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# **Fort Bend County Municipal Utility District No. 94, of Fort Bend County, Texas**

## **Independent Auditor's Report and Financial Statements**

December 31, 2023

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**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Contents  
December 31, 2023**

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## Independent Auditor's Report

Board of Directors  
Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas

### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of Fort Bend County Municipal Utility District No. 94, of Fort Bend County, Texas (the District), as of and for the year ended December 31, 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.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of December 31, 2023, and the respective changes in financial position thereof 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 (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 budgetary comparison schedule, as listed in the table of contents, 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 accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents 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. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**FORVIS, LLP**

**Houston, Texas  
May 13, 2024**

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Management's Discussion and Analysis  
December 31, 2023**

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***Overview of the Financial Statements***

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to financial statements. This report also contains supplementary information required by the Governmental Accounting Standards Board and by the District's state oversight agency, the Texas Commission on Environmental Quality (the Commission).

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, sanitary sewer and drainage services. Other activities, such as the provision of recreation facilities and solid waste collection, are minor activities and are not budgeted or accounted for as separate programs. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented on the left side of the statements, a column for adjustments is to the right of the fund financial statements and the government-wide financial statements are presented to the right side of the adjustments column. The following sections describe the measurement focus of the two types of statements and the significant differences in the information they provide.

***Government-Wide Financial Statements***

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the statement of net position and statement of activities, which are prepared using accounting principles that are similar to commercial enterprises. The purpose of the statement of net position is to attempt to report all of the assets, liabilities, and deferred inflows and outflows of resources of the District. The District reports all of its assets when it acquires or begins to maintain the assets and reports all of its liabilities when they are incurred.

The difference between the District's assets, liabilities, and deferred inflows and outflows of resources is labeled as net position and this difference is similar to the total stockholders' equity presented by a commercial enterprise.

The purpose of the statement of activities is to present the revenues and expenses of the District. Again, the items presented on the statement of activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied and expenses are reported when incurred by the District. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues are reported even when they may not be collected for several months or years after the end of the accounting period and expenses are recorded even though they may not have used cash during the current year.

Although the statement of activities looks different from a commercial enterprise's statement of income, the financial statement is different only in format, not substance. Whereas the bottom line in a commercial enterprise is its net income, the District reports an amount described as change in net position, essentially the same thing.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Management's Discussion and Analysis (Continued)  
December 31, 2023**

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***Fund Financial Statements***

Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the District rather than the District as a whole. Except for the general fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

***Governmental Funds***

Governmental-fund financial statements consist of a balance sheet and a statement of revenues, expenditures and changes in fund balances and are prepared on an accounting basis that is significantly different from that used to prepare the government-wide financial statements.

In general, these financial statements have a short-term emphasis and, for the most part, measure and account for cash and other assets that can easily be converted into cash. For example, amounts reported on the balance sheet include items such as cash and receivables collectible within a very short period of time, but do not include capital assets such as land and water, sewer and drainage systems. Fund liabilities include amounts that are to be paid within a very short period after the end of the fiscal year. The difference between a fund's assets, liabilities, and deferred inflows and outflows of resources is labeled the fund balance and generally indicates the amount that can be used to finance the next fiscal year's activities. Likewise, the operating statement for governmental funds reports only those revenues and expenditures that were collected in cash or paid with cash, respectively, during the current period or very shortly after the end of the fiscal year.

Because the focus of the government-wide and fund financial statements is different, there are significant differences between the totals presented in these financial statements. For this reason, there is an analysis in the notes to financial statements that describes the adjustments to fund balances to arrive at net position presented in the governmental activities column on the statement of net position. Also, there is an analysis in the notes to financial statements that reconciles the total change in fund balances for all governmental funds to the change in net position, as reported in the governmental activities column in the statement of activities.

***Notes to Financial Statements***

The notes to financial statements provide additional information that is essential to a full understanding of the data found in the government-wide and fund financial statements.

***Financial Analysis of the District as a Whole***

The District's overall financial position and activities for the past two years are summarized as follows, based on the information included in the government-wide financial statements.

**Summary of Net Position**

	<b>2023</b>	<b>2022</b>
Current and other assets	\$ 1,385,707	\$ 1,340,087
Deferred outflows of resources	80,001	97,967
Total assets and deferred outflows of resources	<u>\$ 1,465,708</u>	<u>\$ 1,438,054</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Management's Discussion and Analysis (Continued)  
December 31, 2023**

**Summary of Net Position (Continued)**

	<b>2023</b>	<b>2022</b>
Long-term liabilities	\$ 2,924,370	\$ 3,363,582
Other liabilities	69,866	54,991
Total liabilities	<u>2,994,236</u>	<u>3,418,573</u>
Deferred inflows of resources	<u>616,904</u>	<u>622,918</u>
Net position:		
Restricted	472,384	490,536
Unrestricted	<u>(2,617,816)</u>	<u>(3,093,973)</u>
Total net position	<u>\$ (2,145,432)</u>	<u>\$ (2,603,437)</u>

The total net position of the District increased by \$458,005, or about 18%. The majority of the increase in net position is related to property tax revenues intended to pay principal on the District's bonded indebtedness, which is shown as long-term liabilities in the government-wide financial statements.

As of December 31, 2023, unrestricted net position was \$(2,617,816). This amount was negative because pursuant to a contract between the District and the City of Rosenberg, Texas (the City), all water, sanitary sewer and drainage facilities purchased or constructed by the District or its developers are conveyed to the City or another entity for operation and maintenance.

**Summary of Changes in Net Position**

	<b>2023</b>	<b>2022</b>
Revenues:		
Property taxes	\$ 622,505	\$ 585,805
Other revenues	47,958	18,538
Total revenues	<u>670,463</u>	<u>604,343</u>
Expenses:		
Services	107,171	125,836
Debt service	105,287	120,910
Total expenses	<u>212,458</u>	<u>246,746</u>
Change in net position	458,005	357,597
Net position, beginning of year	<u>(2,603,437)</u>	<u>(2,961,034)</u>
Net position, end of year	<u>\$ (2,145,432)</u>	<u>\$ (2,603,437)</u>



**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Management's Discussion and Analysis (Continued)  
December 31, 2023**

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**Financial Analysis of the District's Funds**

The District's combined fund balances as of the end of the fiscal year ended December 31, 2023, were \$696,254, an increase of \$35,271 from the prior year.

The general fund's fund balance increased by \$54,964. The increase was due to property tax revenues and investment income being greater than service operations expenditures.

The debt service fund's fund balance decreased by \$19,693, due to bond principal and interest requirements being greater than property tax revenues generated.

**General Fund Budgetary Highlights**

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax revenues and professional fees expenditures being lower than anticipated. The fund balance as of December 31, 2023, was expected to be \$213,526 and the actual end-of-year fund balance was \$223,330.

**Capital Assets and Related Debt**

**Capital Assets**

The District has conveyed title of its capital assets to the City or another entity for operation and maintenance. As such, the District reports no capital assets.

**Debt**

The changes in the debt position of the District during the fiscal year ended December 31, 2023, are summarized as follows:

Long-term debt payable, beginning of year	\$ 3,363,582
Decreases in long-term debt	<u>(439,212)</u>
Long-term debt payable, end of year	<u>\$ 2,924,370</u>

At December 31, 2023, the District had \$1,125,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District.

The District's bonds carry an underlying rating of "BBB+" from Standard & Poor's. The Series 2012 refunding bonds carry a "AA" rating from Standard & Poor's by virtue of bond insurance issued by Assured Guaranty Municipal Corp., and the Series 2016 refunding bonds carry a "AA" rating from Standard & Poor's by virtue of bond insurance issued by Build America Mutual Assurance Company.

**Other Relevant Factors**

**Relationship to the City of Rosenberg**

On December 2, 1986 (amended December 7, 1993, supplemented June 17, 2008, and further amended August 29, 2013), the District and the City entered into contracts which are effective until 2029. Under the terms of the contracts, the District is to pay for construction of water distribution, sanitary sewer and drainage facilities to serve the District. The District shall be the owner of the system until the system is completed and approved by the City, at which time ownership of the system will vest in the City; however, the District shall have a security interest therein until bonds issued by the District pursuant to the contract are retired.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Management's Discussion and Analysis (Continued)  
December 31, 2023**

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During the terms of the contracts, the City is obligated to maintain and operate the system in good working condition and to provide service to users within the District. The City will fix rates and charges for customers in the District equal and uniform to the rates charged other similar users within the City. After the system is complete, all revenue from the system shall belong to the City.

Prior to amendment, because the District had previously issued bonds, the City was obligated to pay the District a sum of money representing a rebate of ad valorem taxes and water and sewer revenues. The amount due was calculated by a formula devised to benefit both residents of the District and of the City, so that no residents paid for services that did not benefit them. The amendment dated August 29, 2013, included a provision that provided the District a one-time payment to satisfy the past and expected future amounts due under the contracts. The City made said payment prior to the end of fiscal year December 31, 2013, and no rebates will be paid by the City in future years.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Statement of Net Position and Governmental Funds Balance Sheet  
December 31, 2023**

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
<b>Assets</b>					
Cash	\$ 6,678	\$ 174,980	\$ 181,658	\$ -	\$ 181,658
Certificates of deposit	100,000	-	100,000	-	100,000
Short-term investments	139,520	522,629	662,149	-	662,149
Property taxes receivable	73,860	346,142	420,002	-	420,002
Accrued penalty and interest	-	-	-	18,857	18,857
Accrued interest	3,041	-	3,041	-	3,041
Interfund receivable	27,734	-	27,734	(27,734)	-
	<u>350,833</u>	<u>1,043,751</u>	<u>1,394,584</u>	<u>(8,877)</u>	<u>1,385,707</u>
<b>Deferred Outflows of Resources</b>					
Deferred amounts on debt refundings	<u>0</u>	<u>0</u>	<u>0</u>	<u>80,001</u>	<u>80,001</u>
	<u>350,833</u>	<u>1,043,751</u>	<u>1,394,584</u>	<u>71,124</u>	<u>1,465,708</u>
Total assets and deferred outflows of resources	<u>\$ 350,833</u>	<u>\$ 1,043,751</u>	<u>\$ 1,394,584</u>	<u>\$ 71,124</u>	<u>\$ 1,465,708</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Statement of Net Position and Governmental Funds Balance Sheet (Continued)  
December 31, 2023**

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
<b>Liabilities</b>					
Accounts payable	\$ 15,414	\$ 18,552	\$ 33,966	\$ -	\$ 33,966
Accrued interest payable	-	-	-	35,900	35,900
Interfund payable	-	27,734	27,734	(27,734)	-
Long-term liabilities:					
Due within one year	-	-	-	435,000	435,000
Due after one year	-	-	-	2,489,370	2,489,370
Total liabilities	<u>15,414</u>	<u>46,286</u>	<u>61,700</u>	<u>2,932,536</u>	<u>2,994,236</u>
<b>Deferred Inflows of Resources</b>					
Deferred property tax revenues	<u>112,089</u>	<u>524,541</u>	<u>636,630</u>	<u>(19,726)</u>	<u>616,904</u>
<b>Fund Balances/Net Position</b>					
Fund balances:					
Restricted, unlimited tax bonds	-	472,924	472,924	(472,924)	-
Unassigned	<u>223,330</u>	<u>-</u>	<u>223,330</u>	<u>(223,330)</u>	<u>-</u>
Total fund balances	<u>223,330</u>	<u>472,924</u>	<u>696,254</u>	<u>(696,254)</u>	<u>0</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 350,833</u>	<u>\$ 1,043,751</u>	<u>\$ 1,394,584</u>		
<b>Net position:</b>					
Restricted for debt service				472,384	472,384
Unrestricted				<u>(2,617,816)</u>	<u>(2,617,816)</u>
Total net position				<u>\$ (2,145,432)</u>	<u>\$ (2,145,432)</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Statement of Activities and Governmental Funds Revenues,  
Expenditures and Changes in Fund Balances  
Year Ended December 31, 2023**

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Activities
<b>Revenues</b>					
Property taxes	\$ 124,273	\$ 501,460	\$ 625,733	\$ (3,228)	\$ 622,505
Penalty and interest	-	9,720	9,720	(451)	9,269
Investment income	12,608	26,081	38,689	-	38,689
	<u>136,881</u>	<u>537,261</u>	<u>674,142</u>	<u>(3,679)</u>	<u>670,463</u>
<b>Total revenues</b>					
<b>Expenditures/Expenses</b>					
Service operations:					
Professional fees	55,123	2,543	57,666	-	57,666
Contracted services	15,315	14,597	29,912	-	29,912
Other expenditures	11,479	8,114	19,593	-	19,593
Debt service:					
Principal retirement	-	415,000	415,000	(415,000)	-
Interest and fees	-	116,700	116,700	(11,413)	105,287
	<u>81,917</u>	<u>556,954</u>	<u>638,871</u>	<u>(426,413)</u>	<u>212,458</u>
<b>Total expenditures/expenses</b>					
<b>Excess (Deficiency) of Revenues Over Expenditures</b>					
	54,964	(19,693)	35,271	(35,271)	
<b>Change in Net Position</b>					
				458,005	458,005
<b>Fund Balances/Net Position</b>					
Beginning of year	168,366	492,617	660,983	-	(2,603,437)
End of year	<u>\$ 223,330</u>	<u>\$ 472,924</u>	<u>\$ 696,254</u>	<u>\$ 0</u>	<u>\$ (2,145,432)</u>

## **Note 1. Nature of Operations and Summary of Significant Accounting Policies**

Fort Bend County Municipal Utility District No. 94, of Fort Bend County, Texas (the District) was created by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (the Commission), effective January 8, 1986, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance and construct waterworks, wastewater and drainage facilities for conveyance to the City of Rosenberg (the City) for ownership and operation.

The District does not own drainage, water production and distribution, or wastewater collection and treatment facilities. Pursuant to the agreement described in Note 6, the District has contracted with the City, for the purchase of water and the treatment of wastewater.

The District is governed by a Board of Directors (the Board) consisting of five individuals who are residents or owners of property within the District and are elected by voters within the District. The Board sets the policies of the District. The accounting and reporting policies of the District conform to accounting principles generally accepted in the United States of America for state and local governments, as defined by the Governmental Accounting Standards Board. The following is a summary of the significant accounting and reporting policies of the District:

### ***Reporting Entity***

The accompanying government-wide financial statements present the financial statements of the District. There are no component units that are legally separate entities for which the District is considered to be financially accountable. Accountability is defined as the District's substantive appointment of the voting majority of the component unit's governing board. Furthermore, to be financially accountable, the District must be able to impose its will upon the component unit or there must be a possibility that the component unit may provide specific financial benefits to, or impose specific financial burdens on, the District.

### ***Government-Wide and Fund Financial Statements***

In accordance with required reporting standards, the District reports its financial activities as a special-purpose government. Special-purpose governments are governmental entities which engage in a single governmental program, such as the provision of water, wastewater, drainage and other related services. The financial statements of special-purpose governments combine two types of financial statements into one statement. These two types of financial statements are the government-wide financial statements and the fund financial statements. The fund financial statements are presented with a column for adjustments to convert to the government-wide financial statements.

The government-wide financial statements report information on all of the activities of the District. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities generally are financed through taxes, charges for services and intergovernmental revenues. The statement of activities reflects the revenues and expenses of the District.

The fund financial statements provide information about the District's governmental funds. Separate statements for each governmental fund are presented. The emphasis of fund financial statements is directed to specific activities of the District.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Notes to Financial Statements  
December 31, 2023**

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The District presents the following major governmental funds:

*General Fund* – The general fund is the primary operating fund of the District which accounts for all financial resources not accounted for in another fund. Revenues are derived primarily from property taxes, charges for services and interest income.

*Debt Service Fund* – The debt service fund is used to account for financial resources that are restricted, committed or assigned to expenditures for principal and interest related costs, as well as the financial resources being accumulated for future debt service.

***Fund Balances – Governmental Funds***

The fund balances for the District's governmental funds can be displayed in up to five components:

*Nonspendable* – Amounts that are not in a spendable form or are required to be maintained intact.

*Restricted* – Amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

*Committed* – Amounts that can be used only for the specific purposes determined by resolution of the Board. Commitments may be changed or lifted only by issuance of a resolution by the District's Board.

*Assigned* – Amounts intended to be used by the District for specific purposes as determined by management. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

*Unassigned* – The residual classification for the general fund and includes all amounts not contained in the other classifications.

The District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District applies committed amounts first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

***Measurement Focus and Basis of Accounting***

***Government-Wide Financial Statements***

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows.

Nonexchange transactions, in which the District receives (or gives) value without directly giving (or receiving) equal value in exchange, include property taxes and donations. Recognition standards are based on the characteristics and classes of nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes are levied. Donations are recognized as revenues, net of estimated uncollectible amounts, as soon as all eligibility requirements imposed by the provider have been met. Amounts received before all eligibility requirements have been met are reported as liabilities. Intergovernmental revenues are recognized as revenues, net of estimated refunds and uncollectible amounts, in the accounting period when an enforceable legal claim to the assets arises and the use of resources is required or is first permitted.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Notes to Financial Statements  
December 31, 2023**

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***Fund Financial Statements***

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

***Deferred Outflows and Inflows of Resources***

A deferred outflow of resources is a consumption of net position that is applicable to a future reporting period and a deferred inflow of resources is an acquisition of net position that is applicable to a future reporting period.

***Interfund Transactions***

Transfers from one fund to another fund are reported as interfund receivables and payables if there is intent to repay the amount and if there is the ability to repay the advance on a timely basis. Transfers represent legally authorized transfers from the fund receiving resources to the fund through which the resources are to be expended.

***Pension Costs***

The District does not participate in a pension plan and, therefore, has no pension costs.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and deferred inflows and outflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

***Investments and Investment Income***

Investments in certificates of deposit, mutual funds, U.S. Government and agency securities, and certain pooled funds, which have a remaining maturity of one year or less at the date of purchase, are recorded at amortized cost. All other investments are carried at fair value. Fair value is determined using quoted market values.

Investment income includes dividends and interest income and the net change for the year in the fair value of investments carried at fair value. Investment income is credited to the fund in which the investment is recorded.

***Property Taxes***

An appraisal district annually prepares appraisal records listing all property within the District and the appraised value of each parcel or item as of January 1. Additionally, on January 1, a tax lien attaches to property to secure the payment of all taxes, penalty and interest ultimately imposed for the year on the property. After the District receives its certified appraisal roll from the appraisal district, the rate of taxation is set by the Board of the District based upon the aggregate appraisal value. Taxes are due and payable October 1 or when billed, whichever is later, and become delinquent after January 31 of the following year.



**Fort Bend County Municipal Utility District No. 94,  
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In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Any collections on the current year tax levy are deferred and recognized in the subsequent fiscal year. Current year revenues recognized are those taxes collected during the fiscal year for prior years' tax levies, plus any collections received during fiscal 2022 on the 2022 levy.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended December 31, 2023, the tax levied in October 2023 is recorded as receivable and deferred inflows of resources and will be considered earned during the fiscal year ended December 31, 2024. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

***Capital Assets***

The District has conveyed title of its capital assets to the City or another entity for operation and maintenance. As such, the District reports no capital assets.

***Deferred Amount on Debt Refundings***

In the government-wide financial statements, the difference between the reacquisition price and the net carrying amount of the old debt in a debt refunding is deferred and amortized to interest expense using the effective interest rate method over the remaining life of the old debt or the life of the new debt, whichever is shorter. Such amounts are classified as deferred outflows or inflows of resources.

***Debt Issuance Costs***

Debt issuance costs, other than prepaid insurance, do not meet the definition of an asset or deferred outflows of resources since the costs are not applicable to a future period and, therefore, are recognized as an expense/expenditure in the period incurred.

***Long-Term Obligations***

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Premiums and discounts on bonds are recognized as a component of long-term liabilities and amortized over the life of the related debt using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount.

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

***Net Position/Fund Balances***

Fund balances and net position are reported as restricted when constraints placed on them are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or are imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, generally, it is the District's policy to use restricted resources first.

The components of unrestricted net position as of December 31, 2023, are as follows.

**Fort Bend County Municipal Utility District No. 94,  
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Notes to Financial Statements  
December 31, 2023**

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General fund, unrestricted fund balance, including deferred taxes	\$ 226,553
Long-term debt in excess of capital assets	<u>(2,844,369)</u>
Total	<u><u>\$ (2,617,816)</u></u>

The District has financed water, sewer and drainage facilities, which have been conveyed to the City pursuant to a contract between the District and the City. As such, the District reports no capital assets, resulting in long-term debt in excess of capital assets.

***Reconciliation of Government-Wide and Fund Financial Statements***

Amounts reported for net position of governmental activities in the statement of net position and fund balances in the governmental funds balance sheet are different because:

Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	\$ 19,726
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.	18,857
Deferred amount on debt refundings for governmental activities are not financial resources and are not reported in the funds.	80,001
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.	(35,900)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.	<u>(2,924,370)</u>
Adjustment to fund balances to arrive at net position.	<u><u>\$ (2,841,686)</u></u>

Amounts reported for change in net position of governmental activities in the statement of activities are different from change in fund balances in the governmental funds statement of revenues, expenditures and changes in fund balances because:

Change in fund balances.	\$ 35,271
Governmental funds report principal payments on debt as expenditures. For the statement of activities, these transactions do not have any effect on net position.	415,000

**Fort Bend County Municipal Utility District No. 94,  
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Notes to Financial Statements  
December 31, 2023**

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Revenues collected in the current period that have previously been reported in the statement of activities are reported as revenues for the governmental funds.	\$ (3,679)
Some expenses previously reported in the statement of activities are not reported as expenditures in governmental funds.	<u>11,413</u>
Change in net position of governmental activities.	<u>\$ 458,005</u>

**Note 2. Deposits, Investments and Investment Income**

***Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; a surety bond; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities of the State of Texas; or certain collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States.

As of December 31, 2023, none of the District's bank balances were exposed to custodial credit risk.

***Investments***

The District may legally invest in obligations of the United States or its agencies and instrumentalities, direct obligations of Texas or its agencies or instrumentalities, collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, other obligations guaranteed as to principal and interest by the State of Texas or the United States or their agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, obligations of states, agencies and counties and other political subdivisions with an investment rating not less than "A," insured or collateralized certificates of deposit, and certain bankers' acceptances, repurchase agreements, mutual funds, commercial paper, guaranteed investment contracts and investment pools.

The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in Texas CLASS, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Trustees, elected by the participants, has oversight of Texas CLASS. The District's investments may be redeemed at any time. Texas CLASS attempts to minimize its exposure to market and credit risk through the use of various strategies and credit monitoring techniques and limits its investments in any issuer to the top two ratings issued by nationally recognized statistical rating organizations. The District's investments in Texas CLASS are reported at net asset value.

At December 31, 2023, the District had the following investments and maturities.

**Fort Bend County Municipal Utility District No. 94,  
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Notes to Financial Statements  
December 31, 2023**

Type	Maturities in Years				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
Texas CLASS	\$ 662,149	\$ 662,149	\$ 0	\$ 0	\$ 0

**Interest Rate Risk.** As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy does not allow investments in certain mortgage-backed securities, collateralized mortgage obligations with a final maturity date in excess of 10 years and interest rate indexed collateralized mortgage obligations. The external investment pool is presented as an investment with a maturity of less than one year because it is redeemable in full immediately.

**Credit Risk.** Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2023, the District's investments in Texas CLASS were rated "AAAm" by Standard & Poor's.

**Summary of Carrying Values**

The carrying values of deposits and investments shown previously are included in the balance sheet at December 31, 2023, as follows:

Carrying value:	
Deposits	\$ 281,658
Investments	<u>662,149</u>
Total	<u>\$ 943,807</u>

Included in the following statement of net position captions:

Cash	\$ 181,658
Certificates of deposit	100,000
Short-term investments	<u>662,149</u>
Total	<u>\$ 943,807</u>

**Investment Income**

Investment income of \$38,689 for the year ended December 31, 2023, consisted of interest income.

**Fair Value Measurements**

The District has the following recurring fair value measurements as of December 31, 2023:

- Pooled investments of \$662,149 are valued at fair value per share of the pool's underlying portfolio.

**Note 3. Long-Term Liabilities**

Changes in long-term liabilities for the year ended December 31, 2023, were as follows.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Notes to Financial Statements  
December 31, 2023**

<b>Governmental Activities</b>	<b>Balances, Beginning of Year</b>	<b>Decreases</b>	<b>Balances, End of Year</b>	<b>Amounts Due in One Year</b>
Bonds payable:				
General obligation bonds	\$ 3,225,000	\$ 415,000	\$ 2,810,000	\$ 435,000
Add premiums on bonds	138,582	24,212	114,370	-
Total governmental activities long-term liabilities	<u>\$ 3,363,582</u>	<u>\$ 439,212</u>	<u>\$ 2,924,370</u>	<u>\$ 435,000</u>

**General Obligation Bonds**

	<b>Refunding Series 2012</b>	<b>Refunding Series 2016</b>
Amounts outstanding, December 31, 2023	\$780,000	\$2,030,000
Interest rates	3.375% to 4.000%	2.00% to 4.00%
Maturity dates, serially beginning/ending	March 1, 2024/2025	March 1, 2024/2029
Interest payment dates	March 1/ September 1	March 1/ September 1
Callable dates*	March 1, 2020	March 1, 2023

\*Or any date thereafter; callable at par plus accrued interest to the date of redemption.

**Annual Debt Service Requirements**

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at December 31, 2023:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024	\$ 435,000	\$ 99,550	\$ 534,550
2025	455,000	84,100	539,100
2026	460,000	67,600	527,600
2027	485,000	48,700	533,700
2028	510,000	28,800	538,800
2029	465,000	9,300	474,300
Total	<u>\$ 2,810,000</u>	<u>\$ 338,050</u>	<u>\$ 3,148,050</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Notes to Financial Statements  
December 31, 2023**

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The bonds are payable from the proceeds of an ad valorem tax levied upon all property within the District subject to taxation, without limitation as to rate or amount.

Bonds voted	\$ 9,770,000
Bonds sold	8,645,000
Refunding bonds sold	6,855,000

The District has issued \$6,855,000 of refunding bonds pursuant to the Texas Government Code. The District has not held an election to vote bonds for refunding purposes.

**Note 4. Significant Bond Order and Commission Requirements**

The Bond Orders require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended December 31, 2023, the District levied an ad valorem debt service tax at the rate of \$0.2800 per \$100 of assessed valuation, which resulted in a tax levy of \$508,039 on the taxable valuation of \$181,442,252 for the 2023 tax year. The interest and principal requirements to be paid from the tax revenues and existing resources are \$534,550.

**Note 5. Maintenance Taxes**

At an election held May 7, 1994, voters authorized a maintenance tax not to exceed \$1.00 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended December 31, 2023, the District levied an ad valorem maintenance tax at the rate of \$0.0600 per \$100 of assessed valuation, which resulted in a tax levy of \$108,865 on the taxable valuation of \$181,442,252 for the 2022 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

**Note 6. Contracts With Other Governmental Agency**

On December 2, 1986 (amended December 7, 1993, supplemented June 17, 2008, and further amended August 29, 2013), the District and the City entered into contracts which are effective until 2029. Under the terms of the contracts, the District is to pay for construction of water distribution, sanitary sewer and drainage facilities to serve the District. The District shall be the owner of the system until the system is completed and approved by the City, at which time ownership of the system will vest in the City; however, the District shall have a security interest therein until bonds issued by the District pursuant to the contracts are retired.

During the terms of the contracts, the City is obligated to maintain and operate the system in good working condition and to provide service to users within the District. The City will fix rates and charges for customers in the District equal and uniform to the rates charged other similar users within the City. After the system is completed, all revenue from the system shall belong to the City.

Prior to amendment, because the District had previously issued bonds, the City was obligated to pay the District a sum of money representing a rebate of ad valorem taxes and water and sewer revenues. The amount due was calculated by a formula devised to benefit both residents of the District and of the City so that no residents paid for services that did not benefit them. The amendment dated August 29, 2013, included a provision that provided the District a one-time payment of \$94,556 to satisfy the past and expected future amounts due under the contracts. The City made said payment prior to the end of fiscal year December 31, 2013, and no rebates will be paid by the City in future years.

**Note 7. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts in the past three fiscal years.

***Required Supplementary Information***



**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Budgetary Comparison Schedule – General Fund  
Year Ended December 31, 2023**

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	<b>Original Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>
<b>Revenues</b>			
Property taxes	\$ 138,800	\$ 124,273	\$ (14,527)
Investment income	5,550	12,608	7,058
	<hr/>	<hr/>	<hr/>
Total revenues	144,350	136,881	(7,469)
	<hr/>	<hr/>	<hr/>
<b>Expenditures</b>			
Service operations:			
Professional fees	63,500	55,123	8,377
Contracted services	22,500	15,315	7,185
Other expenditures	13,190	11,479	1,711
	<hr/>	<hr/>	<hr/>
Total expenditures	99,190	81,917	17,273
	<hr/>	<hr/>	<hr/>
<b>Excess of Revenues Over Expenditures</b>	45,160	54,964	9,804
<b>Fund Balance, Beginning of Year</b>	168,366	168,366	-
	<hr/>	<hr/>	<hr/>
<b>Fund Balance, End of Year</b>	<u>\$ 213,526</u>	<u>\$ 223,330</u>	<u>\$ 9,804</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Notes to Required Supplementary Information**

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***Budgets and Budgetary Accounting***

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board of Directors is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during 2023.

The District prepares its annual operating budget on a basis consistent with accounting principles generally accepted in the United States of America. The Budgetary Comparison Schedule – General Fund presents the original and revised budget amounts, if revised, compared to the actual amounts of revenues and expenditures for the current year.

***Supplementary Information***

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Other Schedules Included Within This Report**

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

- [X] Notes Required by the Water District Accounting Manual  
See "Notes to Financial Statements," Pages 12-21
- [X] Schedule of Services and Rates
- [X] Schedule of General Fund Expenditures
- [X] Schedule of Temporary Investments
- [X] Analysis of Taxes Levied and Receivable
- [X] Schedule of Long-Term Debt Service Requirements by Years
- [X] Changes in Long-Term Bonded Debt
- [X] Comparative Schedule of Revenues and Expenditures – General Fund and Debt Service Fund –  
Five Years
- [X] Board Members, Key Personnel and Consultants

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of Services and Rates  
Year Ended December 31, 2023**

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1. Services provided by the District:

- |   |   |                                     |
|---|---|-------------------------------------|
| <input type="checkbox"/> Retail Water   | <input type="checkbox"/> Wholesale Water      | <input type="checkbox"/> Drainage   |
| <input type="checkbox"/> Retail Wastewater  | <input type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation   | <input type="checkbox"/> Fire Protection      | <input type="checkbox"/> Security   |
| <input type="checkbox"/> Solid Waste/Garbage  | <input type="checkbox"/> Flood Control        | <input type="checkbox"/> Roads      |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |   |                                     |
| <input checked="" type="checkbox"/> Other <u>Water, sewer and drainage is provided by the City of Rosenberg.</u>                      |   |                                     |
-

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of General Fund Expenditures  
Year Ended December 31, 2023**

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<b>Personnel (including benefits)</b>		\$	-
<b>Professional Fees</b>			
Auditing	18,100		
Legal	21,832		
Engineering	15,191		
Financial advisor	-		55,123
			<hr/>
<b>Purchased Services for Resale</b>			
Bulk water and wastewater service purchases			-
<b>Regional Water Fee</b>			-
<b>Contracted Services</b>			
Bookkeeping	15,315		
General manager	-		
Appraisal district	-		
Tax collector	-		
Security	-		
Other contracted services	-		15,315
			<hr/>
<b>Utilities</b>			-
<b>Repairs and Maintenance</b>			-
<b>Administrative Expenditures</b>			
Directors' fees	2,739		
Office supplies	501		
Insurance	4,866		
Other administrative expenditures	3,373		11,479
			<hr/>
<b>Capital Outlay</b>			
Capitalized assets	-		
Expenditures not capitalized	-		-
			<hr/>
<b>Tap Connection Expenditures</b>			-
<b>Solid Waste Disposal</b>			-
<b>Fire Fighting</b>			-
<b>Parks and Recreation</b>			-
<b>Debt Service</b>			-
<b>Other Expenditures</b>			-
			<hr/>
Total expenditures		\$	<u>81,917</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of Temporary Investments  
December 31, 2023**

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	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Face Amount</b>	<b>Accrued Interest Receivable</b>
<b>General Fund</b>				
Certificates of Deposit				
No. 6243812	5.00%	06/20/24	\$ 50,000	\$ 1,322
No. 4793986	5.00%	04/24/24	50,000	1,719
Texas CLASS	5.57%	Demand	<u>139,520</u>	<u>-</u>
			239,520	3,041
<b>Debt Service Fund</b>				
Texas CLASS	5.57%	Demand	<u>522,629</u>	<u>-</u>
Totals			<u><u>\$ 762,149</u></u>	<u><u>\$ 3,041</u></u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Analysis of Taxes Levied and Receivable  
Year Ended December 31, 2023**

	<b>Maintenance Taxes</b>	<b>Debt Service Taxes</b>
<b>Receivable, Beginning of Year</b>	\$ 79,546	\$ 324,758
Additions and corrections to prior years' taxes	(364)	(49)
Adjusted receivable, beginning of year	<u>79,182</u>	<u>324,709</u>
<b>2023 Original Tax Levy</b>	108,746	507,482
Additions and corrections	119	557
Adjusted tax levy	<u>108,865</u>	<u>508,039</u>
Total to be accounted for	188,047	832,748
Tax collections:     Current year	(38,228)	(178,400)
Prior years	(75,959)	(308,206)
Receivable, end of year	<u>\$ 73,860</u>	<u>\$ 346,142</u>
<b>Receivable, by Years</b>		
2023	\$ 70,637	\$ 329,639
2022	1,274	5,096
2021	398	2,385
2020	2	9
2019	1	10
2018	1	10
2017	2	11
2016	105	773
2015	80	847
2014	94	864
2013 and prior	<u>1,266</u>	<u>6,498</u>
Receivable, end of year	<u>\$ 73,860</u>	<u>\$ 346,142</u>



**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Analysis of Taxes Levied and Receivable (Continued)  
Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Property Valuations</b>				
Land	\$ 28,472,722	\$ 30,171,550	\$ 30,986,400	\$ 30,890,720
Improvements	172,777,542	157,767,154	116,826,657	109,383,724
Personal property	4,393,823	4,003,030	3,943,780	3,710,490
Exemptions	<u>(24,201,835)</u>	<u>(25,830,654)</u>	<u>(9,938,315)</u>	<u>(9,664,831)</u>
Total property valuations	<u>\$ 181,442,252</u>	<u>\$ 166,111,080</u>	<u>\$ 141,818,522</u>	<u>\$ 134,320,103</u>
<b>Tax Rates per \$100 Valuation</b>				
Debt service tax rates	\$ 0.28000	\$ 0.30000	\$ 0.35500	\$ 0.36250
Maintenance tax rates*	<u>0.06000</u>	<u>0.07500</u>	<u>0.05926</u>	<u>0.06015</u>
Total tax rates per \$100 valuation	<u>\$ 0.34000</u>	<u>\$ 0.37500</u>	<u>\$ 0.41426</u>	<u>\$ 0.42265</u>
<b>Tax Levy</b>	<u>\$ 616,904</u>	<u>\$ 622,918</u>	<u>\$ 587,497</u>	<u>\$ 567,704</u>
<b>Percent of Taxes Collected to Taxes Levied**</b>	<u>35%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

\*Maximum tax rate approved by voters: \$1.00 on May 7, 1994

\*\*Calculated as taxes collected for a tax year divided by taxes levied for that tax year.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of Long-Term Debt Service Requirements by Years  
December 31, 2023**

Due During Fiscal Years Ending December 31	Refunding Series 2012		
	Principal Due March 1	Interest Due March 1, September 1	Total
2024	\$ 380,000	\$ 21,100	\$ 401,100
2025	400,000	6,750	406,750
Totals	<u>\$ 780,000</u>	<u>\$ 27,850</u>	<u>\$ 807,850</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of Long-Term Debt Service Requirements by Years (Continued)  
December 31, 2023**

Due During Fiscal Years Ending December 31	Refunding Series 2016		
	Principal Due March 1	Interest Due March 1, September 1	Total
2024	\$ 55,000	\$ 78,450	\$ 133,450
2025	55,000	77,350	132,350
2026	460,000	67,600	527,600
2027	485,000	48,700	533,700
2028	510,000	28,800	538,800
2029	465,000	9,300	474,300
Totals	<u>\$ 2,030,000</u>	<u>\$ 310,200</u>	<u>\$ 2,340,200</u>

Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Schedule of Long-Term Debt Service Requirements by Years (Continued)  
December 31, 2023

Due During Fiscal Years Ending December 31	Annual Requirements For All Series		
	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 435,000	\$ 99,550	\$ 534,550
2025	455,000	84,100	539,100
2026	460,000	67,600	527,600
2027	485,000	48,700	533,700
2028	510,000	28,800	538,800
2029	465,000	9,300	474,300
Totals	<u>\$ 2,810,000</u>	<u>\$ 338,050</u>	<u>\$ 3,148,050</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Changes in Long-Term Bonded Debt  
Year Ended December 31, 2023**

	<b>Bond Issues</b>		
	<b>Refunding Series 2012</b>	<b>Refunding Series 2016</b>	<b>Totals</b>
Interest rates	3.375% to 4.000%	2.00% to 4.00%	
Dates interest payable	March 1/ September 1	March 1/ September 1	
Maturity dates	March 1, 2024/2025	March 1, 2024/2029	
Bonds outstanding, beginning of current year	\$ 1,140,000	\$ 2,085,000	\$ 3,225,000
Retirements, principal	<u>360,000</u>	<u>55,000</u>	<u>415,000</u>
Bonds outstanding, end of current year	<u>\$ 780,000</u>	<u>\$ 2,030,000</u>	<u>\$ 2,810,000</u>
Interest paid during current year	<u>\$ 35,900</u>	<u>\$ 79,550</u>	<u>\$ 115,450</u>

Paying agent's name and address:

**Series 2012** - The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

**Series 2016** - The Bank of New York Mellon Trust Company, N.A., Dallas, Texas

Bond authority:

	<b>Tax Bonds</b>	<b>Other Bonds</b>	<b>Refunding Bonds</b>
Amount authorized by voters	\$ 9,770,000	0	\$ -
Amount issued	<u>\$ 8,645,000</u>	<u>0</u>	<u>\$ 6,855,000</u> *
Remaining to be issued	<u>\$ 1,125,000</u>	<u>0</u>	<u>\$ -</u>

Debt service fund cash and temporary investment balances as of December 31, 2023: \$ 697,609

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 524,675

\*The District has issued \$6,855,000 of refunding bonds pursuant to the Texas Government Code.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Comparative Schedule of Revenues and Expenditures – General Fund  
Five Years Ended December 31,**

	Amounts				
	2023	2022	2021	2020	2019
<b>General Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 124,273	\$ 83,201	\$ 80,518	\$ 70,499	\$ 64,884
Investment income	12,608	3,956	1,357	3,191	5,233
Total revenues	<u>136,881</u>	<u>87,157</u>	<u>81,875</u>	<u>73,690</u>	<u>70,117</u>
<b>Expenditures</b>					
Service operations:					
Professional fees	55,123	69,207	48,570	52,114	35,882
Contracted services	15,315	20,260	20,661	17,627	14,920
Other expenditures	11,479	11,914	12,586	10,648	9,118
Total expenditures	<u>81,917</u>	<u>101,381</u>	<u>81,817</u>	<u>80,389</u>	<u>59,920</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	54,964	(14,224)	58	(6,699)	10,197
<b>Fund Balance, Beginning of Year</b>	<u>168,366</u>	<u>182,590</u>	<u>182,532</u>	<u>189,231</u>	<u>179,034</u>
<b>Fund Balance, End of Year</b>	<u>\$ 223,330</u>	<u>\$ 168,366</u>	<u>\$ 182,590</u>	<u>\$ 182,532</u>	<u>\$ 189,231</u>
<b>Total Active Retail Water Connections</b>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<b>Total Active Retail Wastewater Connections</b>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**Percent of Fund Total Revenues**

<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
90.8 %	95.5 %	98.3 %	95.7 %	92.5 %
9.2	4.5	1.7	4.3	7.5
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
40.3	79.4	59.3	70.7	51.2
11.2	23.2	25.2	23.9	21.3
8.4	13.7	15.4	14.5	13.0
<u>59.9</u>	<u>116.3</u>	<u>99.9</u>	<u>109.1</u>	<u>85.5</u>
<u>40.1 %</u>	<u>(16.3) %</u>	<u>0.1 %</u>	<u>(9.1) %</u>	<u>14.5 %</u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Comparative Schedule of Revenues and Expenditures – Debt Service Fund  
Five Years Ended December 31,**

	Amounts				
	2023	2022	2021	2020	2019
<b>Debt Service Fund</b>					
<b>Revenues</b>					
Property taxes	\$ 501,460	\$ 498,503	\$ 485,635	\$ 480,799	\$ 478,793
Penalty and interest	9,720	4,194	6,439	4,104	4,859
Investment income	26,081	7,941	2,230	10,178	17,324
Total revenues	<u>537,261</u>	<u>510,638</u>	<u>494,304</u>	<u>495,081</u>	<u>500,976</u>
<b>Expenditures</b>					
Current:					
Professional fees	2,543	2,270	1,074	1,008	1,007
Contracted services	14,597	13,515	13,518	14,157	12,101
Other expenditures	8,114	8,670	3,674	4,338	4,463
Debt service:					
Principal retirement	415,000	405,000	390,000	160,000	385,000
Interest and fees	116,700	131,950	146,650	380,638	161,675
Total expenditures	<u>556,954</u>	<u>561,405</u>	<u>554,916</u>	<u>560,141</u>	<u>564,246</u>
<b>Deficiency of Revenues Over Expenditures</b>	(19,693)	(50,767)	(60,612)	(65,060)	(63,270)
<b>Fund Balance, Beginning of Year</b>	<u>492,617</u>	<u>543,384</u>	<u>603,996</u>	<u>669,056</u>	<u>732,326</u>
<b>Fund Balance, End of Year</b>	<u>\$ 472,924</u>	<u>\$ 492,617</u>	<u>\$ 543,384</u>	<u>\$ 603,996</u>	<u>\$ 669,056</u>



**Percent of Fund Total Revenues**

<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
93.3 %	97.6 %	98.2 %	97.1 %	95.6 %
1.8	0.8	1.3	0.8	1.0
<u>4.9</u>	<u>1.6</u>	<u>0.5</u>	<u>2.1</u>	<u>3.4</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
0.5	0.4	0.2	0.2	0.2
2.7	2.7	2.7	2.8	2.4
1.5	1.7	0.8	0.9	0.9
77.2	79.3	78.9	32.3	76.8
<u>21.7</u>	<u>25.8</u>	<u>29.7</u>	<u>76.9</u>	<u>32.3</u>
<u>103.6</u>	<u>109.9</u>	<u>112.3</u>	<u>113.1</u>	<u>112.6</u>
<u><u>(3.6) %</u></u>	<u><u>(9.9) %</u></u>	<u><u>(12.3) %</u></u>	<u><u>(13.1) %</u></u>	<u><u>(12.6) %</u></u>

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Board Members, Key Personnel and Consultants  
Year Ended December 31, 2023**

Complete District mailing address:	Fort Bend County Municipal Utility District No. 94, of Fort Bend County, Texas c/o Schwartz, Page & Harding, L.L.P. 1300 Post Oak Boulevard, Suite 2400 Houston, Texas 77056
District business telephone number:	713.623.4531
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	June 8, 2018
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

Board Members	Term of Office Elected & Expires	Fees*	Expense Reimbursements	Title at Year-end
Sean Gutierrez	Elected 05/22- 05/26	\$ 592	\$ 4	President
Cleo Holguin	Appointed 11/20- 05/24	592	5	Vice President
Fred Maynard	Elected 05/20- 05/24	592	-	Secretary
Kenneth Bartling	Elected 05/22- 05/26	371	3	Assistant Secretary
Jo Ann Hartfiel	Elected 05/20- 05/24	592	5	Assistant Secretary

\*Fees are the amounts actually paid to a director during the District's fiscal year.

**Fort Bend County Municipal Utility District No. 94,  
of Fort Bend County, Texas  
Board Members, Key Personnel and Consultants (Continued)  
Year Ended December 31, 2023**

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<b>Consultants</b>	<b>Date Hired</b>	<b>Fees and Expense Reimbursements</b>	<b>Title</b>
Bob Leared Interests	04/18/86	\$ 16,739	Tax Assessor/ Collector
Fort Bend Central Appraisal District	Legislative Action	5,397	Appraiser
FORVIS, LLP	03/30/95	18,100	Auditor
Masterson Advisors LLC	09/07/18	-	Financial Advisor
Municipal Accounts & Consulting, L.P.	08/29/03	16,404	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	05/03/96	2,543	Delinquent Tax Attorney
Quiddity Engineering, LLC	03/08/94	15,191	Engineer
Schwartz, Page & Harding, L.L.P.	02/17/86	20,863	General Counsel
<b>Investment Officers</b>			
Mark M. Burton and Ghia Lewis	09/03/04	N/A	Bookkeepers