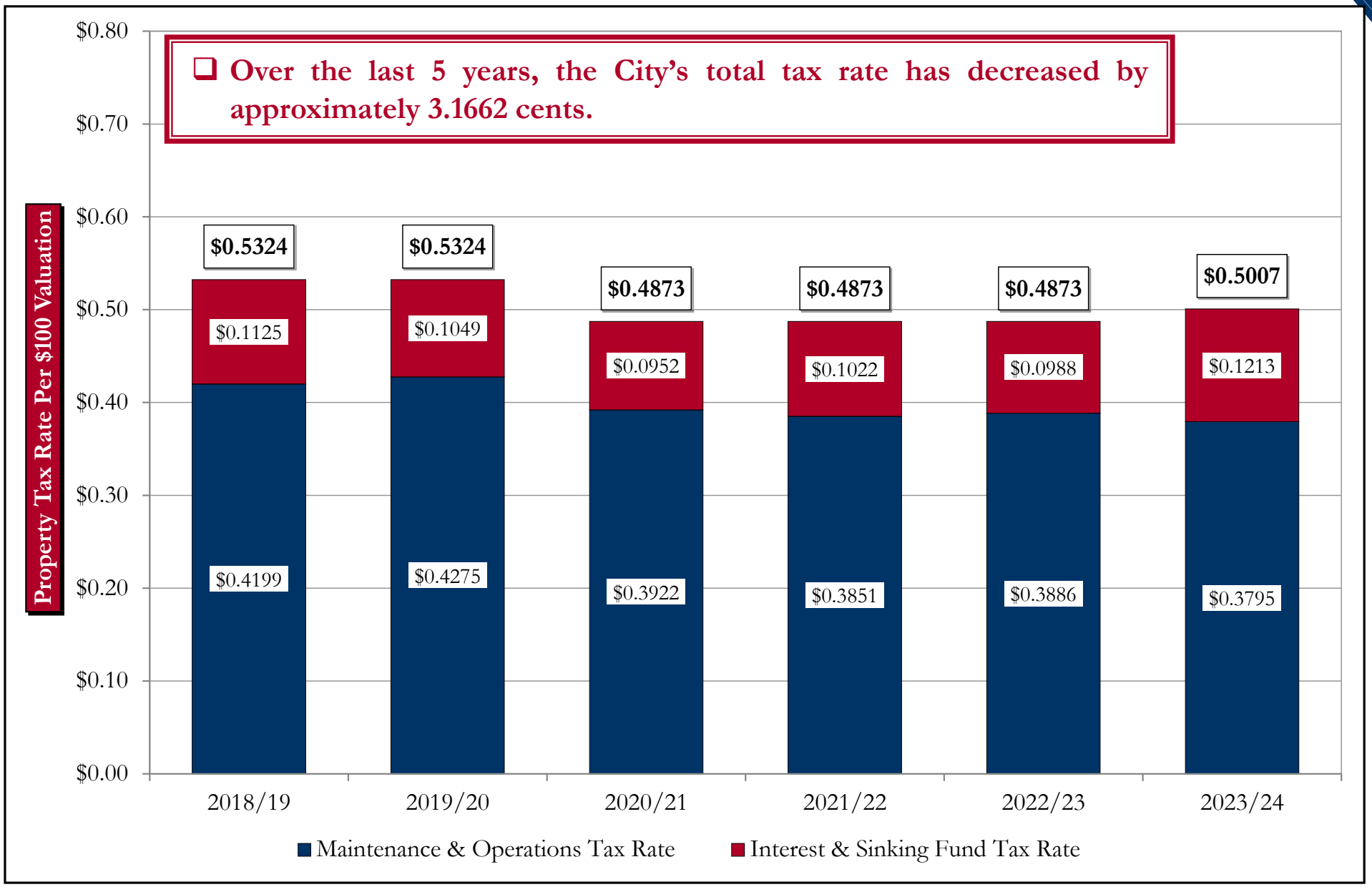
Source: City's Audited Financial Statements.

Full-Time Equivalent Personnel Per Capita



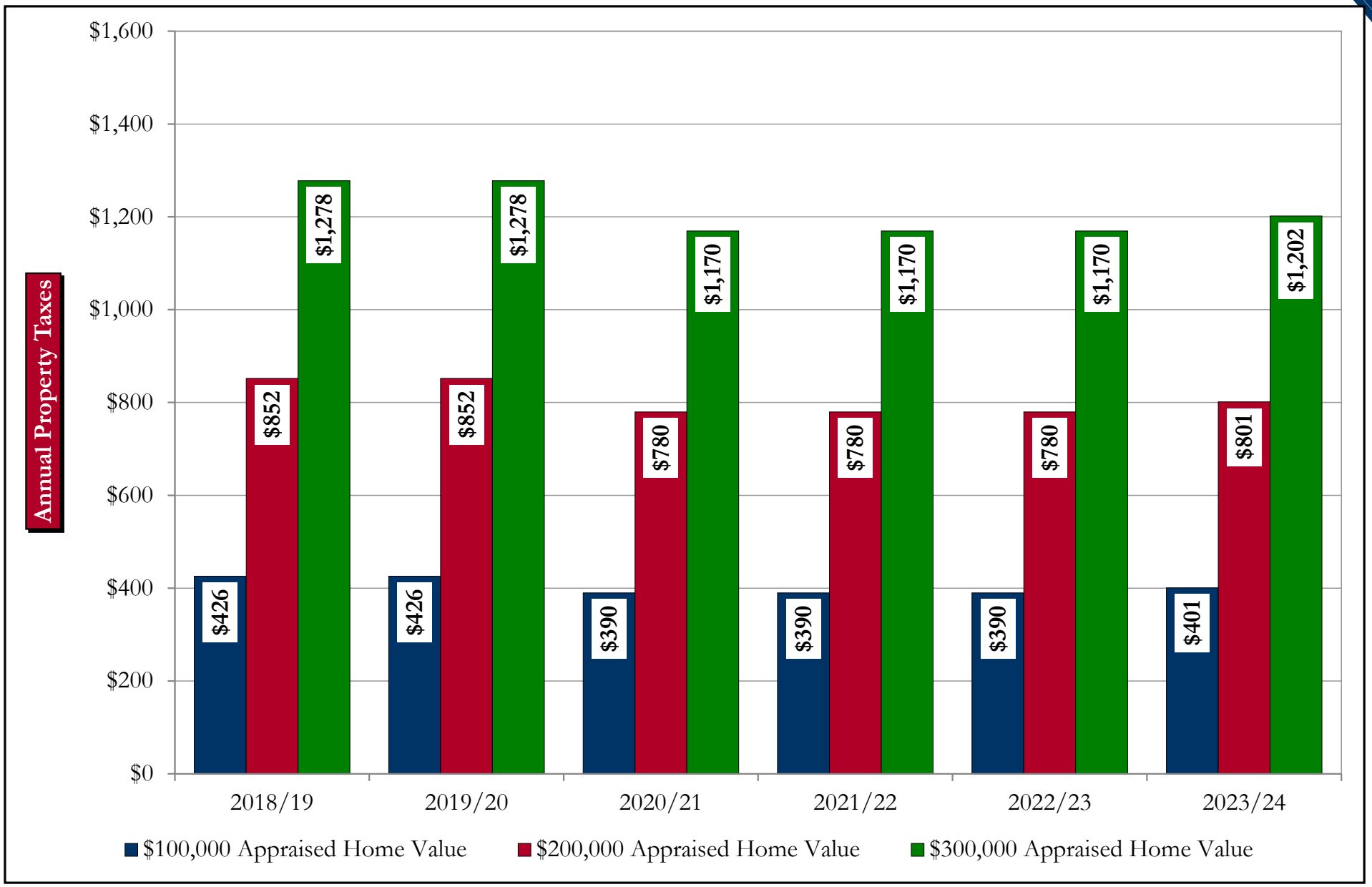
Source: City's Audited Financial Statements. Totals may differ due to rounding.

Historical Tax Rates



Source: City's Audited Financial Statements and City records.

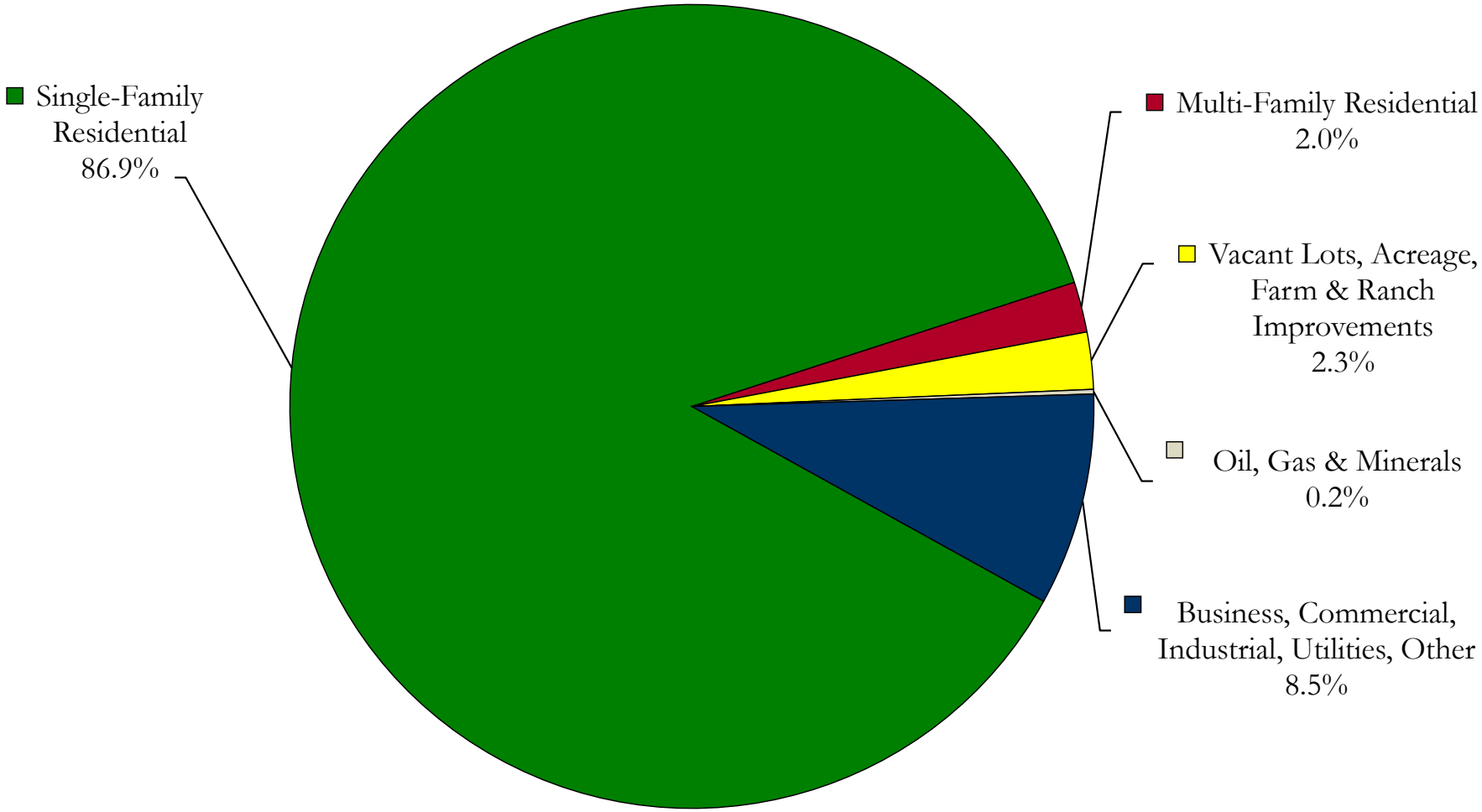
Historical Total Property Taxes For Various Appraised Home Values



Note: Taxes are net of the 20% local optional homestead exemption.

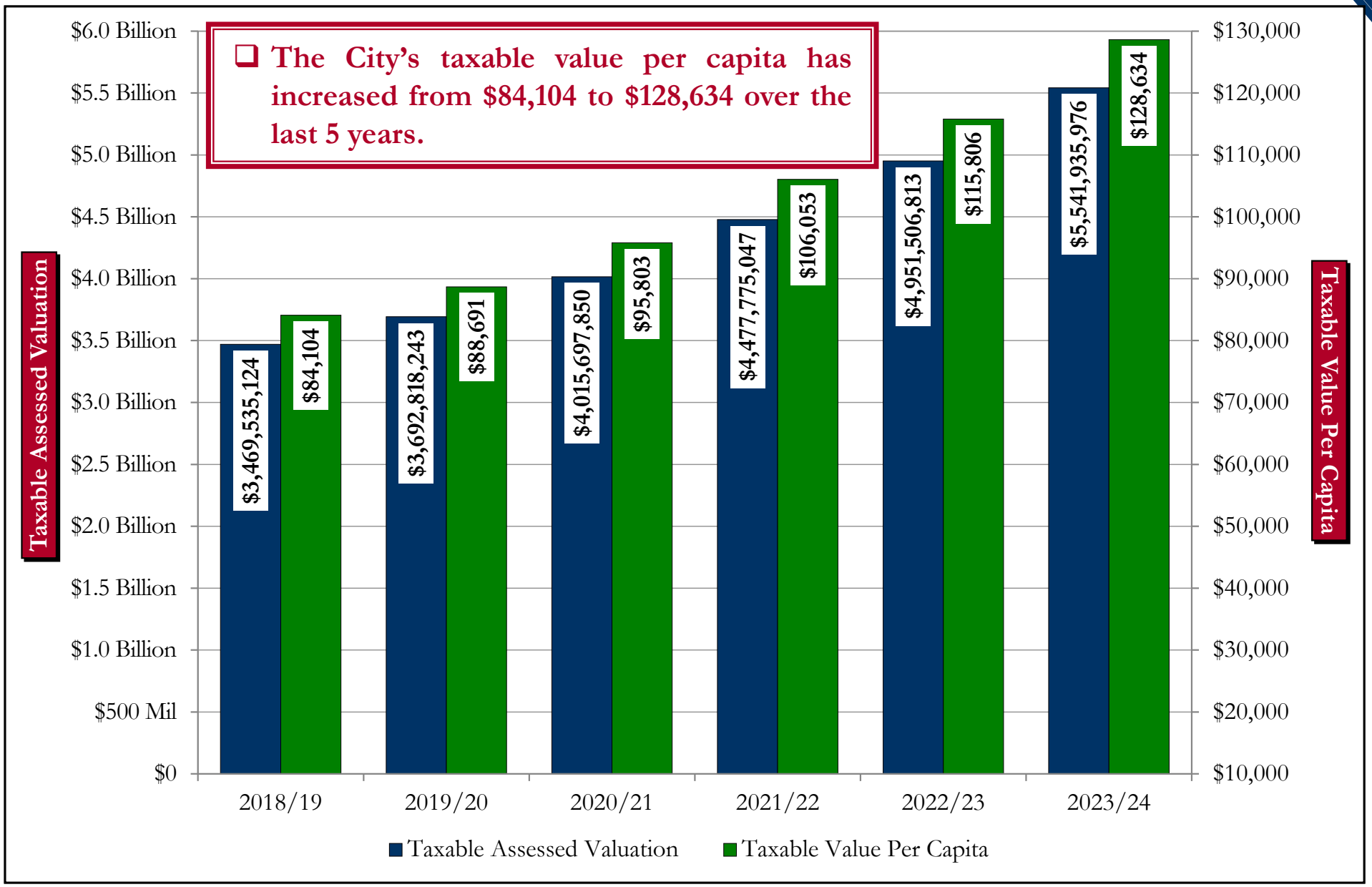
Composition of Total Assessed Valuation – Year 2023/24

- **For year 2023/24, Single-Family Residential properties comprised 86.9% of the City's total assessed valuation and other property categories comprised 13.1%.**



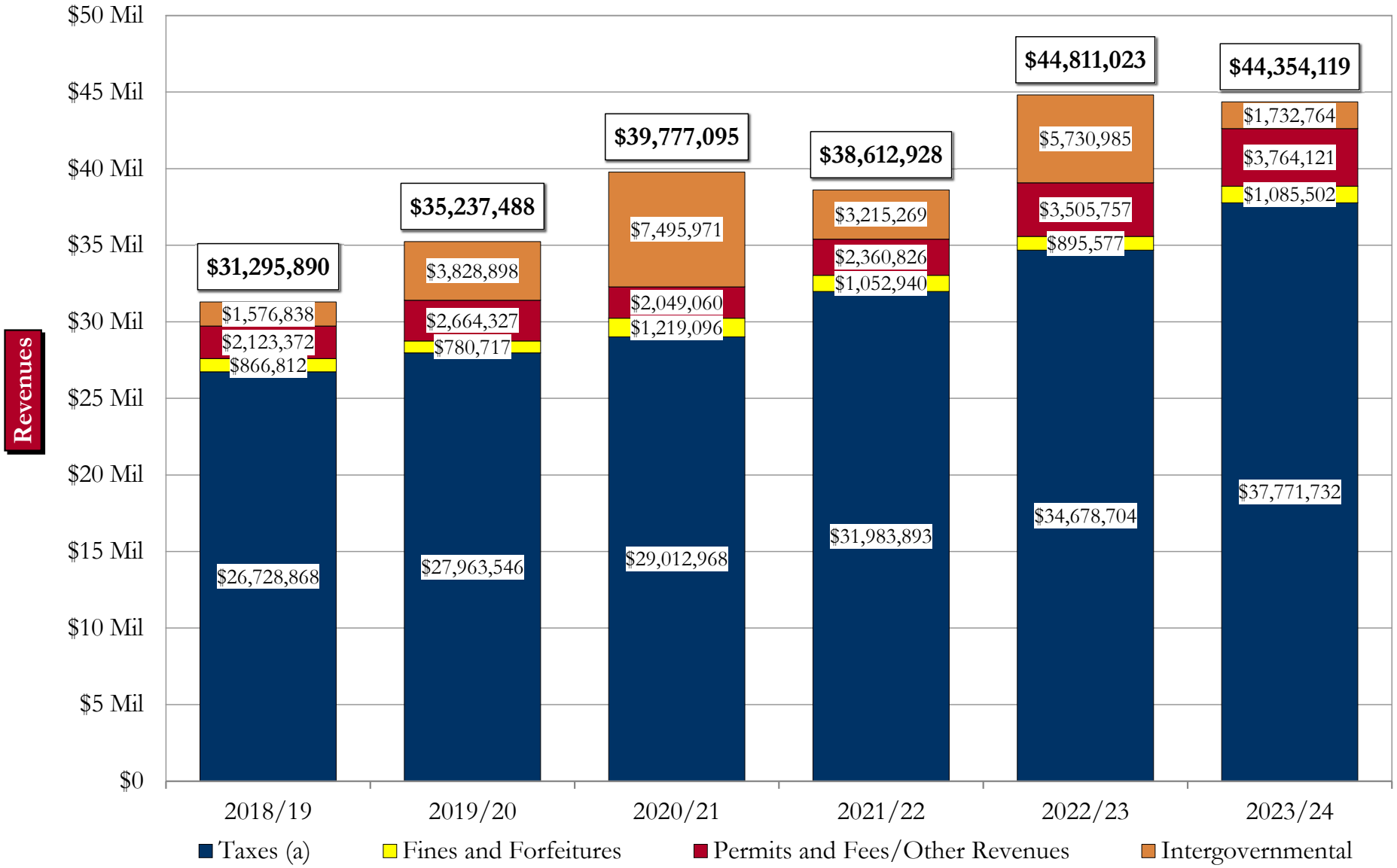
Source: Texas Comptroller.

Historical Taxable Assessed Valuation and Taxable Value Per Capita



Source: Texas Comptroller and City's Audited Financial Statements.

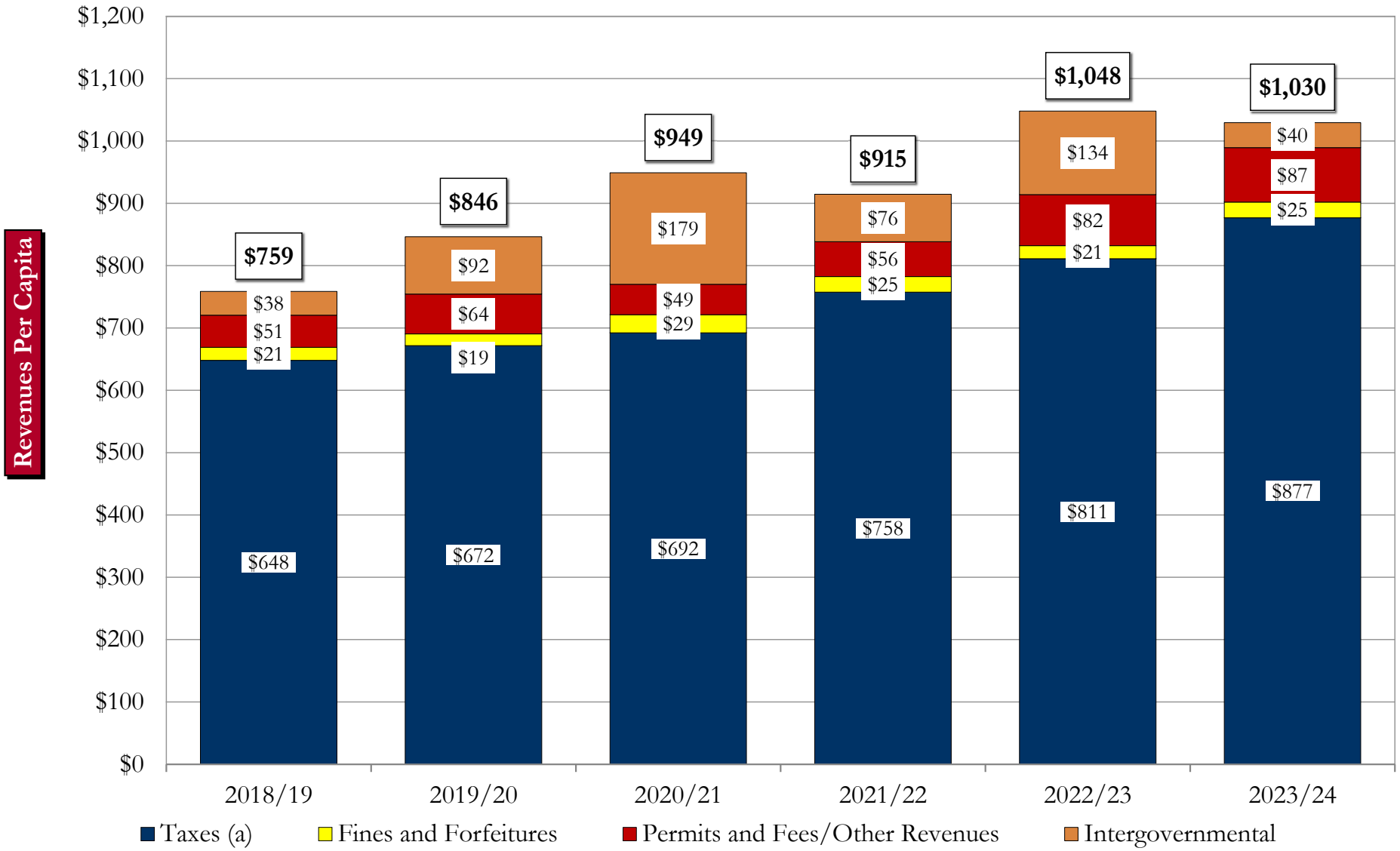
Governmental Funds* Revenues By Source



(a) Includes Property, Sales and Franchise Taxes collected by the City.

*Excludes the Capital Projects and Bond Construction Funds. Source: City's Audited Financial Statements and City records.

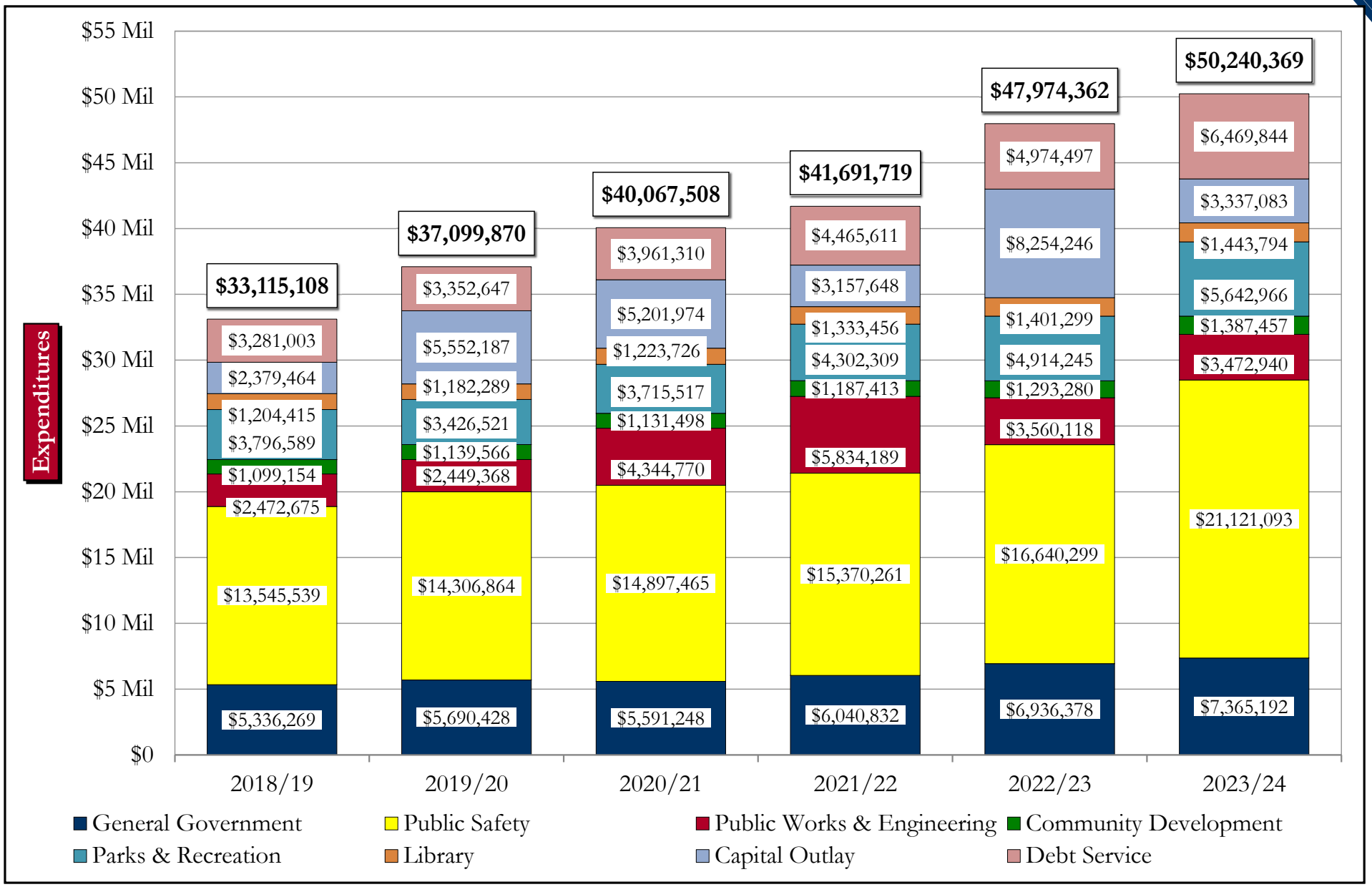
Governmental Funds* Revenues Per Capita



(a) Includes Property, Sales and Franchise Taxes collected by the City.

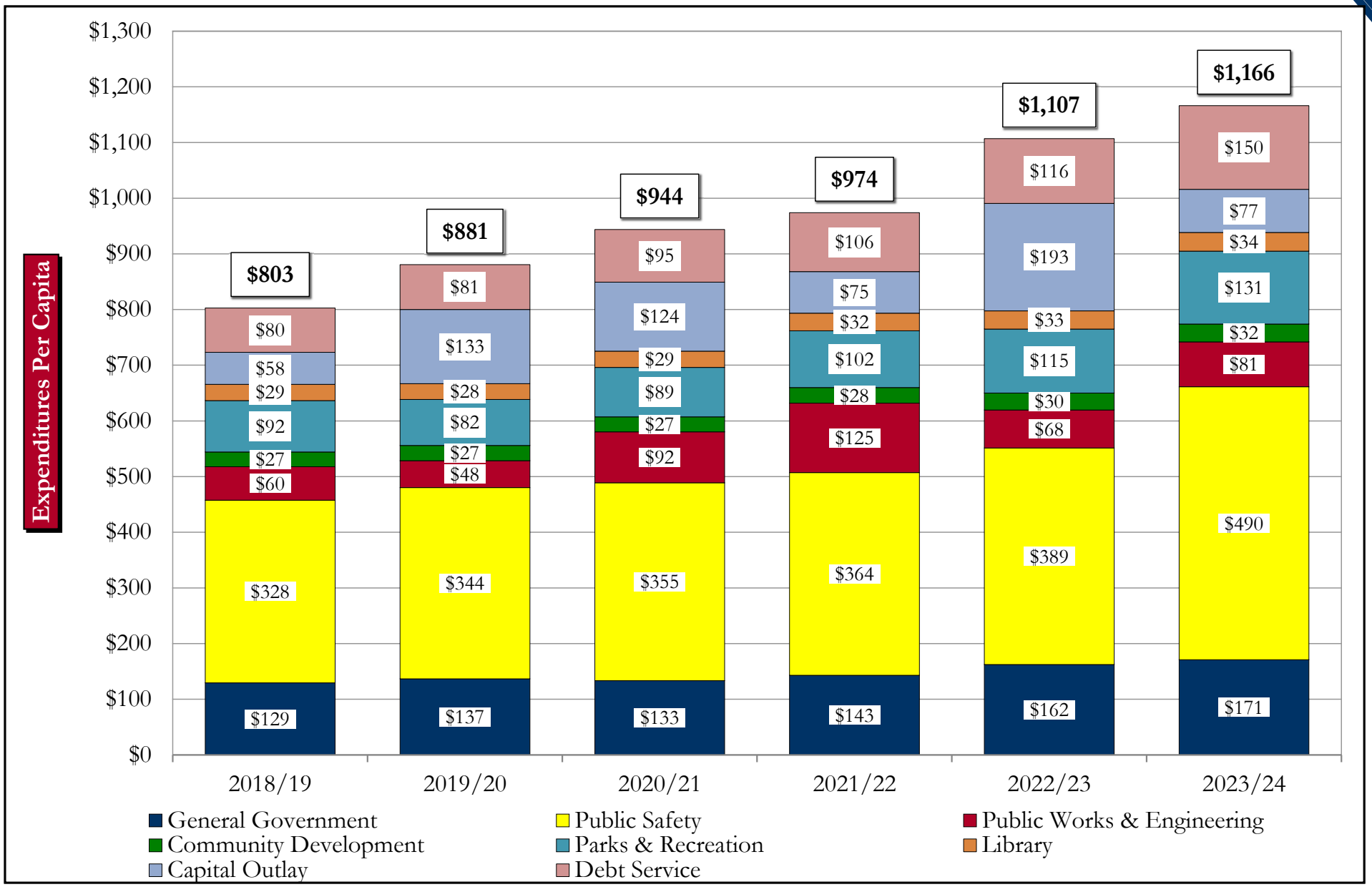
*Excludes the Capital Projects and Bond Construction Funds. Source: City's Audited Financial Statements and City records. Totals may differ due to rounding.

Governmental Funds* Expenditures By Source



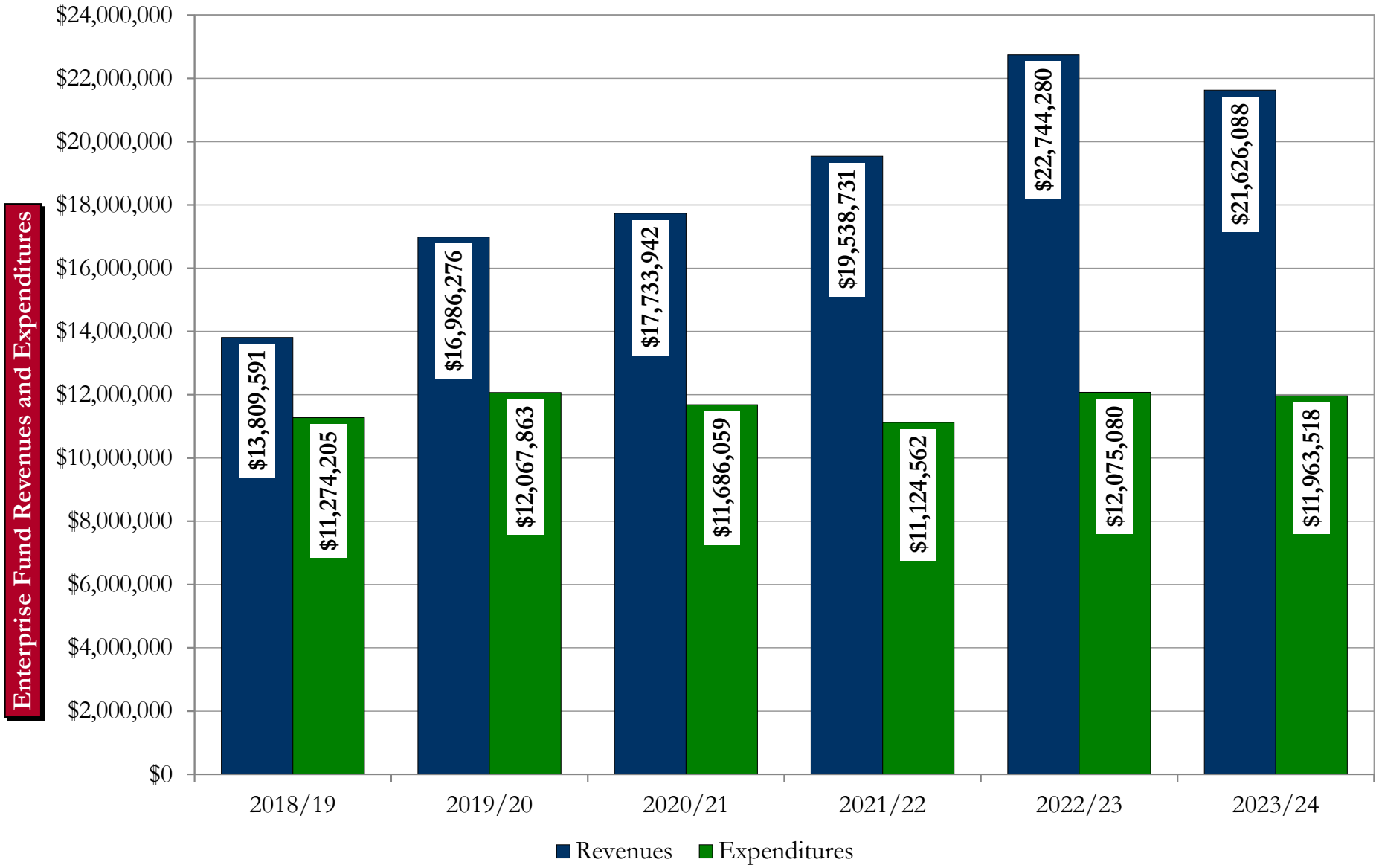
*Excludes the Capital Projects and Bond Construction Funds. Source: City's Audited Financial Statements and City records.

Governmental Funds* Expenditures Per Capita



*Excludes the Capital Projects and Bond Construction Funds. Source: City's Audited Financial Statements and City records. Totals may differ due to rounding.

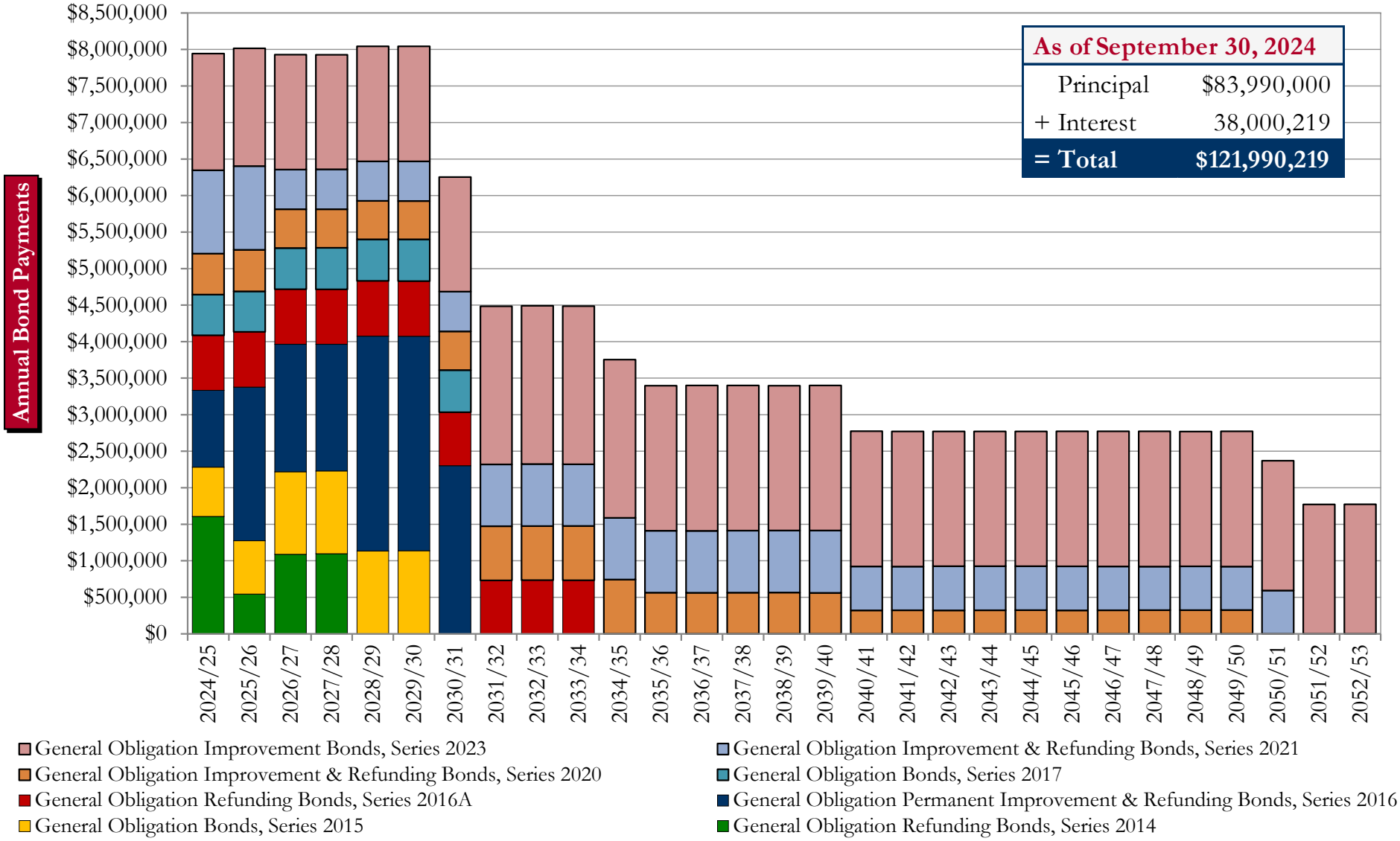
Enterprise Fund (Business-Type Activities*) Revenues and Expenditures



* Does not include Grants, Contributions or Debt Service payments.

Source: City's Audited Financial Statements.

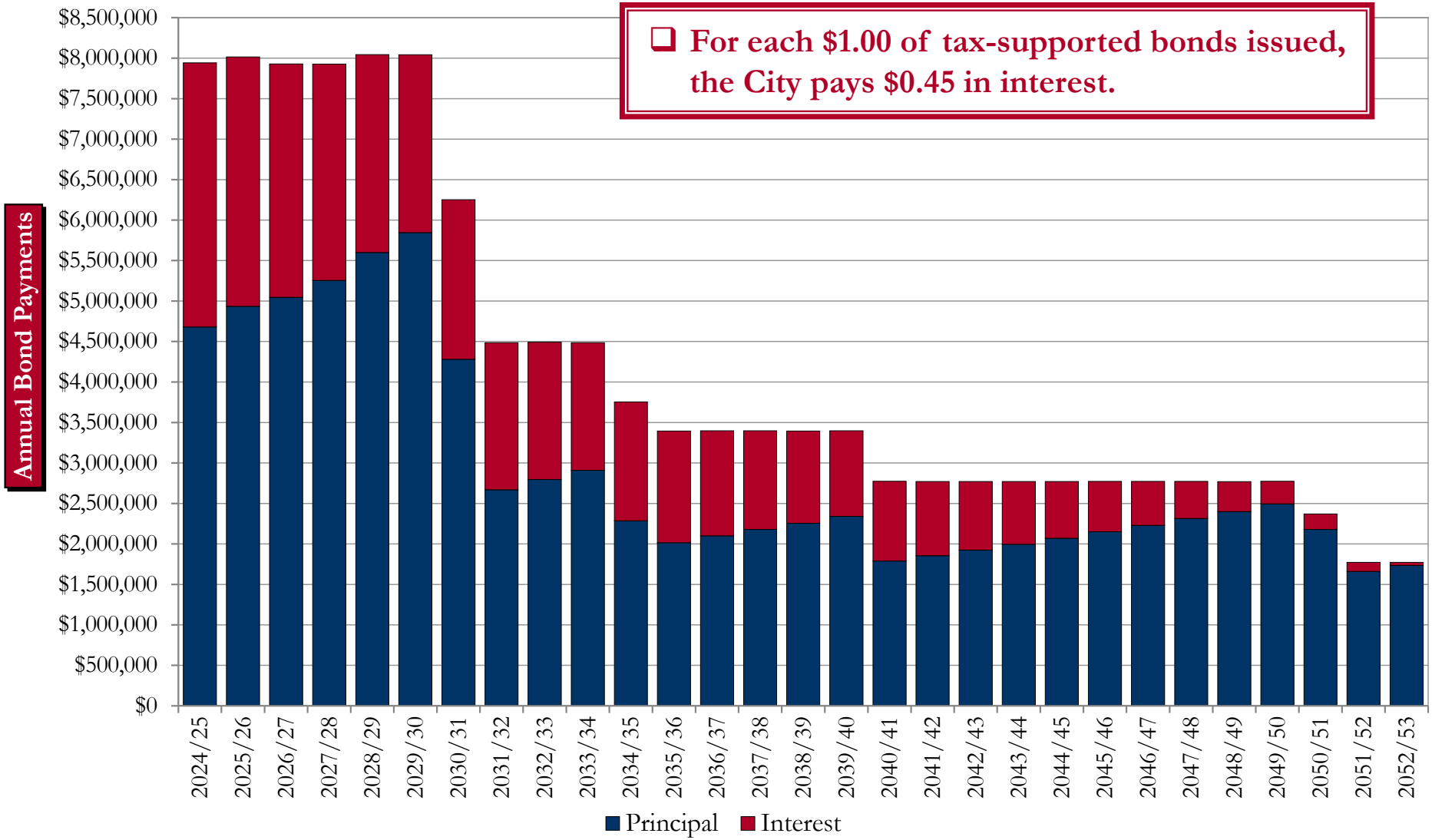
☑ Tax-Supported Debt Service By Series



Note: Debt service payments reflect payments from October 1 through September 30. Includes $15,150,000 in debt service requirements paid by the City's Waterworks and Sewer System.

Source: City's Audited Financial Statements and City records – As of September 30, 2024.

☑ Tax-Supported Debt Service By Principal and Interest



Note: Debt service payments reflect payments from October 1 through September 30. Includes $15,150,000 in debt service requirements paid by the City's Waterworks and Sewer System.

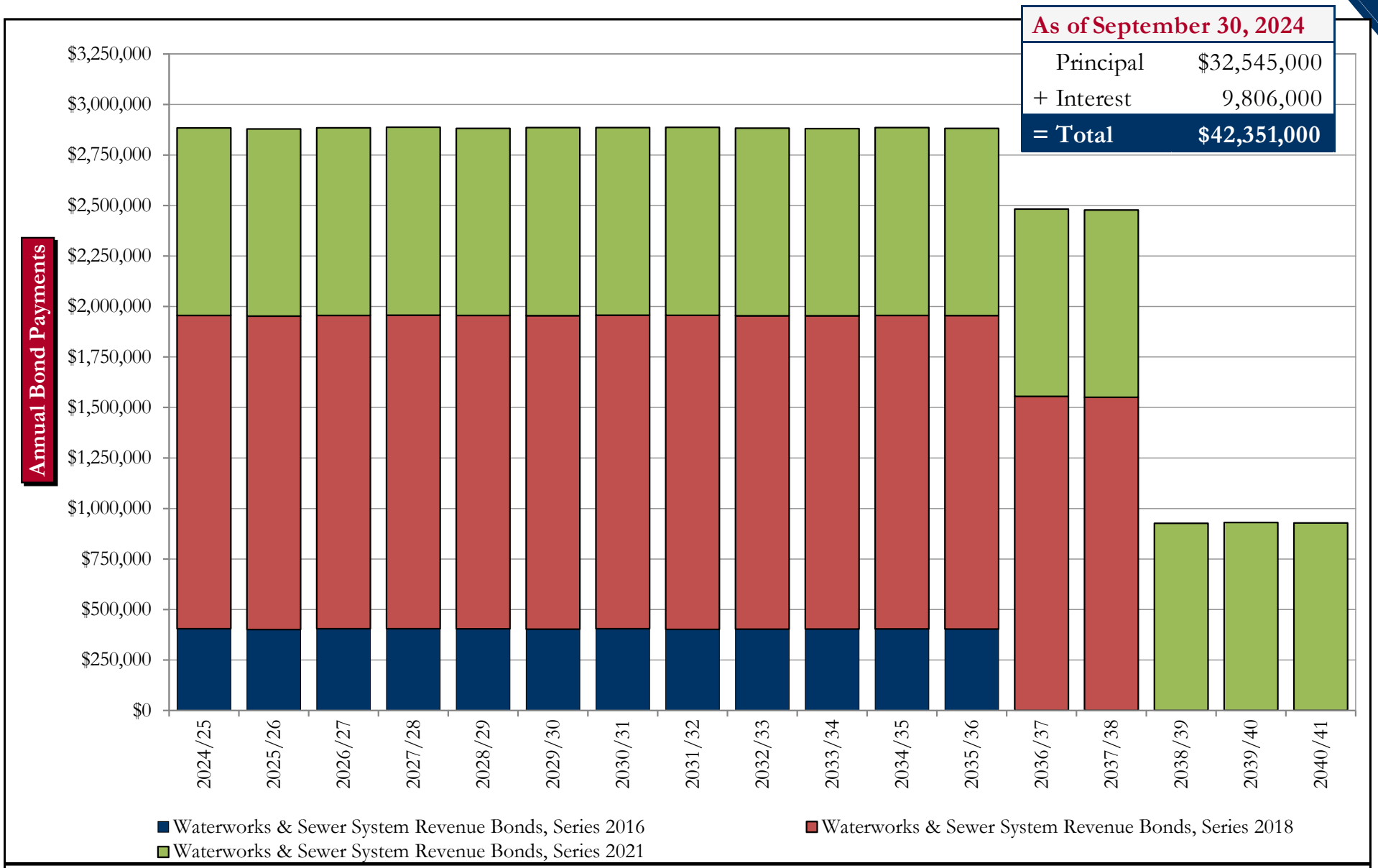
Source: City's Audited Financial Statements and City records – As of September 30, 2024.

☑ Summary of Tax-Supported Debt Outstanding By Series – As of Fiscal Year Ended September 30, 2024

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Partially Secured by Ad Valorem Taxes	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	General Obligation Refunding Bonds, Series 2014	Refunding at a lower interest rate, etc.	$8,805,000.00	$4,025,000.00	$4,334,500.00	$93.42	$100.61	03/01/2028	Yes	$9,680,068.40	$9,680,068.40	$0.00
2	General Obligation Bonds, Series 2015	Capital Improvements	$9,595,000.00	$5,425,000.00	$5,942,253.15	$125.92	$137.93	03/01/2030	Yes	$9,906,741.30	$9,906,741.30	$0.00
3	General Obligation Permanent Improvement & Refunding Bonds, Series 2016	Capital Improvements; Refunding at a lower interest rate, etc.	$19,095,000.00	$12,240,000.00	$14,807,650.00	$284.10	$343.70	03/01/2031	Yes	$21,917,308.48	$21,892,279.01	$25,029.47
4	General Obligation Refunding Bonds, Series 2016A	Refunding at a lower interest rate, etc.	$9,765,000.00	$6,215,000.00	$7,456,900.00	$144.26	$173.08	03/01/2034	Yes	$10,826,081.68	$10,826,081.68	$0.00
5	General Obligation Bonds, Series 2017	Capital Improvements	$5,605,000.00	$3,465,000.00	$3,966,250.00	$80.43	$92.06	03/01/2031	Yes	$5,996,915.85	$5,682,243.03	$314,672.82
6	General Obligation Improvement & Refunding Bonds, Series 2020	Capital Improvements; Refunding at a lower interest rate, etc.	$10,465,000.00	$8,985,000.00	$12,779,675.00	$208.55	$296.63	03/01/2050	Yes	$11,183,710.30	$11,177,298.83	$6,411.47
7	General Obligation Improvement & Refunding Bonds, Series 2021	Capital Improvements; Refunding at a lower interest rate, etc.	$16,235,000.00	$13,860,000.00	$19,236,000.06	$321.70	$446.49	03/01/2051	Yes	$17,589,857.05	$14,267,259.93	$3,322,597.12
8	General Obligation Improvement Bonds, Series 2023	Capital Improvements	$16,235,000.00	$29,775,000.00	$53,466,990.82	$691.11	$1,241.02	03/01/2053	Yes	$30,130,039.80	$10,659,161.12	$19,470,878.68
	Totals:		**$95,800,000.00**	**$83,990,000.00**	**$121,990,219.03**	**$1,949.49**	**$2,831.52**			**$117,230,722.86**	**$94,091,133.30**	**$23,139,589.56**

Source: City's Audited Financial Statements and City records. Per capita figures are based upon an estimated population of 43,083.

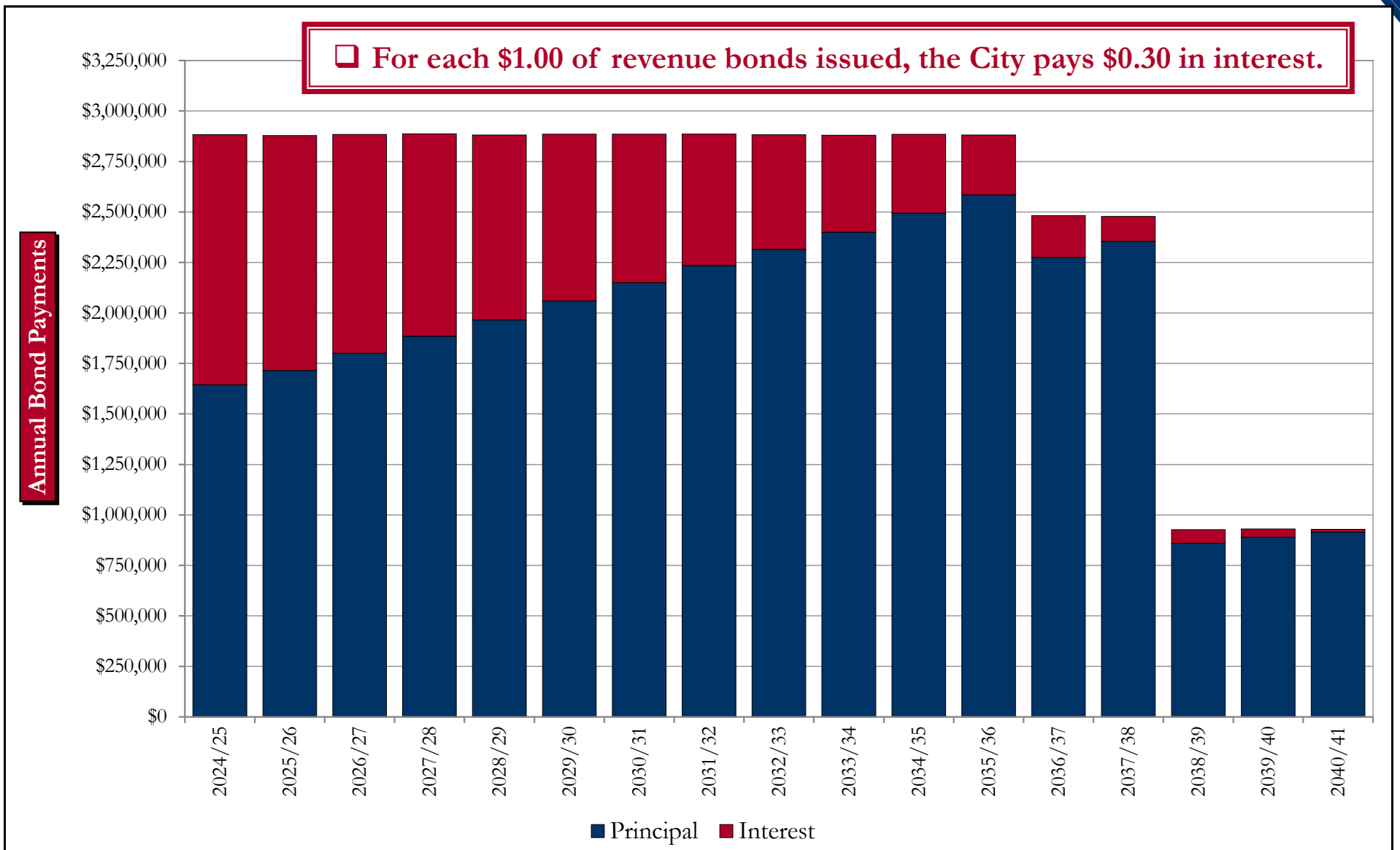
☑ Waterworks and Sewer System Revenue Debt Service By Series



Note: Debt service payments reflect payments from October 1 through September 30.

Source: City's Audited Financial Statements and City records – As of September 30, 2024.

☑ Waterworks and Sewer System Revenue Debt Service By Principal and Interest



Note: Debt service payments reflect payments from October 1 through September 30.

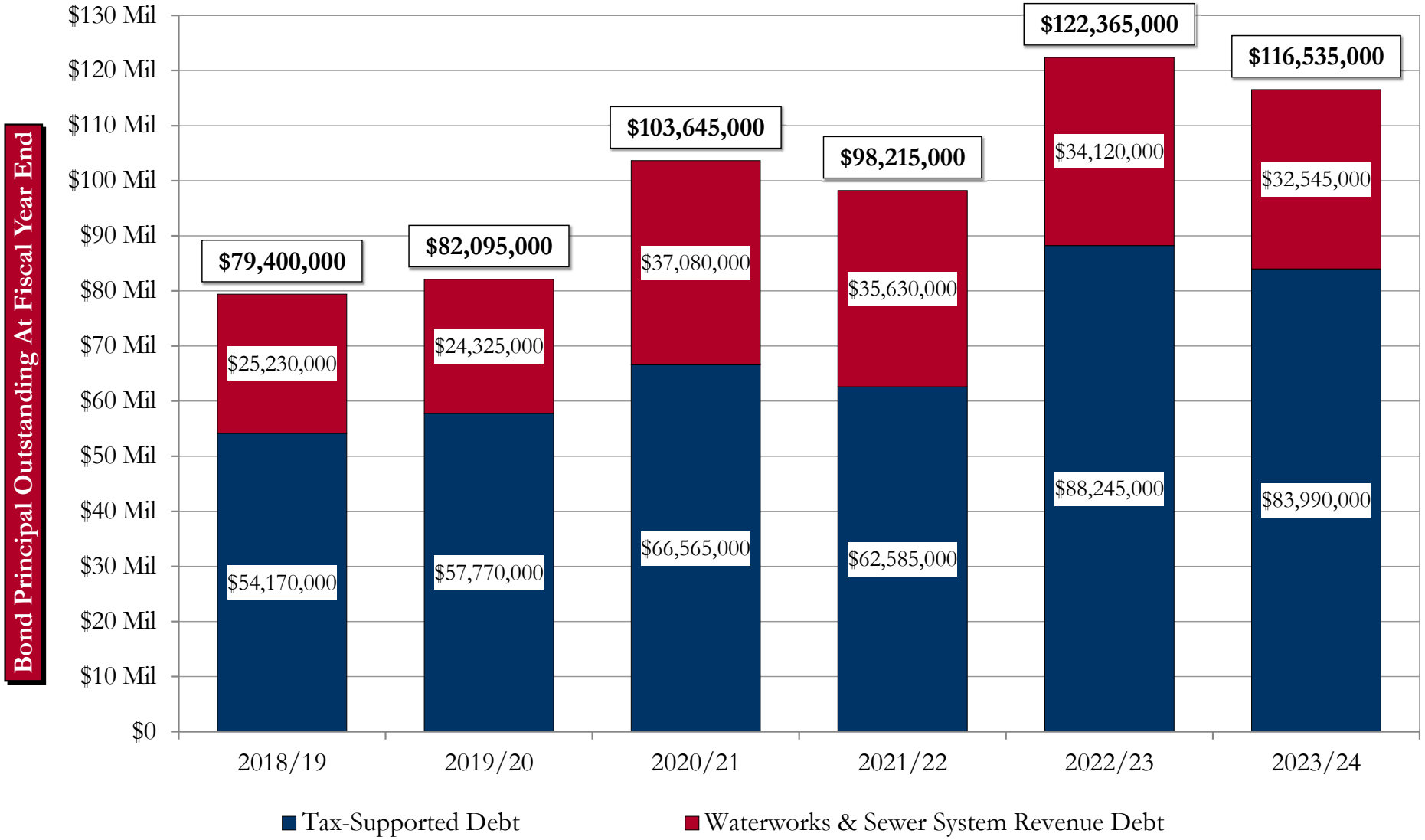
Source: City's Audited Financial Statements and City records – As of September 30, 2024.

☑ Summary of Water and Sewer System Revenue Debt Outstanding By Series – As of Fiscal Year Ended September 30, 2024

No.	Issue Description	Purpose	Original Principal Amount	Outstanding Principal	Total Outstanding Debt Service	Outstanding Principal Per Capita	Outstanding Debt Service Per Capita	Final Maturity Date	Partially Secured by Ad Valorem Taxes	Total Proceeds Received	Spent Proceeds	Unspent Proceeds
1	Waterworks & Sewer System Revenue Bonds, Series 2016	Capital Improvements	$5,735,000.00	$3,855,000.00	$4,839,450.00	$89.48	$112.33	03/01/2036	No	$6,088,342.07	$5,568,058.96	$520,283.11
2	Waterworks & Sewer System Revenue Bonds, Series 2018	Capital Improvements	$20,170,000.00	$16,470,000.00	$21,729,750.00	$382.29	$504.37	03/01/2038	No	$21,615,585.65	$20,949,617.05	$665,968.60
3	Waterworks & Sewer System Revenue Bonds, Series 2021	Capital Improvements	$13,690,000.00	$12,220,000.00	$15,781,800.00	$283.64	$366.31	03/01/2038	No	$15,752,740.40	$12,080,533.97	$3,672,206.43
	Totals:		**$39,595,000.00**	**$32,545,000.00**	**$42,351,000.00**	**$755.40**	**$983.01**			**$43,456,668.12**	**$38,598,209.98**	**$4,858,458.14**

Source: City's Audited Financial Statements and City records. Per capita figures are based upon an estimated population of 43,083.

Total Bond Principal Outstanding At Fiscal Year End



Note: Debt service payments reflect payments from October 1 through September 30. As of September 30, 2023, $15,150,000 in principal amount of General Obligation Bonds are paid by revenues from the Waterworks and Sewer System.

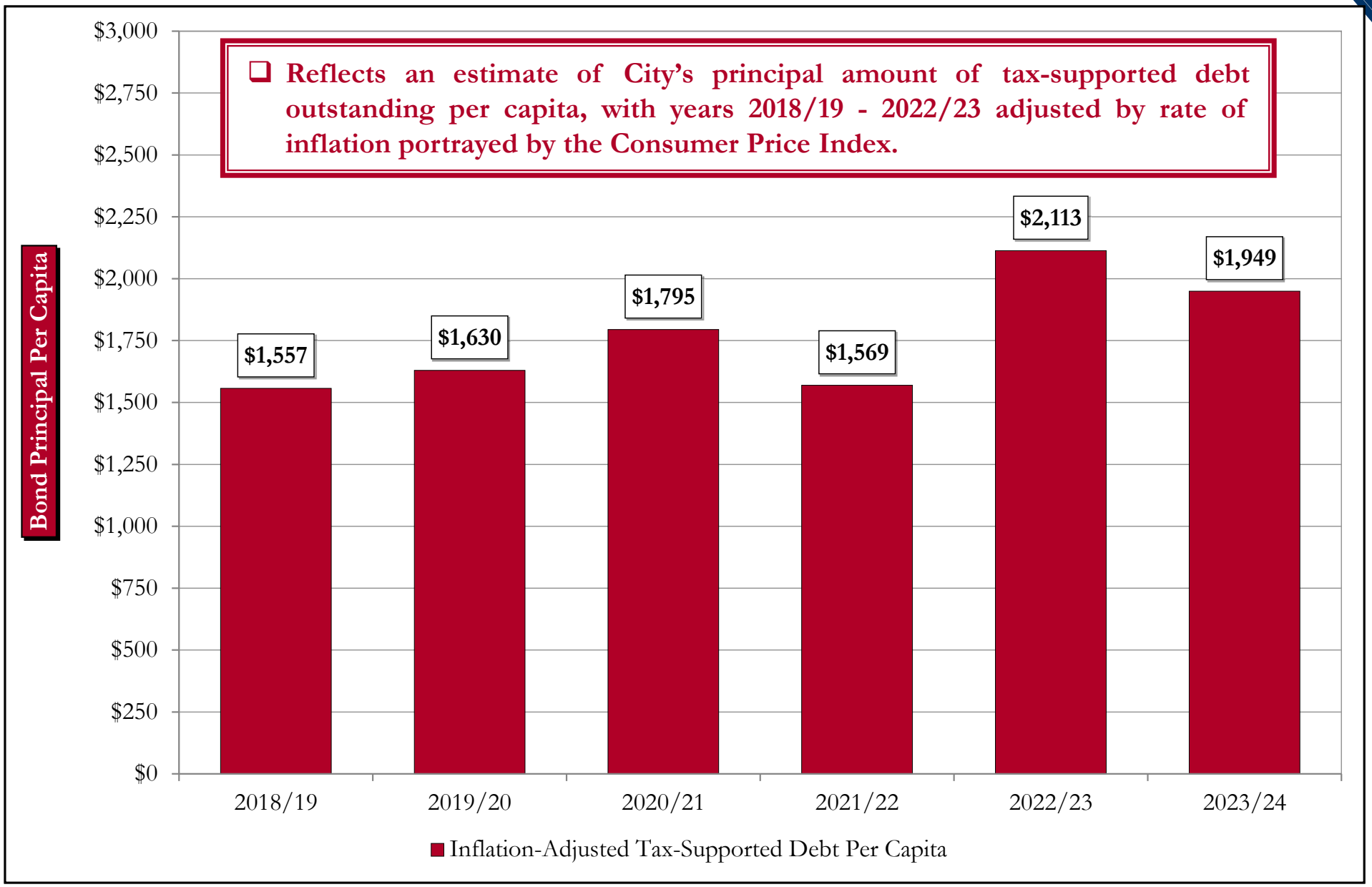
Source: City's Audited Financial Statements and City records.

Savings from City's Recent Bond Refunding Programs to Lower Interest Costs

Summary of Interest Cost Savings – Bond Refunding Programs			
Issue/Description	Series Refunded	Principal Amount Refunded	Total Savings
Tax-Supported Debt			
Refunding Bonds, Series 2002	1992	$ 3,765,000	$ 228,642
Permanent Improvement and Refunding Bonds, Series 2005	1995	1,910,000	51,868
Permanent Improvement Refunding Bonds, Series 2010B	2001 WWSS	5,400,000	654,824
General Obligation Refunding Bonds, Series 2012	2003, 2005	8,905,000	1,026,111
General Obligation Refunding Bonds, Series 2014	2005, 2006 WWSS	9,080,000	1,509,749
General Obligation Permanent Improvement and Refunding Bonds, Series 2016	2006 WWSS	13,145,000	2,425,878
General Obligation Refunding Bonds, Series 2016A	2009 WWSS	10,155,000	1,793,347
General Obligation Improvement and Refunding Bonds, Series 2020	2010, 2020 Rfdg	2,970,000	375,825
General Obligation Improvement and Refunding Bonds, Series 2021	2012	3,290,000	224,750
Waterworks and Sewer System Revenue Debt			
Waterworks and Sewer System Revenue and Refunding Bonds, Series 2006	1999 WWSS, 2000 WWSS	7,480,000	408,889
Totals	---	**$ 66,100,000**	**$ 8,699,883**

Source: City's Audited Financial Statements and City records.

Inflation-Adjusted Tax-Supported Debt Per Capita



Source: City's Audited Financial Statements, 2010 & 2020 U.S. Census (Interpolated), Bureau of Labor Statistics and City records.

☑ Contact Information and Links to Additional Resources

- **City Hall Contact Information:**

  Physical and Mailing Address:
  910 South Friendswood Drive
  Friendswood, Texas 77546

  Phone: (281) 996-3200

- For additional information regarding this report, please contact:

  Ms. Rhonda Bloskas, CPA, CGFO
  Director of Finance
  Phone: (281) 996-3216
  Email: rbloskas@friendswood.com

- **Links to Additional Resources:**

  https://www.comptroller.texas.gov/transparency/local/debt/cities.php

  http://www.brb.state.tx.us/local_debt_search.aspx