CITY OF PFLUGERVILLE, TEXAS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES ON THE CITY'S ROADWAY IMPACT FEES

For the Period November 24, 2020 through July 31, 2025

CITY OF PFLUGERVILLE, TEXAS

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES ON THE CITY'S ROADWAY IMPACT FEES

FOR THE PERIOD NOVEMBER 24, 2020, THROUGH JULY 31, 2025

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INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES

City of Pflugerville, Texas
100 East Main St., Suite 100
Pflugerville, Texas 78660

We have performed the procedures enumerated below on the City of Pflugerville, Texas' ("City") Roadway Impact Fees between November 24, 2020, and July 31, 2025. The City is responsible for the execution of the City's Roadway Impact Fee program.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing a detailed accounting of the City's Roadway Impact Fee Program in compliance with Texas Local Government Code §395.059. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as reported in Exhibit A.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the City's Roadway Impact Fees. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City of Pflugerville, Texas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
February 19, 2025

City of Pflugerville, Texas
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Exhibit A

Agreed-Upon Procedures and Findings

The City provided the Roadway Impact Fee (RIF) schedule of information in Exhibit B. The procedures we applied to this information and the results of those procedures are as follows.

Procedures Performed	Results
Procedure 1 – Collections and Reconciliation	
a. We obtained from City staff a schedule of roadway impact fees collected from inception to July 31, 2025.	a. We were provided with a Roadway Impact Fee Fund reconciliation and General Ledger Detail for all years.
b. We reconciled total collections to the City's general ledger and bank balance as of July 31, 2025.	b. We were able to tie the Fee Reconciliation to the General Ledger without exception.
c. We tested a sample of 23 fees collected, (representing approximately 45% of the total revenue) by: ▪ Tracing the revenue to a deposit through the bank statement for existence/ occurrence. ▪ Reviewing the City's calculation of fees for compliance with relevant ordinances. ▪ Reviewing applicable credits to fees for accuracy.	c. All receipts tested were recalculated without material exception and traced to a deposit without exception. Of the 23 receipts tested, 2 included credits received. Both credits appeared accurate and applicable.

Exhibit A Continued

Procedure 2 – Interest on Unspent Balances	
We verified interest accrued on unspent impact fee balances and reconciled it to the City's bank and investment statements.	We noted that prior to October 2023, Roadway Impact Fees were not held in interest-bearing accounts as required by §395.024. According to Texas Local Government Code §395.024: "The order, ordinance, or resolution levying an impact fee must provide that all funds collected through the adoption of an impact fee shall be deposited in interest-bearing accounts clearly identifying the category of capital improvements or facility expansions within the service area for which the fee was adopted." This has been rectified. Beginning October 2023, the City's Roadway Impact Fees are pooled at the fund level and bank account level. The interest earned is calculated as a systematic allocation function for pooled funds. Interest is allocated based on the Average Daily Balance. We reviewed interest allocation postings for February 2024 and November 2024 without exception.
Procedure 3 – Allocations and Expenditures	
a. We reviewed the timing of impact fee collections and expenditures to ensure compliance with Texas Local Government Code §395.059 regarding the ten-year expenditure or refund requirement.	a. The City's RIF program began in 2022, therefore, there have been no fees collected which have reached the ten-year required expense/refund date.
b. We examined project allocation schedules and verified that impact fee expenditures correspond to projects identified in the adopted Capital Improvements Plan.	b. Of the eight expenditure transactions reviewed, two were for continuing Roadway Impact Fee studies and the others corresponded to projects identified in the adopted Capital Improvements Plan without exception. All expenses are allowed under Texas Local Government Code §395.012.

Exhibit A Continued

Procedure 4 – Refunds, Waivers, and Credits	
a. We reviewed a sample of refund requests, refunds made, and waivers granted within the fiscal period to ensure compliance with Texas Local Government Code §395.016, §395.023, §395.0231 and §395.025.	a. There were no refunds requested within the testing period. However, the City issued a refund totaling $33,867 to Taylor Morrison under a Traffic Improvement Agreement. No other waivers were noted.
b. We reviewed any identified errors or omissions in credit calculations.	b. There were no errors or omissions noted apart from Taylor Morrison case which was corrected by the City with a refund.

City of Pflugerville, Texas
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Exhibit B – Schedule of Information Reported

The following information reported represents the detailed accounting of the City's impact fees in connection with the agreed-upon procedures applied to impact fee activity within the City of Pflugerville, Texas for the period in which the City began collecting impact fees which was, January 1, 2022, through July 31, 2025.

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1. Amount of Funds Collected from Impact Fees

Service Area	Period Covered	Total Amount Collected
A	FY22 - 07/31/25	$ 1,227,841.08
B	FY22 - 07/31/25	3,642,035.04
C	FY22 - 07/31/25	11,657,363.28
All Areas	**FY22 - 07/31/25**	**$16,527,239.40**

2. Amount of Interest Accumulated on Impact Fees

Service Area	Interest Earned FY 24	Interest Earned 10/1/24 – 07/31/25	Total Interest Earned FY22 – 7/31/2025
A	$ 36,774.94	$ 68,504.95	$ 105,279.89
B	118,255.16	134,529.81	252,784.97
C	317,459.05	432,517.19	749,976.24
All Areas	**$ 472,489.15**	**$ 635,551.95**	**$ 1,108,041.10**

3. Unspent Impact Fee Funds

Service Area	Total Collected	Total Interest Earned	Total Spent	Remaining Balance
A	$ 1,227,841.08	$ 105,279.89	$ 20,223.33	$ 1,312,897.64
B	3,642,035.04	252,784.97	20,223.33	3,874,596.68
C	11,657,363.28	749,976.24	223,742.47	12,183,597.05
All Areas	**$16,527,239.40**	**$ 1,108,041.10**	**$264,189.13**	**$ 17,371,091.37**

Exhibit B – Schedule of Information Reported (Continued)

4. Each Impact Fee Collected

Schedule 2, Table A – Effective January 1, 2021 through December 31, 2022 Roadway Impact Fee Collection Rate (Per Service Unit)		
Service Areas	**Residential**	**Non-Residential**
A	$1,192	$795
B	$1,192	$1,458
C	$1,192	$1,578

Schedule 2, Table B – Effective January 1, 2023 Roadway Impact Fee Collection Rate (Per Service Unit)		
Service Areas	**Residential**	**Non-Residential**
A	$1,590	$795
B	$1,590	$1,458
C	$1,590	$1,578

5. Allocation of Each Impact Fee

Service Area	Project / Facility	FY	Allocation Amount
A	Roadway Impact Fee Study/Support	2025	$ 20,223.33
	Total for Service Area A		**20,223.33**
B	Roadway Impact Fee Study/Support	2025	20,223.33
	Total for Service Area B		**20,223.33**
C	FM 685 NBSB Service Road @ Kelly Ln	2024	179,052.79
C	FM 685 NBSB Service Road @ Kelly Ln	2025	24,466.34
C	Roadway Impact Fee Study/Support	2025	20,223.34
	Total for Service Area C		**223,742.47**
	Total Fees Allocated to Date		**$ 264,189.13**

6. Waived Impact Fees – Affordable Housing (§ 395.016(g))

No such waivers were noted.

Exhibit B – Schedule of Information Reported (Continued)

7. Requested Refunds of Impact Fees (§ 395.025)

No such refund requests were noted.

8. Impact Fees Refunded (§ 395.025)

Refund Date	Recipient	Amount Refunded		Notes
12/31/2024	Taylor Morrison	$	33,867.00	Exempt due to Traffic Improvement Agreement
	Total Impact Fee Refunds	$	33,867.00	

9. Errors or Omissions of Credits in Impact Fee Calculations

None noted apart from Taylor Morrison reported in item 8.

City of Pflugerville, Texas
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Exhibit B – Schedule of Information Reported (Continued)

10. Proposed Capital Improvements or Facility Expansions Not Constructed

Impact Fee Project Name	Estimated Project Cost	Estimated Cost in Service Area A	Estimated Cost in Service Area B	Estimated Cost in Service Area C	Estimated Impact Fee Recoverable Cost	Status
Colorado Sand Dr (1)	$ 3,953,000	$ -	$ -	$ 3,953,000	$ 2,944,188	Completed
Heatherwilde Blvd At Cheyenne Valley Dr	228,159	228,159	-	-	75,195	Completed
Heatherwilde Blvd At New Meister Ln	254,474	254,474	-	-	83,868	Completed
Kelly Ln (1)	5,164,428	-	-	5,164,428	3,846,457	Completed
Kelly Ln (2)	2,066,572	-	-	1,033,286	769,590	Completed
Impact Fee Study	28,333	28,333	28,333	28,333	28,333	Ongoing
Update ITS and Traffic Management Infrastructure	2,974,924	991,641	991,641	991,641	326,819	Ongoing
Cameron Rd Realignment (1)	2,900,000	-	-	2,900,000	2,159,915	Developer Contracted
Immanuel Rd (1)	6,600,000	-	6,600,000	-	4,276,298	Bid Phase
Central Commerce Dr (1)	2,500,000	-	1,250,000	-	809,905	In Construction
Central Commerce Dr At Picadilly Dr	294,677	-	294,677	-	49,465	In Construction
E Pflugerville Pkwy (1)	23,100,000	-	-	23,100,000	17,204,842	In Construction
E Pflugerville Pkwy Extension (1)	4,642,000	-	-	2,321,000	1,728,677	In Construction
Picadilly Dr (1)	3,300,000	-	1,650,000	-	1,069,074	In Construction
Royston Ln (1)	3,700,000	-	3,700,000	-	2,397,319	In Construction
Fm 685 Nbfr/Sbfr At Kelly Ln	3,101,000	1,550,500	-	1,704,425	511,005	Design Complete
Fm 685 At E Pflugerville Pkwy	1,600,000	800,000	800,000	-	263,659	In Design
Fm 685 Nbfr/Sbfr At Copper Mine Dr	2,116,250	1,058,125	-	1,058,125	348,731	In Design
E Pecan St (1)	8,700,000	-	-	8,700,000	6,479,746	In Design
E Pfennig Ln (1)	11,000,000	-	11,000,000	-	7,127,163	In Design
E Pfennig Ln (2)	3,600,000	-	3,600,000	-	2,332,526	In Design
Fm 685 (1)	11,680,000	11,680,000	-	-	9,175,307	In Design
Fm 685 (2)	15,040,000	-	15,040,000	-	9,744,776	In Design
Fm 685 (3)	3,840,000	-	3,840,000	-	2,488,028	In Design
Kelly Ln (3)	7,900,000	-	-	3,950,000	2,941,953	In Design
Main St (1)	6,400,000	-	6,400,000	-	4,146,713	In Design
Melber Ln (1)	3,000,000	-	-	3,000,000	2,234,395	In Design

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Exhibit B – Schedule of Information Reported (Continued)

Impact Fee Project Name	Estimated Project Cost	Estimated Cost in Service Area A	Estimated Cost in Service Area B	Estimated Cost in Service Area C	Estimated Impact Fee Recoverable Cost	Status
Melber Ln (2)	1,800,000	-	-	900,000	670,319	In Design
Pfluger Farm Ln At Town Center Dr	1,500,000	1,500,000	-	-	494,361	In Design
Pfluger Farm Ln North (1)	4,000,000	4,000,000	-	-	3,142,228	In Design
Pfluger Farm Ln Phase B (1)	3,142,358	3,142,358	-	-	2,468,502	In Design
Town Center Dr (1)	300,000	300,000	-	-	235,667	In Design
Town Center Dr (2)	400,000	400,000	-	-	314,223	In Design
Weiss Ln (1)	708,264	-	-	354,132	263,757	In Design
Weiss Ln (2)	1,616,672	-	-	1,616,672	1,204,095	In Design
Weiss Ln (3)	5,304,328	-	-	2,652,164	1,975,327	In Design
Weiss Ln (4)	3,787,223	-	-	3,787,223	2,820,717	In Design
Weiss Ln (5)	8,800,000	-	-	4,400,000	3,277,113	In Design
Fm 685 Nbfr/Sbfr At Rowe Ln	8,681,000	4,340,500	-	4,340,500	1,430,516	Upcoming
Pfluger Farm Ln At E Pflugerville Pkwy	411,000	205,500	205,500	-	67,727	Upcoming
Sh 130 Ebfr/Wbfr At E Pecan St	8,000,000	-	4,000,000	4,000,000	671,445	Upcoming
Sh 130 Nbfr/Sbfr At E Pflugerville Pkwy	946,560	236,640	236,640	473,280	77,990	Upcoming
Biltmore Ave (1)	1,531,404	-	1,531,404	-	992,233	Upcoming
Biltmore Ave At E Pecan St	520,000	-	520,000	-	87,288	Upcoming
Cele Rd (1)	5,700,000	-	-	2,850,000	2,122,675	Upcoming
Cele Rd (2)	2,000,000	-	-	1,000,000	744,798	Upcoming
Cele Rd (3)	2,600,000	-	-	2,600,000	1,936,476	Upcoming
Cele Rd (4)	2,300,000	-	-	1,150,000	856,518	Upcoming
Colorado Sand Dr At Lone Star Ranch Blvd	1,500,000	-	-	1,500,000	769,833	Upcoming
Copper Mine Dr At Colorado Sand Dr	411,000	-	-	411,000	210,934	Upcoming
E Black Locust Dr At W Pfennig Ln	1,500,000	-	1,500,000	-	251,792	Upcoming
E Of Heatherwilde At Sh 45 Ebfr	4,000,000	4,000,000	-	-	1,318,296	Upcoming
E Of Heatherwilde At Sh 45 Wbfr	4,000,000	4,000,000	-	-	1,318,296	Upcoming
E Pfennig Ln At E Pecan St	411,000	-	411,000	-	68,991	Upcoming
E Wells Branch Pkwy At E Pfennig Ln	353,000	-	353,000	-	59,255	Upcoming
Edgemere Dr At Grand Avenue Pkwy	294,677	-	294,677	-	49,465	Upcoming

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Exhibit B – Schedule of Information Reported (Continued)

Impact Fee Project Name	Estimated Project Cost	Estimated Cost in Service Area A	Estimated Cost in Service Area B	Estimated Cost in Service Area C	Estimated Impact Fee Recoverable Cost	Status
Fm 685 At E Pecan St	1,145,000	-	1,145,000	-	192,201	Upcoming
Grand Avenue Pkwy At W Black Locus Dr	228,159	-	228,159	-	38,299	Upcoming
Heatherwilde Blvd At Rowe Ln (Future)	353,000	353,000	-	-	116,340	Upcoming
Heatherwilde Blvd At W Black Locust Dr	190,941	-	190,941	-	32,052	Upcoming
Heatherwilde Blvd At W Pecan St	2,017,370	-	2,017,370	-	338,638	Upcoming
Heatherwilde Blvd At W Pfennig Ln	190,941	-	190,941	-	32,052	Upcoming
Heatherwilde Widening (1)	8,091,243	8,091,243	-	-	6,356,133	Upcoming
Helios Way West (1)	659,728	-	659,728	-	427,454	Upcoming
Hidden Lake Dr (1)	3,200,000	-	-	3,200,000	2,383,355	Upcoming
Hidden Lake Dr At E Pflugerville Pkwy	353,000	-	-	353,000	181,167	Upcoming
Hodde Ln At Cele Rd	2,000,000	-	-	500,000	256,611	Upcoming
Immanuel Rd At E Wells Branch Pkwy	411,000	-	411,000	-	68,991	Upcoming
Impact Way Extension (1)	6,460,000	-	6,460,000	-	4,185,589	Upcoming
Jakes Hill Rd At Kelly Ln	411,000	-	-	205,500	105,467	Upcoming
Kenny Fort Blvd (1)	1,800,000	900,000	-	-	707,001	Upcoming
Kenny Fort Blvd (2)	2,600,000	2,600,000	-	-	2,042,448	Upcoming
Old Austin-Hutto Rd (1)	3,989,000	-	3,989,000	-	2,584,569	Upcoming
Old Austin-Hutto Rd At E Pfennig Ln	1,500,000	-	1,500,000	-	251,792	Upcoming
Old Austin-Hutto Rd Ext At Old Austin-Hutto Rd	1,500,000	-	1,500,000	-	251,792	Upcoming
Old Austin-Hutto Rd Extension (1)	8,300,000	-	8,300,000	-	5,377,769	Upcoming
Rowe Ln (1)	5,500,000	-	-	2,750,000	2,048,195	Upcoming
Rowe Ln Extension (1)	13,800,000	13,800,000	-	-	10,840,688	Upcoming
Rowe Ln Extension (2)	1,100,000	1,100,000	-	-	864,113	Upcoming
Schultz Ln (1)	2,860,000	2,860,000	-	-	2,246,693	Upcoming
Sh 130 At Cr 138	1,600,000	-	-	400,000	205,289	Upcoming
Sh 130 Nbfr At S Of Fm 685	4,000,000	-	-	4,000,000	2,052,888	Upcoming
Sh 130 Sbfr At S Of Fm 685	4,000,000	4,000,000	-	-	1,318,296	Upcoming
Sh 45 Frontage Roads (1)	4,850,896	4,850,896	-	-	3,810,656	Upcoming
Sh 45 Frontage Roads (2)	4,149,104	4,149,104	-	-	3,259,358	Upcoming

Exhibit B – Schedule of Information Reported (Continued)

Impact Fee Project Name	Estimated Project Cost	Estimated Cost in Service Area A	Estimated Cost in Service Area B	Estimated Cost in Service Area C	Estimated Impact Fee Recoverable Cost	Status
Speidel Dr At Rowe Ln	353,000	-	-	353,000	181,167	Upcoming
Sun Light Near Way Extension (1)	1,283,771	-	1,283,771	-	831,786	Upcoming
Terrell Ln Extension (1)	6,500,000	6,500,000	-	-	5,106,121	Upcoming
W Pfennig Ln (1)	2,192,517	-	2,192,517	-	1,420,584	Upcoming
Weiss Ln At Hidden Lake Crossing	480,600	-	-	120,150	61,664	Upcoming
Weiss Ln At Pleasanton Pkwy	411,000	-	-	411,000	210,934	Upcoming
Wilke Ridge Ln (1)	2,100,000	2,100,000	-	-	1,649,670	Upcoming
	$ 316,783,573	**$ 90,020,473**	**$ 94,315,299**	**$ 102,231,859**	**$ 177,502,606**	

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