

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500

HARRIS COUNTY, TEXAS

ANNUAL FINANCIAL REPORT

MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Harris County Municipal Utility District No. 500
Harris County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of Harris County Municipal Utility District No. 500 (the "District") as of and for the year ended March 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the District as of March 31, 2024, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Error

As described in Note 20 to the financial statements, the District's net position as of March 31, 2023, has been restated to account for certain misstatements. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund (Internal District Activities) 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 supplementary information including the Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Enterprise Fund (Master District Activities) and the schedules required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information, excluding that portion marked “Unaudited” on which we express no opinion or provide an assurance, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

July 18, 2024

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

Management’s discussion and analysis of the financial performance of Harris County Municipal Utility District No. 500 (the “District”) provides an overview of the District’s financial activities for the year ended March 31, 2024. Please read it in conjunction with the District’s financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements. This report also includes required and supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Proprietary Fund - Master District Activities

The District has contracted with several municipal utility districts to serve as the coordinating district (Master District) for the financing, operation, and maintenance of regional water, wastewater, drainage, road facilities, and park and recreational facilities. The District’s Enterprise Fund (Master District Activities) is used to account for these business-type activities. The measurement focus is upon determination of net income, financial position, and changes in cash flows.

The Statement of Net Position includes the District’s assets, liabilities, and, if applicable, deferred inflows and outflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors. This statement includes the District’s governmental activities as well as business-type activities (Master District Activities).

The second financial statement is the Statement of Activities. This financial statement reports how the District’s net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. This statement includes the District’s governmental activities as well as business-type activities (Master District Activities).

The third financial statement is the Statement of Cash Flows. The Statement of Cash Flows shows the inflows and outflows of cash that occurred during the current fiscal year (Master District Activities).

The District’s government-wide financial statements provide both long-term and short-term information about the District’s overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

Governmental Funds - Internal District Activities

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The General Fund (Internal District Activities) accounts for resources not accounted for in another fund, customer service revenues, operating costs and general expenditures. The Debt Service/Contract Tax Fund (Internal District Activities) accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing Internal District debt and Master District contractual debt. The Capital Projects Fund (Internal District Activities) accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs. Internal District Activities generally refer to the provision of utility services to the property within and retail customers of the District. Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District’s governmental funds.

These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term. The Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information (“RSI”) and supplementary information. A budgetary comparison schedule is included as RSI for the General Fund. The District also presents an Enterprise Fund budget as part of supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District’s financial position. As of March 31, 2024, assets exceeded liabilities by \$2,720,059 for governmental activities (Internal District) and liabilities exceeded assets and deferred outflows of resources by \$23,266,660 for business-type activities (Master District).

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The following are summary statements of net position as of March 31, 2024, and March 31, 2023, and summary statements of activities for the years then ended for the District's governmental and business-type activities:

2024 Summary Statement of Net Position			
	Governmental Activities (Internal District)	Business-Type Activities (Master District)	Total
Current and Other Assets	\$ 3,242,878	\$ 41,222,850	\$ 44,465,728
Capital Assets (Net of Accumulated Depreciation)	1,277,669	108,635,154	109,912,823
Total Assets	\$ 4,520,547	\$ 149,858,004	\$ 154,378,551
Deferred Outflows of Resources	\$ -0-	\$ 1,181,299	\$ 1,181,299
Bonds Payable	\$ 1,671,756	\$ 167,202,462	\$ 168,874,218
Due to Developer		1,577,513	1,577,513
Other Liabilities	128,732	5,525,988	5,654,720
Total Liabilities	\$ 1,800,488	\$ 174,305,963	\$ 176,106,451
Net Position:			
Net Investment in Capital Assets	\$ (253,687)	\$ (41,081,946)	\$ (41,335,633)
Restricted	1,709,251	15,871,298	17,580,549
Unrestricted	1,264,495	1,943,988	3,208,483
Total Net Position	\$ 2,720,059	\$ (23,266,660)	\$ (20,546,601)

2024 Summary Statement of Activities			
	Governmental Activities (Internal District)	Business-Type Activities (Master District)	Total
Program Revenues:			
Charges for Services	\$ 585,360	\$ 14,536,086	\$ 15,121,446
General Revenues:			
Property Taxes	1,564,601		1,564,601
Other Revenues and Transfers	123,107	(1,825,853)	(1,702,746)
Total Revenues and Transfers	\$ 2,273,068	\$ 12,710,233	\$ 14,983,301
Total Expenses	1,821,481	16,048,721	17,870,202
Change in Net Position	\$ 451,587	\$ (3,338,488)	\$ (2,886,901)
Net Position, Beginning of Year	2,268,472	(19,928,172)	(17,659,700)
Net Position, Ending of Year	\$ 2,720,059	\$ (23,266,660)	\$ (20,546,601)

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

2023 Summary Statement of Net Position			
	Governmental Activities (Internal District)	Business-Type Activities (Master District)	Total
Current and Other Assets	\$ 2,808,554	\$ 29,431,802	\$ 32,240,356
Capital Assets (Net of Accumulated Depreciation)	1,314,883	103,961,299	105,276,182
Total Assets	\$ 4,123,437	\$ 133,393,101	\$ 137,516,538
Deferred Outflows of Resources	\$ -0-	\$ 1,262,653	\$ 1,262,653
Bonds Payable	\$ 1,724,404	\$ 149,972,466	\$ 151,696,870
Due to Developer		1,577,513	1,577,513
Other Liabilities	130,561	3,033,946	3,164,507
Total Liabilities	\$ 1,854,965	\$ 154,583,925	\$ 156,438,890
Net Position:			
Net Investment in Capital Assets	\$ (269,121)	\$ (35,744,080)	\$ (36,013,201)
Restricted	1,560,989	14,065,240	15,626,229
Unrestricted	976,604	1,750,668	2,727,272
Total Net Position	\$ 2,268,472	\$ (19,928,172)	\$ (17,659,700)
		*	

2023 Summary Statement of Activities			
	Governmental Activities (Internal District)	Business-Type Activities (Master District)	Total
Program Revenues:			
Charges for Services	\$ 563,821	\$ 12,936,635	\$ 13,500,456
General Revenues:			
Property Taxes	1,488,882		1,488,882
Other Revenues and Transfers	54,139	489,027	543,166
Total Revenues and Transfers	\$ 2,106,842	\$ 13,425,662	\$ 15,532,504
Total Expenses	1,766,774	15,266,290	17,033,064
Change in Net Position	\$ 340,068	\$ (1,840,628)	\$ (1,500,560)
Net Position, Beginning of Year	1,928,404	(18,087,544)	(16,159,140)
Net Position, Ending of Year	\$ 2,268,472	\$ (19,928,172)	\$ (17,659,700)
		*	

* As adjusted, see Note 20.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS
(INTERNAL DISTRICT ACTIVITIES)**

The District's combined fund balances as of March 31, 2024, were \$3,094,738, an increase of \$455,956 from the prior year.

The General Fund fund balance increased by \$289,446, primarily due to service revenues and property tax revenues exceeding operating and capital costs.

The Debt Service/Contract Tax Fund fund balance increased by \$166,510, primarily due to the structure of the Internal District's outstanding debt as well as its share of Master District contract tax debt.

BUDGETARY HIGHLIGHTS

Each year, the Board of Directors adopts a General Fund (Internal District Activities) budget. Actual revenues were \$283,546 more than budgeted revenues and actual expenditures were \$2,685 less than budgeted expenditures which resulted in a positive variance of \$286,231. See the budget to actual comparison (Internal District Activities) for more information.

Each year, the Board of Directors adopts an Enterprise Fund (Master District Activities) budget. The budget was amended during the current fiscal year to increase the budgeted amounts for repairs and maintenance expenditures. Actual operating revenues were more than budgeted operating revenues by \$615,312 and actual operating expenses were \$922,203 more than budgeted operating expenses.

CAPITAL ASSETS

Governmental Activities - Internal District Activities

Internal District capital assets as of March 31, 2024, total \$1,277,669 (net of accumulated depreciation) and include water, wastewater and drainage facilities.

Capital Assets At Year-End			
	2024	2023	Change Positive (Negative)
Capital Assets Subject to Depreciation:			
Water System	\$ 421,915	\$ 421,915	\$
Wastewater System	236,388	236,388	
Drainage System	1,011,779	1,011,779	
Less Accumulated Depreciation	(392,413)	(355,199)	(37,214)
Total Net Capital Assets	\$ 1,277,669	\$ 1,314,883	\$ (37,214)

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

CAPITAL ASSETS (Continued)

Business-type Activities - Master District Activities

Regional facilities capital assets as of March 31, 2024, total \$108,635,154 (net of accumulated depreciation) and include land, road facilities, landscape and hardscape improvements, and the water, wastewater and drainage facilities.

Capital Assets At Year-End			
	2024	2023	Change Positive (Negative)
Capitals Assets Not Being Depreciated:			
Land and Land Improvements	\$ 8,415,476	\$ 8,251,667	\$ 163,809
Construction in Progress	9,689,821	4,054,027	5,635,794
Capital Assets Subject to Depreciation:			
Water System	10,411,088	10,083,015	328,073
Wastewater System	11,554,962	11,295,801	259,161
Drainage System	57,815,354	56,054,246	1,761,108
Road Facilities	24,659,275	24,659,275	
Landscape and Hardscape	14,262,841	14,262,841	
Less Accumulated Depreciation	<u>(28,173,663)</u>	<u>(24,699,573)</u>	<u>(3,474,090)</u>
Total Net Capital Assets	<u>\$ 108,635,154</u>	<u>\$ 103,961,299</u>	<u>\$ 4,673,855</u>

*

* As Adjusted

LONG-TERM DEBT

Governmental Activities - Internal District Activities

The Internal District has issued one series of bonds (Series 2017). Transactions for the year ended March 31, 2024, are summarized as follows:

Bonds Payable, April 1, 2023	\$ 1,770,000
Less: Bond Principal Paid	<u>(55,000)</u>
Bonds Payable, March 31, 2024	<u>\$ 1,715,000</u>

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2024**

LONG-TERM DEBT (Continued)

Business-type Activities - Master District Activities

The Master District has recorded a liability to the developer for facilities constructed on behalf of the District. The Master District reimburses the developer for these costs through the issuance of contract revenue bonds. Transactions for the year ended March 31, 2024, are summarized as follows:

Contract Revenue Bonds Payable, April 1, 2023	\$ 151,530,000
Add: Bond Sales	21,350,000
Less: Bond Principal Paid	<u>(4,470,000)</u>
Contract Revenue Bonds Payable, March 31, 2024	<u>\$ 168,410,000</u>

The Master District carries an underlying rating of "A2" by Moody's. The Master District's Series 2014, 2015 (Road) and 2015 bonds do not carry insured ratings. The Master District's remaining bond issues carry insured ratings of "AA" by Standard and Poor's and/or "A1" by Moody's by virtue of bond insurance issued by either Assured Guaranty Municipal Corp. or Build America Mutual Assurance Company. Credit enhanced ratings provided through bond insurance policies are subject to change based on changes to the ratings of the insurers.

CONTACTING THE DISTRICT'S MANAGEMENT

This financial report is designed to provide a general overview of the Internal District and Master District finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Harris County Municipal Utility District No. 500, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF NET POSITION
MARCH 31, 2024

	Primary Government		Total
	Governmental Activities (Internal District)	Business-Type Activities (Master District)	
ASSETS			
Current Assets:			
Cash	\$ 48,194	\$ 296,905	\$ 345,099
Investments	1,400,304	1,773,440	3,173,744
Restricted Cash	148,301		148,301
Restricted Investments	1,568,370	38,638,177	40,206,547
Receivables:			
Property Taxes, Including Penalty and Interest	25,235		25,235
Service Accounts	36,853	1,745	38,598
Participants		434,620	434,620
Prepaid Costs	15,621	77,963	93,584
Total Current Assets	<u>\$ 3,242,878</u>	<u>\$ 41,222,850</u>	<u>\$ 44,465,728</u>
Noncurrent Assets:			
Land and Land Improvements	\$	\$ 8,415,476	\$ 8,415,476
Construction in Progress		9,689,821	9,689,821
Capital Assets (Net of Accumulated Depreciation)	1,277,669	90,529,857	91,807,526
Total Noncurrent Assets:	<u>\$ 1,277,669</u>	<u>\$ 108,635,154</u>	<u>\$ 109,912,823</u>
TOTAL ASSETS	<u>\$ 4,520,547</u>	<u>\$ 149,858,004</u>	<u>\$ 154,378,551</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refunding Bonds	\$ - 0 -	\$ 1,181,299	\$ 1,181,299
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 4,520,547</u>	<u>\$ 151,039,303</u>	<u>\$ 155,559,850</u>
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts Payable	\$ 64,355	\$ 3,714,372	3,778,727
Accrued Interest Payable	5,827	1,811,616	1,817,443
Bonds Payable, Due Within One Year	55,000	5,000,000	5,055,000
Total Current Liabilities	<u>\$ 125,182</u>	<u>\$ 10,525,988</u>	<u>\$ 10,651,170</u>
Noncurrent Liabilities:			
Due to Developer	\$	\$ 1,577,513	\$ 1,577,513
Bonds Payable, Due After One Year	1,616,756	162,202,462	163,819,218
Security Deposits	58,550		58,550
Total Noncurrent Liabilities	<u>\$ 1,675,306</u>	<u>\$ 163,779,975</u>	<u>\$ 165,455,281</u>
TOTAL LIABILITIES	<u>\$ 1,800,488</u>	<u>\$ 174,305,963</u>	<u>\$ 176,106,451</u>
NET POSITION			
Net Investment in Capital Assets	\$ (253,687)	\$ (41,081,946)	\$ (41,335,633)
Restricted for Debt Service	1,709,251	15,871,298	17,580,549
Unrestricted	1,264,495	1,943,988	3,208,483
TOTAL NET POSITION	<u>\$ 2,720,059</u>	<u>\$ (23,266,660)</u>	<u>\$ (20,546,601)</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 4,520,547</u>	<u>\$ 151,039,303</u>	<u>\$ 155,559,850</u>

The accompanying notes to the financial statements are an integral part of this report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF ACTIVITIES
MARCH 31, 2024

		Program Revenues	
	Expenses	Charges for Services	Charges For Regional Services
GOVERNMENTAL ACTIVITIES (INTERNAL DISTRICT)			
Service Operations	\$ 951,070	\$ 585,360	\$
Contractual Obligation	870,411		
TOTAL GOVERNMENTAL ACTIVITIES (INTERNAL DISTRICT)	\$ 1,821,481	\$ 585,360	\$ -0-
BUSINESS-TYPE ACTIVITIES (MASTER DISTRICT)			
Regional Service Operations	\$ 4,889,703	\$	\$ 14,536,086
Depreciation	3,474,090		
Developer Interest	591,076		
Debt Issuance Costs	1,571,389		
Debt Interest Expense	5,522,463		
TOTAL BUSINESS-TYPE ACTIVITIES (MASTER DISTRICT)	\$ 16,048,721	\$ -0-	\$ 14,536,086
TOTAL PRIMARY GOVERNMENT	\$ 17,870,202	\$ 585,360	\$ 14,536,086
GENERAL REVENUES AND TRANSFERS			
Property Taxes, Including Penalties and Interest			
Conveyance of Assets			
Investment Income			
TOTAL GENERAL REVENUES AND TRANSFERS			
CHANGE IN NET POSITION			
NET POSITION - APRIL 1, 2023, AS ADJUSTED			
NET POSITION - MARCH 31, 2024			

The accompanying notes to the financial statements are an integral part of this report.

Net Revenue (Expense) and Changes in Net Position Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (365,710) (870,411)	\$	\$ (365,710) (870,411)
\$ (1,236,121)	\$ -0-	\$ (1,236,121)
\$	\$ 9,646,383 (3,474,090) (591,076) (1,571,389) (5,522,463)	\$ 9,646,383 (3,474,090) (591,076) (1,571,389) (5,522,463)
\$ -0-	\$ (1,512,635)	\$ (1,512,635)
\$ (1,236,121)	\$ (1,512,635)	\$ (2,748,756)
\$ 1,564,601 123,107	\$ (3,365,572) 1,539,719	\$ 1,564,601 (3,365,572) 1,662,826
\$ 1,687,708	\$ (1,825,853)	\$ (138,145)
\$ 451,587 2,268,472	\$ (3,338,488) (19,928,172)	\$ (2,886,901) (17,659,700)
\$ 2,720,059	\$ (23,266,660)	\$ (20,546,601)

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
GOVERNMENTAL FUNDS BALANCE SHEET (INTERNAL DISTRICT ACTIVITIES)
MARCH 31, 2024

	General Fund	Debt Service/ Contract Tax Fund	Total
ASSETS			
Cash	\$ 48,194	\$ 148,301	\$ 196,495
Investments	1,400,304	1,568,370	2,968,674
Receivables:			
Property Taxes Receivable	5,465	15,989	21,454
Service Accounts Receivable	36,853		36,853
Due From Other Funds	21,363		21,363
Prepaid Costs	15,621		15,621
TOTAL ASSETS	\$ 1,527,800	\$ 1,732,660	\$ 3,260,460
LIABILITIES			
Accounts Payable	\$ 64,355	\$	\$ 64,355
Due to Other Funds		21,363	21,363
Security Deposits	58,550		58,550
TOTAL LIABILITIES	\$ 122,905	\$ 21,363	\$ 144,268
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	\$ 5,465	\$ 15,989	\$ 21,454
FUND BALANCES			
Nonspendable: Prepaid Costs	\$ 15,621	\$	\$ 15,621
Restricted for Contractual Obligations		1,382,179	1,382,179
Restricted for Internal District Debt		313,129	313,129
Unassigned	1,383,809		1,383,809
TOTAL FUND BALANCES	\$ 1,399,430	\$ 1,695,308	\$ 3,094,738
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,527,800	\$ 1,732,660	\$ 3,260,460

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION (INTERNAL DISTRICT ACTIVITIES)
MARCH 31, 2024

Total Fund Balances - Governmental Funds	\$	3,094,738
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets are not current financial resources and, therefore, are not reported as assets in governmental funds.		1,277,669
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Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2023 and prior tax levies became part of recognized revenue in the governmental activities of the District.		25,235
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Long-term liabilities not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Accrued Interest Payable	\$ (5,827)	
Bonds Payable	<u>(1,671,756)</u>	<u>(1,677,583)</u>

Total Net Position - Governmental Activities	\$	<u>2,720,059</u>
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The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - GOVERNMENTAL FUNDS (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	General Fund	Debt Service/ Contract Tax Fund	Total
REVENUES			
Property Taxes	\$ 445,560	\$ 1,123,248	\$ 1,568,808
Water Service	188,261		188,261
Wastewater Service	150,637		150,637
Tap Connection and Inspection Fees	20,518		20,518
Regional Water Authority Fees	225,944		225,944
Penalty and Interest	857	14,739	15,596
Investment and Miscellaneous Revenues	57,269	65,838	123,107
TOTAL REVENUES	\$ 1,089,046	\$ 1,203,825	\$ 2,292,871
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 115,890	\$ 6,513	\$ 122,403
Contracted Services	155,867	31,024	186,891
Purchased Water and Wastewater Services	230,760		230,760
Regional Water Authority Assessments	235,127		235,127
Repairs and Maintenance	8,250		8,250
Other	53,706	6,764	60,470
Debt Service:			
Bond Principal		55,000	55,000
Bond Interest		67,603	67,603
Contractual Obligation		870,411	870,411
TOTAL EXPENDITURES	\$ 799,600	\$ 1,037,315	\$ 1,836,915
NET CHANGE IN FUND BALANCES	\$ 289,446	\$ 166,510	\$ 455,956
FUND BALANCES - APRIL 1, 2023	1,109,984	1,528,798	2,638,782
FUND BALANCES - MARCH 31, 2024	\$ 1,399,430	\$ 1,695,308	\$ 3,094,738

The accompanying notes to the financial statements are an integral part of this report.

**HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
STATEMENT OF ACTIVITIES (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024**

Net Change in Fund Balances - Governmental Funds	\$	455,956
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
Governmental funds report tax revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied.		(18,097)
Governmental funds report penalty and interest revenue on property taxes when collected. However, in the Statement of Activities, revenue is recorded when penalties and interest are assessed.		(1,706)
Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities.		(37,214)
Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities.		55,000
Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end.		(2,352)
Change in Net Position - Governmental Activities	\$	<u>451,587</u>

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF NET POSITION - ENTERPRISE FUND
(MASTER DISTRICT ACTIVITIES)
MARCH 31, 2024

	Business-type Activities - (Master District) Enterprise Fund
<u>ASSETS</u>	
CURRENT ASSETS	
Cash	\$ 296,905
Investments	1,773,440
Restricted Investments	38,638,177
Receivables:	
Service Accounts Receivable	1,745
Participants	434,620
Prepaid Costs	77,963
TOTAL CURRENT ASSETS	\$ 41,222,850
NONCURRENT ASSETS	
Land and Land Improvements	\$ 8,415,476
Construction in Progress	9,689,821
Capital Assets (Net of Accumulated Depreciation)	90,529,857
TOTAL NONCURRENT ASSETS	\$ 108,635,154
TOTAL ASSETS	\$ 149,858,004
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charges on Refunding Bonds	\$ 1,181,299
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 151,039,303
<u>LIABILITIES AND NET POSITION</u>	
CURRENT LIABILITIES	
Accounts Payable	\$ 3,714,372
Accrued Interest Payable	1,811,616
Bonds Payable, Due Within One Year	5,000,000
TOTAL CURRENT LIABILITIES	\$ 10,525,988
NONCURRENT LIABILITIES	
Due to Developer	\$ 1,577,513
Bonds Payable, Due After One Year	162,202,462
TOTAL NONCURRENT LIABILITIES	\$ 163,779,975
TOTAL LIABILITIES	\$ 174,305,963
<u>NET POSITION</u>	
Net Investment in Capital Assets	\$ (41,081,946)
Restricted for Debt Service	15,871,298
Unrestricted	1,943,988
TOTAL NET POSITION	\$ (23,266,660)
TOTAL LIABILITIES AND NET POSITION	\$ 151,039,303

The accompanying notes to the financial statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET
POSITION - ENTERPRISE FUND (MASTER DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	Business-type (Master District) Activities - Enterprise Fund
OPERATING REVENUES	
Service Revenues	\$ 2,223,196
Regional Water Authority Assessments	1,890,047
Other Operating Revenues	<u>43,839</u>
TOTAL OPERATING REVENUES	<u>\$ 4,157,082</u>
OPERATING EXPENSES	
Professional Fees	\$ 1,132,956
Purchased Water Service	2,110,434
Contracted Services	104,959
Repair and Maintenance	829,518
Utilities	172,972
Depreciation	3,474,090
Other	<u>538,864</u>
TOTAL OPERATING EXPENSES	<u>\$ 8,363,793</u>
OPERATING INCOME (LOSS)	<u>\$ (4,206,711)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment Income	\$ 1,539,719
Contractual Obligations from Participants	10,379,004
Debt Issuance Costs	(1,571,389)
Conveyance of Assets	(3,365,572)
Developer Interest	(591,076)
Debt Interest and Bond Amortization Costs	<u>(5,522,463)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ 868,223</u>
CHANGE IN NET POSITION	\$ (3,338,488)
NET POSITION - APRIL 1, 2023, AS ADJUSTED	<u>(19,928,172)</u>
NET POSITION - MARCH 31, 2024	<u><u>\$ (23,266,660)</u></u>

The accompanying notes to the financial
statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
STATEMENT OF CASH FLOWS – ENTERPRISE FUND
(MASTER DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	Business-type (Master District) Activities - Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Participants and Others	\$ 4,153,007
Cash Payments for Goods and Services	<u>(2,641,720)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,511,287</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Contract Tax Payments from Participants	\$ 10,379,004
Payments for Capital Assets	(12,104,594)
Interest Expense	(5,209,161)
Bond Proceeds	21,350,000
Bond Principal Paid	(4,470,000)
Debt Issuance Costs	(1,571,389)
Bond Discount	(98,447)
Bond Premium	370,071
Deferred Charges on Refunding Bonds	<u>81,354</u>
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ 8,726,838</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Receipt of Interest	<u>\$ 1,539,719</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 11,777,844
CASH AND CASH EQUIVALENTS - APRIL 1, 2023	<u>28,930,678</u>
CASH AND CASH EQUIVALENTS - MARCH 31, 2024	<u><u>\$ 40,708,522</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income (Loss)	\$ (4,206,711)
Depreciation	3,474,090
(Increase) Decrease in Service Fees Receivable	275
(Increase) Decrease in Other Receivables	(4,350)
(Increase) Decrease in Prepaid Expenses	(9,129)
Increase (Decrease) in Accounts Payable	<u>2,257,112</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 1,511,287</u></u>

The accompanying notes to the financial
statements are an integral part of this report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 1. CREATION OF DISTRICT

Harris County Municipal Utility District No. 500 (the “District”) was created effective June 25, 2007, by an Order of the Texas Commission on Environmental Quality, (the “Commission”). Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, as amended, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, drainage, solid waste collection and disposal, including recycling, and to construct roads, parks and recreational facilities for the residents of the District. The District is located within the extraterritorial jurisdiction of the City of Houston, Texas. The Board of Directors held its first meeting on August 27, 2007.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by an elected board. GASB has established the criteria for determining whether an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

The District serves as the “Master District” for the financing, operation, and maintenance of regional water, sanitary sewer, drainage, road, and park and recreational facilities for the Participants (see Note 13). These facilities are under the oversight of the District’s Board of Directors and financial activity of the Master District has been accounted for in the enterprise fund of the District. Separate financial statements for the Master District are not prepared.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”). The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

These classifications are defined as follows:

- Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The statements distinguish between governmental and business-type activities. The Statement of Net Position is reported on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

Fund Financial Statements

The fund statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

The District has three governmental funds and considers each to be a major fund.

General Fund – Internal District Activities - To account for resources not required to be accounted for in another fund, customer service revenues, operating costs and general expenditures.

Debt Service/Contract Tax Fund – Internal District Activities - To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing Internal District debt and Master District contractual debt.

Enterprise Fund – Master District Activities - The District has contracted with several municipal utility districts to serve as the coordinating district (Master District) for the financing, operation, and maintenance of regional water, wastewater, drainage, road, and park and recreational facilities. The District's Enterprise Fund is used to account for these business-type activities. The measurement focus is upon determination of net income, financial position, and changes in cash flows.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include taxes collected during the year and taxes collected after year-end, which were considered available to defray the expenditures of the current year. Deferred inflows of resources related to property tax revenues are those taxes which the District does not reasonably expect to be collected soon enough in the subsequent period to finance current expenditures.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis. In the Internal District Activities, the Debt Service/Contract Tax Fund owed the General Fund \$21,363 for contract tax collections.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets include property, plant, equipment, and infrastructure assets, and are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Buildings	40
Water System	10-45
Wastewater System	10-45
Drainage System	10-45
Road Facilities	30-45
Landscape and Hardscape	10-20

Budgeting

Annual unappropriated budgets are adopted for the General Fund and Enterprise Fund by the District’s Board of Directors. The budgets are prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended, however, the Enterprise Fund budget was amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund – presents the budgeted amounts compared to the actual amounts of revenues and expenditures for the current year. The Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Enterprise Fund presents the budgeted amounts compared to the actual amounts of revenues and expenses for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered wages subject to federal income tax withholding for payroll purposes only.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources.

Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances, resolutions, or motions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances and did not have any assigned fund balances.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3. LONG-TERM DEBT - INTERNAL DISTRICT

	<u>Series 2017</u>
Amount Outstanding - March 31, 2024	\$1,715,000
Interest Rates	3.15%-4.10%
Maturity Dates – Serially Beginning/Ending	September 1, 2024/2042
Interest Payment Dates	September 1, March 1
Callable Dates	September 1, 2025*

* The bonds are subject to redemption at the option of the District prior to their maturity in whole or from time to time in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2017 term bonds maturing September 1, 2034, September 1, 2036, September 1, 2039 and September 1, 2042, are subject to mandatory redemption beginning September 1, 2031, September 1, 2035, September 1, 2037 and September 1, 2040, respectively.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 3. LONG-TERM DEBT - INTERNAL DISTRICT (Continued)

The following is a summary of transactions regarding bonds payable for the year ended March 31, 2024:

	April 1, 2023	Additions	Retirements	March 31, 2024
Bonds Payable	\$ 1,770,000	\$	\$ 55,000	\$ 1,715,000
Unamortized Discount	(45,596)		(2,352)	(43,244)
Bonds Payable, Net	\$ 1,724,404	\$ -0-	\$ 52,648	\$ 1,671,756
		Amount Due Within One Year		\$ 55,000
		Amount Due After One Year		1,616,756
		Bonds Payable, Net		\$ 1,671,756

As of March 31, 2024, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 55,000	\$ 65,911	\$ 120,911
2026	60,000	64,055	124,055
2027	60,000	62,045	122,045
2028	65,000	59,888	124,888
2029	70,000	57,490	127,490
2030-2034	400,000	244,620	644,620
2035-2039	500,000	154,950	654,950
2040-2043	505,000	42,684	547,684
	\$ 1,715,000	\$ 751,643	\$ 2,466,643

During the year ended March 31, 2024, the District levied an ad valorem debt service tax rate of \$0.055 per \$100 of assessed valuation, which resulted in a tax levy of \$104,433 on the adjusted taxable valuation of \$189,877,669 for the 2023 tax year. The bond resolution requires the District to levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due and the cost of assessing and collecting taxes. See Note 7 for the maintenance tax levy and Note 6 for the contract tax levy.

As of March 31, 2024, the District had authorized but unissued water, sewer and drainage bonds, and related refunding bonds of \$29,250,000, recreational facilities bonds and related refunding bonds of \$20,000,000 and road bonds and related refunding bonds of \$14,230,000. The bonds are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District’s deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes. Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District’s deposits was \$493,400 and the bank balance was \$632,359. The District was not exposed to custodial credit risk at year-end.

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at March 31, 2024, as listed below:

GENERAL FUND (INTERNAL DISTRICT ACTIVITIES)	\$	48,194
DEBT SERVICE/CONTRACT TAX FUND (INTERNAL DISTRICT ACTIVITIES)		148,301
ENTERPRISE FUND (MASTER DISTRICT ACTIVITIES)		<u>296,905</u>
TOTAL DEPOSITS	\$	<u>493,400</u>

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived.” No person may invest District funds without express written authority from the Board of Directors. The District’s investment in the money market mutual fund is valued at amortized cost, which is consistent with the methodology used by the money market fund to value its portfolio assets. Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

The District invests in TexPool, an external investment pool that is not SEC-registered. The Texas Comptroller of Public Accounts has oversight of the pool. Federated Hermes, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures all its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

As of March 31, 2024, the District had the following investments and maturities:

<u>Funds and Investment Type</u>	<u>Fair Value</u>	<u>Maturities of Less Than 1 Year</u>
<u>MASTER DISTRICT ACTIVITIES</u>		
<u>ENTERPRISE FUND</u>		
TexPool	\$ 22,708,600	\$ 22,708,600
Money Market Mutual Funds	<u>17,703,017</u>	<u>17,703,017</u>
TOTAL MASTER DISTRICT INVESTMENTS	<u>\$ 40,411,617</u>	<u>\$ 40,411,617</u>
 <u>INTERNAL DISTRICT ACTIVITIES</u>		
<u>GENERAL FUND</u>		
TexPool	<u>\$ 1,400,304</u>	<u>\$ 1,400,304</u>
 <u>DEBT SERVICE FUND</u>		
TexPool	<u>\$ 1,568,370</u>	<u>\$ 1,568,370</u>
TOTAL INTERNAL DISTRICT INVESTMENTS	<u>\$ 2,968,674</u>	<u>\$ 2,968,674</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At March 31, 2024, the District's investments in the money market mutual fund and TexPool were rated A-1+ and AAAM, respectively, by Standard and Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investments in the money market mutual fund and TexPool to have maturities of less than one year due to the fact the share positions can usually be redeemed each day at the discretion of the District, unless there have been significant changes in values.

Restrictions

All cash and investments of the Debt Service/Contract Tax Fund are restricted, committed or assigned for the payment of contractual debt and debt service on internal district bonds.

All cash and investments of the Enterprise Fund (Master District Activities) are restricted for activities related to the regional facilities.

NOTE 5. CAPITAL ASSETS

Governmental Activities – Internal District Activities

	<u>April 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>March 31, 2024</u>
Capital Assets Subject to Depreciation				
Water System	\$ 421,915	\$	\$	\$ 421,915
Wastewater System	236,388			236,388
Drainage System	<u>1,011,779</u>			<u>1,011,779</u>
Total Capital Assets				
Subject to Depreciation	<u>\$ 1,670,082</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 1,670,082</u>
Less Accumulated Depreciation				
Water System	\$ 88,524	\$ 9,402	\$	\$ 97,926
Wastewater System	44,757	5,267		50,024
Drainage System	<u>221,918</u>	<u>22,545</u>		<u>244,463</u>
Total Accumulated Depreciation	<u>\$ 355,199</u>	<u>\$ 37,214</u>	<u>\$ - 0 -</u>	<u>\$ 392,413</u>
Total Depreciable Capital Assets,				
Net of Accumulated Depreciation	<u><u>\$ 1,314,883</u></u>	<u><u>\$ (37,214)</u></u>	<u><u>\$ - 0 -</u></u>	<u><u>\$ 1,277,669</u></u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 5. CAPITAL ASSETS (Continued)

Business-type Activities - Master District Activities

Business-type capital assets include the regional facilities which are under the oversight of the District in its capacity as the Master District. Balances for the 2023 fiscal year have been adjusted as discussed in Note 20.

	<u>April 1, 2023</u>	<u>Increases</u>	<u>Decreases</u>	<u>March 31, 2024</u>
Capital Assets Not Depreciated				
Land and Land Improvements	\$ 8,251,667	\$ 163,809	\$	\$ 8,415,476
Construction in Progress	<u>4,054,027</u>	<u>7,984,136</u>	<u>2,348,342</u>	<u>9,689,821</u>
Total Capital Assets Not Subject to Depreciation	<u>\$ 12,305,694</u>	<u>\$ 8,147,945</u>	<u>\$ 2,348,342</u>	<u>\$ 18,105,297</u>
Capital Assets Subject to Depreciation				
Water System	\$ 10,083,015	\$ 328,073	\$	\$ 10,411,088
Wastewater System	11,295,801	259,161		11,554,962
Drainage System	56,054,246	1,761,108		57,815,354
Road Facilities	24,659,275			24,659,275
Landscape and Hardscape	<u>14,262,841</u>			<u>14,262,841</u>
Total Capital Assets Subject to Depreciation	<u>\$ 116,355,178</u>	<u>\$ 2,348,342</u>	<u>\$ - 0 -</u>	<u>\$ 118,703,520</u>
Less Accumulated Depreciation				
Water System	\$ 1,737,540	\$ 248,030	\$	\$ 1,985,570
Wastewater System	2,571,137	329,645		2,900,782
Drainage System	11,636,551	1,591,536		13,228,087
Road Facilities	5,242,065	589,783		5,831,848
Landscape and Hardscape	<u>3,512,280</u>	<u>715,096</u>		<u>4,227,376</u>
Total Accumulated Depreciation	<u>\$ 24,699,573</u>	<u>\$ 3,474,090</u>	<u>\$ - 0 -</u>	<u>\$ 28,173,663</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u>\$ 91,655,605</u>	<u>\$ (1,125,748)</u>	<u>\$ - 0 -</u>	<u>\$ 90,529,857</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 103,961,299</u>	<u>\$ 7,022,197</u>	<u>\$ 2,348,342</u>	<u>\$ 108,635,154</u>

NOTE 6. CONTRACT TAX

The voters have approved the levy and collection of an annual contract tax imposed on all taxable property within the boundaries of the District, as Internal District, in an unlimited amount per \$100 of assessed valuation for purposes of making payments of the District's share of the debt service requirements of the Master District's utilities, road, and park contract revenue bonds, and for monthly charges associated with the services from the Master District's regional utilities, road, and park facilities (see Note 13). During the current year, the District levied an ad valorem contract tax rate of \$0.58 per \$100 of assessed valuation, which resulted in a tax levy of \$1,101,290 on the adjusted taxable valuation of \$189,877,669 for the 2023 tax year.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 7. MAINTENANCE TAX

On November 6, 2007, the voters of the District approved the levy and collection of a maintenance tax in an amount not to exceed \$1.50 per \$100 of assessed valuation of taxable property within the District, as Internal District. The maintenance tax is to be used by the General Fund (Internal District Activities) to pay expenditures for operations and maintenance of the District. During the year ended March 31, 2024, the District levied an ad valorem maintenance tax rate of \$0.245 per \$100 of assessed valuation, which resulted in a tax levy of \$465,200 on the adjusted taxable valuation of \$189,877,669 for the 2023 tax year.

On November 4, 2008, the voters of the District approved the levy and collection of a tax in an amount not to exceed \$0.25 per \$100 of assessed valuation of taxable property within the District for purposes of constructing and maintaining roads within the District.

All property values and exempt status, if any, are determined by the appraisal district. Assessed values are determined as of January 1 of each year, at which time a tax lien attaches to the related property. Taxes are levied around October/November, are due upon receipt and are delinquent the following February 1. Penalty and interest attach thereafter.

NOTE 8. STRATEGIC PARTNERSHIP AGREEMENT

Effective December 12, 2008, the City of Houston (the City), the Towne Lake Management District (the “MMD”) and the District entered into a Strategic Partnership Agreement (“Agreement”). The Agreement provides for the annexation of a tract of land in the District for limited purposes for the imposition of a Sales and Use Tax. The City shall pay to the MMD an amount equal to 50% of the Sales and Use Tax revenues received by the City and generated within the boundaries of the tract. The District agrees to pay to the City an annual fee of \$100 for the provision of municipal services provided in lieu of full purpose annexation. The City agrees to not annex or attempt to annex the District for full purposes unless it simultaneously annexes for full purposes the District and Harris County Municipal Utility District Nos. 501 and 503. The term of this agreement is 30 years from the effective date.

NOTE 9. UNREIMBURSED COSTS

The District has entered into financing agreements with its developer. The agreements call for the developer to fund costs associated with utilities, park and road facilities until such time as the District can sell bonds to reimburse its developer. The amounts owed to the developer as of year end totaled \$1,577,513 and relates to landscape and hardscape improvements. See also Note 20 for adjustments to unreimbursed costs reflected in the prior period financial statements.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 10. RISK MANAGEMENT

The District carries insurance to protect against 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. There have been no significant reductions in coverage from prior year and settlements have not exceeded coverage in the last three years.

NOTE 11. WATER TRUNKLINE FINANCING AGREEMENT

On August 13, 2008, the District entered into a Water Trunkline Financing Agreement with the West Harris County Regional Water Authority. This agreement was amended on August 1, 2011 and again on January 1, 2019. The District funded the portion of the construction of a trunkline that is equal to 50% of the percentage of capacity in the trunkline needed by the District for Water Plant No. 1. The January 1, 2019, amendment called for the Authority to construct a trunkline to Water Plant No. 2 line (the “Water Plant No. 2 Line”) to provide the Authority with the ability to deliver a total of at least 2,870,000 GPD of water to be allocated and apportioned between the District’s Water Plant No. 1 and Water Plant No. 2. The District paid 50% of the Water Plant No. 2 line construction costs and the Authority paid 50% of the Water Plant No. 2 line construction costs and 100% of the Water Plant No. 2 line engineering costs. The District’s share of the costs totaling \$701,310 were paid in a prior year.

NOTE 12. INTERIM WATER CAPACITY LEASE, SURFACE WATER SUPPLY, AND EMERGENCY INTERCONNECT AGREEMENT

On April 23, 2008, the District as Master District entered into an Interim Water Capacity Lease, Surface Water Supply and Emergency Interconnect Agreement (Agreement) with Remington Municipal Utility District No. 1 (“Remington”). This agreement was amended on March 25, 2009, October 28, 2009, August 25, 2010, December 23, 2011, and on February 22, 2012.

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES

On August 8, 2008, Harris County Municipal Utility District No. 500 as Master District (the “Master District”) executed a 40-year contract with the Participants for the financing, operation and maintenance of the Master District’s regional water, wastewater and drainage facilities as well as park and road facilities. This contract was amended on November 3, 2010, October 2, 2013, (approved on October 15, 2013, by District No. 501), December 3, 2014, May 6, 2020, and entered into by District No. 503 on August 3, 2016.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

The Master District administers the contract for the Participants which includes the District, Harris County Municipal Utility District No. 501 (“District No. 501”), Harris County Municipal Utility District No. 502 (“District No. 502”), and Harris County Municipal Utility District No. 503 (“District No. 503”).

Each Participant has contracted with the Master District to provide, receive, and transport its water supply, sanitary waste, and storm waters through the Master District facilities. The Master District has assumed the responsibility of providing parks and major roadways. The Master District finances the Master District facilities through the issuance of Master District contract revenue bonds. The Master District has the authority to issue water, wastewater and drainage bonds not to exceed \$754,660,000, road bonds not to exceed \$350,600,000 and park bonds not to exceed \$64,550,000. As of March 31, 2024, the Master District has authorized but unissued water, wastewater and drainage bonds of \$622,415,000, road bonds of \$302,130,000 and park bonds of \$52,870,000.

Each Participant is responsible for its pro rata share of the debt service requirements on the Master District contract revenue bonds. The Master District owns and operates the Master District facilities, except to the extent roadways and storm sewers are accepted for maintenance by Harris County or other governmental entities. The Master District prepares an operating budget annually. The budget is based on annual estimates provided by each Participant to the Master District for waste discharge, water usage and connections. The contract also provides for an operating reserve equal to three months operating expenses as set forth in the annual budget. As of March 31, 2024, the Master District had enough funds on hand to meet this requirement.

Each Participant’s monthly bill is determined by multiplying the total number of equivalent single-family residential connections (ESFC) reserved for the Participant on the first day of the previous month by the unit cost per ESFC shown in the budget for each Participant. The rate in effect during the current fiscal year was \$30 per ESFC and subsequent to year end increased to \$36 per ESFC. The Master District separates the Authority fees from the monthly per connection charges and bills such Authority fees to each Participant monthly based upon that Participant’s actual water usage plus an additional 5% for flushing and other non-metered water usage. As of the fiscal year end the rate charged to each participant for the Authority fees was \$4.56 per 1,000 gallons of surface water.

During the year ended March 31, 2024, the Internal District made payments of \$230,760 and \$235,127, District No. 501 made payments of \$617,760 and \$1,098,417, District No. 502 made payments of \$664,200 and \$1,023,570 and District No. 503 made payments of \$142,200 and \$101,209 to the Master District for purchased water and wastewater services and Regional Water Authority Assessments, respectively.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

The District has the following Master District contract revenue bonds outstanding at year end:

	Series 2014 Water, Sewer and Drainage Facilities	Series 2015 Road Facilities	Series 2015 Water, Sewer and Drainage Facilities
Amount Outstanding - March 31, 2024	\$4,350,000	\$8,370,000	\$13,040,000
Interest Rates	3.10%-4.00%	3.20%-4.00%	2.25%-4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2039	December 1, 2024/2039	December 1, 2024/2040
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2022*	December 1, 2022*	December 1, 2023*
	Series 2016 Taxable Water, Sewer and Drainage Facilities	Series 2016 Road Facilities	
Amount Outstanding - March 31, 2024	\$13,580,000	\$10,180,000	
Interest Rates	3.00%-3.75%	2.00%-3.125%	
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2041	December 1, 2024/2041	
Interest Payment Dates	June 1, December 1	June 1, December 1	
Callable Dates	December 1, 2023*	December 1, 2024*	

* The bonds are subject to redemption at the option of the District prior to their maturity in whole or from time to time in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2014 term bonds maturing December 1, 2030, 2032, 2035, and 2039, are subject to mandatory redemption beginning December 1, 2029, 2031, 2034, and 2036, respectively. Series 2015 (Road) term bonds maturing December 1, 2033, 2035, and 2039, are subject to mandatory redemption beginning December 1, 2029, 2034, and 2036, respectively. Series 2015 term bonds maturing December 1, 2037, and 2040, are subject to mandatory redemption beginning December 1, 2035, and 2038, respectively. Series 2016 term bonds maturing December 1, 2039, and 2041, are subject to mandatory redemption beginning December 1, 2038, and 2040, respectively. Series 2016 (Road) term bonds maturing December 1, 2026, 2034, 2039, and 2041, are subject to mandatory redemption beginning December 1, 2025, 2033, 2038, and 2040, respectively.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

	Series 2017 Water, Sewer and Drainage Facilities Refunding	Series 2017 Water, Sewer and Drainage Facilities	Series 2018 Road Facilities
Amount Outstanding - March 31, 2024	\$5,805,000	\$10,145,000	\$8,355,000
Interest Rates	2.75%-4.00%	3.00%-3.50%	3.00%-3.50%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2037	December 1, 2024/2042	December 1, 2024/2042
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2025*	December 1, 2025*	December 1, 2025*
	Series 2018 Taxable Water, Sewer and Drainage Facilities	Series 2019 Water, Sewer and Drainage Facilities	Series 2019 Road Facilities
Amount Outstanding - March 31, 2024	\$8,920,000	\$11,720,000	\$7,195,000
Interest Rates	3.00%-3.50%	3.00%-5.00%	2.75%-4.75%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2043	December 1, 2024/2044	December 1, 2024/2044
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2025*	December 1, 2025*	December 1, 2025*

* The bonds are subject to redemption at the option of the District prior to their maturity in whole or in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2017 term bonds maturing December 1, 2030, 2033, 2039, and 2042 are subject to mandatory redemption beginning December 1, 2028, 2031, 2038, and 2041, respectively. Series 2018 (Road) term bonds maturing December 1, 2031, 2033, 2035, 2037, 2039, and 2042, are subject to mandatory redemption beginning December 1, 2030, 2032, 2034, 2036, 2038, and 2040, respectively. Series 2018 term bonds maturing December 1, 2033, 2035, 2037, 2039, 2041, and 2043 are subject to mandatory redemption beginning December 1, 2032, 2034, 2036, 2038, 2040, and 2042, respectively. Series 2019 term bonds maturing December 1, 2033, 2037, 2040, and 2044, are subject to mandatory redemption beginning December 1, 2032, 2036, 2038, and 2043, respectively. Series 2019 (Road) term bonds maturing December 1, 2029, 2036, and 2043, are subject to mandatory redemption beginning December 1, 2026, 2030, and 2037, respectively.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

	Series 2020 Water, Sewer and Drainage Facilities Refunding	Series 2020 Taxable Water, Sewer and Drainage Facilities	Series 2021 Water, Sewer and Drainage Facilities Refunding
Amount Outstanding - March 31, 2024	\$3,685,000	\$6,485,000	\$6,500,000
Interest Rates	2.00%-3.00%	2.50%-10.00%	1.00%-4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2039	December 1, 2024/2045	December 1, 2024/2040
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2025*	December 1, 2025*	December 1, 2026*
	Series 2021 Park Facilities	Series 2022 Taxable Water, Sewer and Drainage Facilities	Series 2023 Water, Sewer and Drainage Facilities
Amount Outstanding - March 31, 2024	\$11,105,000	\$3,480,000	\$14,145,000
Interest Rates	0.05%-8.00%	1.35%-3.00%	3.00%-4.125%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2045	December 1, 2024/2047	December 1, 2024/2047
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2027*	December 1, 2027*	December 1, 2028*

* The bonds are subject to redemption at the option of the District prior to their maturity in whole or from time to time in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2020 term bonds maturing December 1, 2045, are subject to mandatory redemption beginning December 1, 2037. Series 2021 Refunding term bonds maturing December 1, 2032, 2034, 2036, 2038 and 2040, are subject to mandatory redemption beginning December 1, 2031, 2033, 2035, 2037 and 2039, respectively. Series 2021 Park term bonds maturing December 1, 2040 and 2042, are subject to mandatory redemption beginning December 1, 2039 and 2041, respectively. Series 2022 term bonds maturing December 1, 2029, 2031, 2033, 2035, 2039, 2041, 2044 and 2047, are subject to mandatory redemption beginning December 1, 2028, 2030, 2032, 2034, 2036, 2040, 2042 and 2045, respectively. Series 2023 term bonds maturing December 1, 2043, 2045 and 2047, are subject to mandatory redemption beginning December 1, 2042, 2044 and 2046, respectively.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

	Series 2023 Road Facilities	Series 2024A Water, Sewer and Drainage Facilities	Series 2024B Taxable Water, Sewer and Drainage Facilities
Amount Outstanding - March 31, 2024	\$8,110,000	\$10,195,000	\$3,045,000
Interest Rates	3.125%-4.00%	4.00%-5.00%	5.00%-8.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2047	December 1, 2024/2048	December 1, 2024/2048
Interest Payment Dates	June 1, December 1	June 1, December 1	June 1, December 1
Callable Dates	December 1, 2028*	December 1, 2029*	December 1, 2029*

* The bonds are subject to redemption at the option of the District prior to their maturity in whole or from time to time in part, on the call date or any date thereafter at a price of par value plus unpaid accrued interest from the most recent interest payment date to the date fixed for redemption. Series 2023 Road term bonds maturing December 1, 2045, are subject to mandatory redemption beginning December 1, 2043. Series 2024A term bonds maturing December 1, 2044, is subject to mandatory redemption beginning December 1, 2043. Series 2024B term bonds maturing December 1, 2032, 2035, 2038, 2041, 2044, and 2048, are subject to mandatory redemption beginning December 1, 2030, 2033, 2036, 2039, 2042 and 2045, respectively.

As of March 31, 2024, the Master District has contract revenue bonds outstanding totaling \$168,410,000. The debt service requirements on the outstanding bonds were as follows:

Fiscal Year	Principal	Interest	Total
2025	\$ 5,000,000	\$ 5,599,788	\$ 10,599,788
2026	5,220,000	5,581,162	10,801,162
2027	5,405,000	5,395,629	10,800,629
2028	5,590,000	5,198,504	10,788,504
2029	5,780,000	5,004,674	10,784,674
2030-2034	32,090,000	22,097,480	54,187,480
2035-2039	38,620,000	16,251,809	54,871,809
2040-2044	46,575,000	8,800,161	55,375,161
2045-2049	24,130,000	1,729,854	25,859,854
	<u>\$ 168,410,000</u>	<u>\$ 75,659,061</u>	<u>\$ 244,069,061</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 13. CONTRACT FOR FINANCING, OPERATION AND MAINTENANCE OF REGIONAL FACILITIES (Continued)

The following is a summary of transactions regarding bonds payable for the year ended March 31, 2024:

	April 1, 2023	Additions	Retirements	March 31, 2024
Bonds Payable	\$ 151,530,000	\$ 21,350,000	\$ 4,470,000	\$ 168,410,000
Unamortized Discounts	(1,758,298)	(98,447)	(95,806)	(1,760,939)
Unamortized Premiums	200,764	370,071	17,434	553,401
Bonds Payable, Net	\$ 149,972,466	\$ 21,621,624	\$ 4,391,628	\$ 167,202,462
		Amount Due Within One Year		\$ 5,000,000
		Amount Due After One Year		162,202,462
		Bonds Payable, Net		\$ 167,202,462

For applicable bond issues, the District has covenanted that it will take all necessary steps to comply with the requirement that rebatable arbitrage earnings on the investment of the gross debt proceeds, within the meaning of section 148(f) of the Internal Revenue Code, be rebated to the federal government. The minimum requirement for determination of the rebatable amount is on the five-year anniversary of the issuance of the debt. The District is required to provide to certain information repositories continuing disclosure of annual financial information and operating data with respect to the District. The information is of the general type included in the annual audit report and must be filed within six months after the end of each fiscal year of the District.

NOTE 14. WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

The District is located within the boundaries of the West Harris County Regional Water Authority (the “Authority”). The Authority was created for purposes including the acquisition and provision of surface water and groundwater for residential, commercial, industrial, agricultural, and other uses, the reduction of groundwater withdrawals, the conservation, preservation, protection, recharge, and prevention of waste of groundwater, and of groundwater reservoirs or their subdivisions, and the control of subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions. The fees per 1,000 gallons of surface water and groundwater delivered from the Authority were \$4.35 and \$3.95, respectively. During the current fiscal year, the Master District paid the Authority \$2,110,434 for water costs.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 15. MASTER DISTRICT BOND SALES

On or about May 11, 2023, the District closed on the sale of its \$8,110,000 Contract Revenue Bonds (Road Facilities), Series 2023. Proceeds of the bonds are being used to finance the costs associated with the construction and engineering for Skinner/Greenhouse Road grade separation improvements as well as advanced funding agreements and utility relocations at Union Pacific Railroad and State Highway 290. Proceeds were also used to fund capitalized interest and issuance costs of the bonds.

On or about March 6, 2024, the District closed on the sale of its \$10,195,000 Contract Revenue Bonds (Water, Sewer and Drainage Facilities), Series 2024A. Proceeds of the bonds were used to finance the costs of construction and engineering for: Horsepen Creek wastewater treatment plant expansion to 1.0 mgd and rehabilitation; erosion control projects; lift stations no. 1 and no. 2 rehabilitation; and water plant no. 1 security system addition. Proceeds were also used to fund debt service interest reserve requirements, developer interest, and bond issuance costs.

On or about March 6, 2024, the District closed on the sale of its \$3,045,000 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities), Series 2024B. Proceeds of the bonds were used to finance the costs associated with clearing, grubbing, construction and engineering for: phase 1-A detention basin and outfall, contracts “A” and “B”; phase 1L, phase 2 regional detention; and land. Proceeds were also used to fund debt service interest reserve requirements, developer interest, and bond issuance costs.

NOTE 16. WATER SUPPLY AGREEMENTS

Effective December 1, 2015, the District entered into a Non-Potable Water Agreement with Towne Lake Community Association, Inc. (the “Association”). The District provides non-potable water to the Association by allowing the Association to connect its irrigation systems to the District’s non-potable water trunklines. The Association pays the District a monthly base fee of \$2,000 for up to 3,000,000 gallons of non-potable water plus \$0.30 per 1,000 gallons of non-potable water in excess of 3,000,000 gallons. The term of the agreement is one year with automatic renewals thereafter for successive one-year terms, unless terminated. This agreement was amended on November 7, 2018, to permit the Association to re-sell or otherwise deliver non-potable water to the H. Towne Lake Community Association (“Heritage HOA”).

On December 7, 2018 the District entered into a Water Supply Agreement with the Heritage HOA. The District connected to the Heritage HOA’s irrigation system so that the Heritage HOA can supply the District with non-potable water for certain landscaping improvements constructed by the District. The District was responsible for the design and construction of irrigation system facilities to the point of connection with Heritage HOA’s irrigation system. The non-potable water is provided at no cost to the District. The term of the agreement is one year and will automatically renew on a month-to-month basis, unless terminated.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 17. LAW ENFORCEMENT SERVICES

The Internal District has entered into an Interlocal Agreement for Law Enforcement Services with Harris County, Texas (the “County”). The term of the current agreement ends September 30, 2024, unless terminated sooner. Monthly payments are currently \$13,580.

NOTE 18. ADVANCED FUNDING AGREEMENTS

The District entered into an Advanced Funding Agreement with the State of Texas, acting by and through the Texas Department of Transportation (“TxDOT”). The agreement was amended on January 4, 2023, to narrow the scope of the project to include field surveys, prepare traffic control plans, specifications, and estimates. The agreement, as amended, requires District participation costs estimated to be \$1,100,000.

On January 4, 2023, the District entered into an Advanced Funding Agreement for Surface Transportation Block Grant (STBG) Program On-System with the State of Texas, acting by and through TxDOT. The scope of the work in this agreement includes constructing an underpass of the UPRR railroad to extend a 6-lane segment of Skinner Road to the south of US 290 and pedestrian improvements, and may also include improvements to the US 290 overpass bridge. The District’s participation costs related to this agreement are estimated to be \$8,676,000.

NOTE 19. INTERIM AND EMERGENCY WATER SUPPLY AGREEMENTS

On March 3, 2010, the District as Master District entered into an Interim Water Supply Agreement (“Interim Agreement”) with Harris County Municipal Utility District No. 172 (“MUD 172”).

The District and Remington Municipal Utility District No. 1 (“Remington MUD No. 1”) entered into an Interim Water Capacity Lease, Surface Water Supply and Emergency Interconnect Agreement (the “Agreement”) dated April 23, 2008, and most recently amended on December 23, 2011. The term of the agreement is 50 years, unless otherwise agreed to by the districts.

On June 17, 2020, the District and Harris County Municipal Utility District No. 196 (“District No. 196”) entered into an Emergency Water Supply Agreement (the “Agreement”) to temporarily supply potable water to the other district in event of an emergency. This agreement was amended on December 15, 2021. Under the agreement, the receiving district shall pay for water at the rate of \$1.00 per 1,000 gallons, plus any West Harris County Regional Water Authority fees imposed on the supplying district. The term of the agreement is 40 years, unless otherwise agreed to by the districts.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2024

NOTE 20. PRIOR PERIOD ADJUSTMENTS

Amounts recorded in prior years as owed to the Developer for construction costs were evaluated in the current year and it was determined that certain costs were ineligible for reimbursement. In addition, certain capital assets were determined to be owned by other entities and removed from the District's books. The effects of these adjustments on beginning net position is summarized in the following table:

Net Position - April 1, 2023	\$ (18,848,961)
Effect of Adjustments:	<u>(1,079,211)</u>
Net Position - April 1, 2023, As Adjusted	<u>\$ (19,928,172)</u>

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500

REQUIRED SUPPLEMENTARY INFORMATION

MARCH 31, 2024

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Maintenance Taxes	\$ 284,000	\$ 445,560	\$ 161,560
Water Service	160,000	188,261	28,261
Wastewater Service	125,000	150,637	25,637
Regional Water Authority Fees	195,000	225,944	30,944
Investment and Miscellaneous Revenues	41,500	78,644	37,144
TOTAL REVENUES	\$ 805,500	\$ 1,089,046	\$ 283,546
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 106,000	\$ 115,890	\$ (9,890)
Contracted Services	197,000	155,867	41,133
Purchased Water and Wastewater Services	230,760	230,760	
Regional Water Authority Assessments	185,000	235,127	(50,127)
Repairs, Maintenance, Capital Outlay	30,000	8,250	21,750
Other	53,525	53,706	(181)
TOTAL EXPENDITURES	\$ 802,285	\$ 799,600	\$ 2,685
NET CHANGE IN FUND BALANCE	\$ 3,215	\$ 289,446	\$ 286,231
FUND BALANCE - APRIL 1, 2023	1,109,984	1,109,984	
FUND BALANCE - MARCH 31, 2024	\$ 1,113,199	\$ 1,399,430	\$ 286,231

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500

OTHER SUPPLEMENTARY INFORMATION

MARCH 31, 2024

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –
BUDGET AND ACTUAL – ENTERPRISE FUND (MASTER DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	Original Budget	Amended and Final Budget	Actual	Variance Positive (Negative)
OPERATING REVENUES				
Service Revenues	\$ 1,654,920	\$ 1,654,920	\$ 2,223,196	\$ 568,276
Regional Water Authority Fees	1,851,650	1,851,650	1,890,047	38,397
Miscellaneous Revenues	<u>35,200</u>	<u>35,200</u>	<u>43,839</u>	<u>8,639</u>
TOTAL OPERATING REVENUES	<u>\$ 3,541,770</u>	<u>\$ 3,541,770</u>	<u>\$ 4,157,082</u>	<u>\$ 615,312</u>
OPERATING EXPENSES				
Professional Fees	\$ 725,000	\$ 725,000	\$ 1,132,956	\$ (407,956)
Purchased Water Service	1,763,500	1,763,500	2,110,434	(346,934)
Contracted Services	125,000	125,000	104,959	20,041
Repair and Maintenance	365,000	745,000	829,518	(84,518)
Utilities	208,000	208,000	172,972	35,028
Other	<u>401,000</u>	<u>401,000</u>	<u>538,864</u>	<u>(137,864)</u>
TOTAL OPERATING EXPENSES	<u>\$ 3,587,500</u>	<u>\$ 3,967,500</u>	<u>\$ 4,889,703</u>	<u>\$ (922,203)</u>
OPERATING INCOME (LOSS)	<u>\$ (45,730)</u>	<u>\$ (425,730)</u>	<u>\$ (732,621)</u>	<u>\$ (306,891)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Revenues	\$ 48,000	\$ 48,000	\$ 1,539,719	\$ 1,491,719
Contractual Obligation from Participants			10,379,004	10,379,004
Debt Issuance Costs			(1,571,389)	(1,571,389)
Conveyance of Assets			(3,365,572)	(3,365,572)
Depreciation			(3,474,090)	(3,474,090)
Developer Interest			(591,076)	(591,076)
Debt Interest and Amortization Expense			<u>(5,522,463)</u>	<u>(5,522,463)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>\$ 48,000</u>	<u>\$ 48,000</u>	<u>\$ (2,605,867)</u>	<u>\$ (2,653,867)</u>
CHANGE IN NET POSITION	\$ 2,270	\$ (377,730)	\$ (3,338,488)	\$ (2,960,758)
NET POSITION - APRIL 1, 2023	<u>(19,928,172)</u>	<u>(19,928,172)</u>	<u>(19,928,172)</u>	
NET POSITION - MARCH 31, 2024	<u>\$ (19,925,902)</u>	<u>\$ (20,305,902)</u>	<u>\$ (23,266,660)</u>	<u>\$ (2,960,758)</u>

Note: The District does not budget for capital asset and bond related activity, including contract debt payments from participants, debt interest and issuance costs, depreciation, and conveyance of capital assets. Prior period net position has been adjusted, as more fully discussed in Note 20.

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500

SUPPLEMENTARY INFORMATION – REQUIRED BY THE

WATER DISTRICT FINANCIAL MANAGEMENT GUIDE

MARCH 31, 2024

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
SERVICES AND RATES
FOR THE YEAR ENDED MARCH 31, 2024

1. SERVICES PROVIDED BY THE DISTRICT DURING THE FISCAL YEAR:

<u> X </u>	Retail Water	<u> (1) </u>	Wholesale Water	<u> X </u>	Drainage
<u> X </u>	Retail Wastewater	<u> (1) </u>	Wholesale Wastewater	<u> X </u>	Irrigation
<u> X </u>	Parks/Recreation	<u> </u>	Fire Protection	<u> (2) </u>	Security
<u> </u>	Solid Waste/Garbage	<u> </u>	Flood Control	<u> X </u>	Roads
<u> X </u>	Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect)				
<u> </u>	Other (specify): _____				

- (1) The Master District provides wholesale water and wastewater to the participants (see Note 13).
- (2) See Note 17 for more information related to the Internal District’s security services agreement with Harris County.

2. RETAIL SERVICE PROVIDERS

a. RETAIL RATES FOR A 5/8” METER (OR EQUIVALENT):

The following rates are based on the rate order approved January 10, 2023.

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1,000 Gallons over Minimum Use	Usage Levels
WATER:	\$ 22.00	7,000	N	\$ 2.25 \$ 2.50 \$ 3.00	7,001 to 15,000 15,001 to 25,000 25,001 and up
WASTEWATER:	\$ 30.00		Y		

SURCHARGE:

Commission
 Regulatory Assessments
 Surface Water Fees*

Included in the rates above

District employs winter averaging for wastewater usage?

	<u> X </u>
Yes	No

Total monthly charges per 10,000 gallons usage: Water: \$28.75 Wastewater: \$30.00 Surcharge: \$47.90*

* Equal to the surface water fee charged by the West Harris County Regional Water Authority plus 10%

See accompanying independent auditor’s report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
SERVICES AND RATES
FOR THE YEAR ENDED MARCH 31, 2024

2. RETAIL SERVICE PROVIDERS (Continued)

b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered	_____	_____	x 1.0	_____
≤¾"	<u>4</u>	<u>4</u>	x 1.0	<u>4</u>
1"	<u>7</u>	<u>7</u>	x 2.5	<u>18</u>
1½"	<u>7</u>	<u>7</u>	x 5.0	<u>35</u>
2"	<u>16</u>	<u>16</u>	x 8.0	<u>128</u>
3"	_____	_____	x 15.0	_____
4"	<u>3</u>	<u>3</u>	x 25.0	<u>75</u>
6"	<u>8</u>	<u>8</u>	x 50.0	<u>400</u>
8"	<u>3</u>	<u>3</u>	x 80.0	<u>240</u>
10"	_____	_____	x 115.0	_____
Total Water Connections	<u><u>48</u></u>	<u><u>48</u></u>		<u><u>900</u></u>
Total Wastewater Connections	<u><u>33</u></u>	<u><u>33</u></u>	x 1.0	<u><u>33</u></u>

3. TOTAL WATER CONSUMPTION DURING THE FISCAL YEAR ROUNDED TO THE NEAREST THOUSAND: (Unaudited)

Water Accountability Ratio: 96.5%
(Gallons billed and sold/Gallons purchased)

Gallons billed/sold: 541,342,000 Includes water provided to Districts 500, 501, 502 and 503

Gallons purchased 560,636,000 From: West Harris County Regional Water Authority

Note: Harris County Municipal Utility District No. 500 Internal District, along with Harris County Municipal Utility District No. 501, Harris County Municipal Utility District No. 502, and Harris County Municipal Utility District No. 503 receive water from the Harris County Municipal Utility District No. 500 Master District.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
SERVICES AND RATES
FOR THE YEAR ENDED MARCH 31, 2024

4. STANDBY FEES (authorized only under TWC Section 49.231):

Does the District have Debt Service standby fees? Yes No

Does the District have Operation and Maintenance standby fees? Yes No

5. LOCATION OF DISTRICT:

Is the District located entirely within one county?

Yes No

County in which District is located:

Harris County, Texas

Is the District located within a city?

Entirely Partly Not at all

Is the District located within a city's extraterritorial jurisdiction (ETJ)?

Entirely Partly Not at all

ETJ in which District is located

City of Houston, Texas

Are Board Members appointed by an office outside the District?

Yes No

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
GENERAL FUND EXPENDITURES (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

PROFESSIONAL FEES	
Legal	\$ 91,529
Auditing	15,000
Engineering	<u>9,361</u>
TOTAL PROFESSIONAL FEES	<u>\$ 115,890</u>
PURCHASED SERVICES FOR RESALE	
Purchased Water and Wastewater Service	\$ 230,760
Regional Water Authority Assessments	<u>235,127</u>
TOTAL PURCHASED SERVICES FOR RESALE	<u>\$ 465,887</u>
CONTRACTED SERVICES	
Bookkeeping	\$ 20,375
Operations and Billing	15,210
Security	<u>120,282</u>
TOTAL CONTRACTED SERVICES	<u>\$ 155,867</u>
REPAIRS AND MAINTENANCE	
	<u>\$ 8,250</u>
ADMINISTRATIVE EXPENDITURES	
Director Fees, Including Payroll Taxes	\$ 8,889
Insurance	8,341
Office Supplies and Postage	2,987
IT, Title Work, Other	<u>8,875</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 29,092</u>
OTHER EXPENDITURES	
Laboratory Fees	\$ 8,581
Regulatory Assessment	4,593
Sewer Inspection Fees	<u>11,440</u>
TOTAL OTHER EXPENDITURES	<u>\$ 24,614</u>
TOTAL EXPENDITURES	<u><u>\$ 799,600</u></u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
INVESTMENTS
MARCH 31, 2024

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable At End of Year</u>
<u>MASTER DISTRICT ACTIVITIES</u>					
<u>ENTERPRISE FUND</u>					
Money Market Mutual Fund	XXXX0811	Varies	Daily	\$ 7,983,051	\$
Money Market Mutual Fund	XXXX0812	Varies	Daily	3,987,683	
Money Market Mutual Fund	XXXX5059	Varies	Daily	2,058,907	
Money Market Mutual Fund	XXXX5058	Varies	Daily	2,583,497	
Money Market Mutual Fund	XXXX9646	Varies	Daily	677,634	
Money Market Mutual Fund	XXXX9636	Varies	Daily	412,245	
TexPool	XXXX0001	Varies	Daily	1,773,440	
TexPool	XXXX0002	Varies	Daily	16,568,968	
TexPool	XXXX0003	Varies	Daily	<u>4,366,192</u>	
TOTAL MASTER DISTRICT INVESTMENTS				<u>\$ 40,411,617</u>	<u>\$ -0-</u>
<u>INTERNAL DISTRICT ACTIVITIES</u>					
<u>GENERAL FUND</u>					
TexPool	XXXX0004	Varies	Daily	<u>\$ 1,400,304</u>	<u>\$ -0-</u>
<u>DEBT SERVICE FUND</u>					
TexPool	XXXX0006	Varies	Daily	\$ 186,191	\$
TexPool	XXXX0007	Varies	Daily	<u>1,382,179</u>	
TOTAL DEBT SERVICE FUND				<u>\$ 1,568,370</u>	<u>\$ -0-</u>
TOTAL INTERNAL DISTRICT INVESTMENTS				<u>\$ 2,968,674</u>	<u>\$ -0-</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
TAXES LEVIED AND RECEIVABLE (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	Maintenance Taxes		Contract Taxes		Debt Service Taxes	
TAXES RECEIVABLE -						
APRIL 1, 2023	\$ 7,020		\$ 31,166		\$ 1,365	
Adjustments to Beginning Balance	<u>(21,195)</u>	\$ (14,175)	<u>(94,404)</u>	\$ (63,238)	<u>(4,613)</u>	\$ (3,248)
Original 2023 Tax Levy	\$ 336,415		\$ 796,411		\$ 75,522	
Adjustment to 2023 Tax Levy	<u>128,785</u>	<u>465,200</u>	<u>304,879</u>	<u>1,101,290</u>	<u>28,911</u>	<u>104,433</u>
TOTAL TO BE ACCOUNTED FOR		\$ 451,025		\$ 1,038,052		\$ 101,185
TAX COLLECTIONS:						
Prior Years	\$ (14,950)		\$ (66,776)		\$ (3,543)	
Current Year	<u>460,510</u>	<u>445,560</u>	<u>1,090,187</u>	<u>1,023,411</u>	<u>103,380</u>	<u>99,837</u>
TAXES RECEIVABLE - MARCH 31, 2024		<u>\$ 5,465</u>		<u>\$ 14,641</u>		<u>\$ 1,348</u>
TAXES RECEIVABLE BY YEAR:						
2023		\$ 4,690		\$ 11,103		\$ 1,053
2022		263		1,161		42
2021		239		1,054		84
2020		270		1,305		165
2019		<u>3</u>		<u>18</u>		<u>4</u>
TOTAL		<u>\$ 5,465</u>		<u>\$ 14,641</u>		<u>\$ 1,348</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
TAXES LEVIED AND RECEIVABLE (INTERNAL DISTRICT ACTIVITIES)
FOR THE YEAR ENDED MARCH 31, 2024

	2023	2022	2021	2020
PROPERTY VALUATIONS:				
Land	\$ 37,473,774	\$ 37,812,780	\$ 35,586,214	\$ 32,477,670
Improvements	138,975,070	123,765,796	114,896,417	110,344,386
Personal Property	16,435,477	13,351,803	12,966,628	14,492,444
Exemptions	(3,006,652)	(2,864,247)	(2,637,509)	(2,658,275)
TOTAL PROPERTY VALUATIONS	\$ 189,877,669	\$ 172,066,132	\$ 160,811,750	\$ 154,656,225
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.055	\$ 0.027	\$ 0.060	\$ 0.095
Road Maintenance***	0.000	0.000	0.000	0.000
Contract	0.580	0.750	0.750	0.750
Maintenance**	0.245	0.170	0.170	0.155
TOTAL TAX RATES PER \$100 VALUATION	\$ 0.880	\$ 0.947	\$ 0.980	\$ 1.000
ADJUSTED TAX LEVY*	\$ 1,670,923	\$ 1,629,466	\$ 1,575,955	\$ 1,546,562
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	98.99 %	99.91 %	99.91 %	99.88 %

* Based upon the adjusted tax levy at the time of the audit for the fiscal year in which the tax was levied.

** Maintenance Tax – A maximum tax rate of \$1.50 per \$100 of assessed valuation approved by voters on November 6, 2007.

*** Road Maintenance Tax – A maximum tax rate of \$0.25 per \$100 of assessed valuation approved by voters on November 4, 2008.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2014
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 190,000	\$ 165,525	\$ 355,525
2026	200,000	159,635	359,635
2027	210,000	153,235	363,235
2028	220,000	146,305	366,305
2029	230,000	138,825	368,825
2030	240,000	130,775	370,775
2031	250,000	121,775	371,775
2032	260,000	112,400	372,400
2033	270,000	102,000	372,000
2034	285,000	91,200	376,200
2035	295,000	79,800	374,800
2036	310,000	68,000	378,000
2037	325,000	55,600	380,600
2038	340,000	42,600	382,600
2039	355,000	29,000	384,000
2040	370,000	14,800	384,800
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 4,350,000</u>	<u>\$ 1,611,475</u>	<u>\$ 5,961,475</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2015
ROAD FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 375,000	\$ 323,616	\$ 698,616
2026	390,000	311,616	701,616
2027	410,000	298,356	708,356
2028	425,000	284,006	709,006
2029	445,000	269,132	714,132
2030	465,000	253,000	718,000
2031	480,000	234,400	714,400
2032	505,000	215,200	720,200
2033	525,000	195,000	720,000
2034	545,000	174,000	719,000
2035	570,000	152,200	722,200
2036	595,000	129,400	724,400
2037	620,000	105,600	725,600
2038	645,000	80,800	725,800
2039	675,000	55,000	730,000
2040	700,000	28,000	728,000
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 8,370,000</u>	<u>\$ 3,109,326</u>	<u>\$ 11,479,326</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2015
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 495,000	\$ 456,156	\$ 951,156
2026	520,000	445,019	965,019
2027	545,000	432,019	977,019
2028	575,000	415,669	990,669
2029	605,000	398,419	1,003,419
2030	640,000	380,269	1,020,269
2031	670,000	360,269	1,030,269
2032	705,000	338,494	1,043,494
2033	745,000	313,819	1,058,819
2034	785,000	287,744	1,072,744
2035	825,000	260,268	1,085,268
2036	865,000	230,363	1,095,363
2037	910,000	197,925	1,107,925
2038	960,000	163,800	1,123,800
2039	1,010,000	127,800	1,137,800
2040	1,065,000	87,400	1,152,400
2041	1,120,000	44,800	1,164,800
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 13,040,000</u>	<u>\$ 4,940,233</u>	<u>\$ 17,980,233</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2016 TAXABLE
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 430,000	\$ 490,087	\$ 920,087
2026	455,000	477,188	932,188
2027	485,000	463,537	948,537
2028	515,000	448,988	963,988
2029	545,000	433,537	978,537
2030	580,000	417,188	997,188
2031	620,000	399,062	1,019,062
2032	655,000	378,913	1,033,913
2033	695,000	355,987	1,050,987
2034	740,000	331,663	1,071,663
2035	785,000	305,762	1,090,762
2036	835,000	276,325	1,111,325
2037	890,000	245,012	1,135,012
2038	945,000	211,638	1,156,638
2039	1,005,000	176,200	1,181,200
2040	1,065,000	136,000	1,201,000
2041	1,130,000	93,400	1,223,400
2042	1,205,000	48,200	1,253,200
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 13,580,000</u>	<u>\$ 5,688,687</u>	<u>\$ 19,268,687</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2016
ROAD FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 390,000	\$ 278,525	\$ 668,525
2026	405,000	270,725	675,725
2027	420,000	262,625	682,625
2028	440,000	254,225	694,225
2029	460,000	245,425	705,425
2030	475,000	235,075	710,075
2031	495,000	223,200	718,200
2032	520,000	210,825	730,825
2033	540,000	197,825	737,825
2034	565,000	182,975	747,975
2035	590,000	166,025	756,025
2036	615,000	148,325	763,325
2037	640,000	129,875	769,875
2038	665,000	110,675	775,675
2039	695,000	90,725	785,725
2040	725,000	69,875	794,875
2041	755,000	48,125	803,125
2042	785,000	24,531	809,531
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 10,180,000</u>	<u>\$ 3,149,581</u>	<u>\$ 13,329,581</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2017 REFUNDING
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 335,000	\$ 197,706	\$ 532,706
2026	345,000	188,494	533,494
2027	360,000	179,006	539,006
2028	365,000	168,205	533,205
2029	380,000	157,256	537,256
2030	390,000	145,381	535,381
2031	405,000	132,706	537,706
2032	415,000	119,544	534,544
2033	430,000	105,019	535,019
2034	445,000	89,969	534,969
2035	460,000	73,838	533,838
2036	475,000	56,587	531,587
2037	490,000	38,775	528,775
2038	510,000	20,400	530,400
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 5,805,000</u>	<u>\$ 1,672,886</u>	<u>\$ 7,477,886</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2017
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 265,000	\$ 344,744	\$ 609,744
2026	240,000	336,794	576,794
2027	215,000	329,594	544,594
2028	195,000	323,144	518,144
2029	165,000	317,294	482,294
2030	135,000	312,344	447,344
2031	105,000	308,294	413,294
2032	80,000	305,144	385,144
2033	50,000	302,744	352,744
2034	15,000	301,244	316,244
2035		300,794	300,794
2036		300,794	300,794
2037		300,794	300,794
2038		300,794	300,794
2039	355,000	300,794	655,794
2040	335,000	289,256	624,256
2041	1,025,000	278,369	1,303,369
2042	2,785,000	243,775	3,028,775
2043	4,180,000	146,300	4,326,300
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 10,145,000</u>	<u>\$ 5,643,010</u>	<u>\$ 15,788,010</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2018
ROAD FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 255,000	\$ 278,056	\$ 533,056
2026	255,000	270,406	525,406
2027	255,000	262,756	517,756
2028	255,000	255,106	510,106
2029	255,000	247,456	502,456
2030	255,000	239,806	494,806
2031	265,000	232,156	497,156
2032	260,000	224,206	484,206
2033	265,000	216,406	481,406
2034	270,000	208,126	478,126
2035	275,000	199,688	474,688
2036	275,000	190,750	465,750
2037	280,000	181,814	461,814
2038	290,000	172,362	462,362
2039	290,000	162,576	452,576
2040	300,000	152,425	452,425
2041	1,035,000	141,925	1,176,925
2042	1,080,000	105,700	1,185,700
2043	1,940,000	67,900	2,007,900
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 8,355,000</u>	<u>\$ 3,809,620</u>	<u>\$ 12,164,620</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2018 TAXABLE
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 345,000	\$ 339,388	\$ 684,388
2026	355,000	329,037	684,037
2027	365,000	317,500	682,500
2028	370,000	304,725	674,725
2029	385,000	291,775	676,775
2030	390,000	278,300	668,300
2031	405,000	264,163	669,163
2032	415,000	248,975	663,975
2033	430,000	233,412	663,412
2034	445,000	217,288	662,288
2035	460,000	200,600	660,600
2036	460,000	182,200	642,200
2037	445,000	163,800	608,800
2038	430,000	146,000	576,000
2039	400,000	128,800	528,800
2040	550,000	112,800	662,800
2041	565,000	90,800	655,800
2042	580,000	68,200	648,200
2043	575,000	45,000	620,000
2044	550,000	22,000	572,000
2045			
2046			
2047			
2048			
2049			
	<u>\$ 8,920,000</u>	<u>\$ 3,984,763</u>	<u>\$ 12,904,763</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2019
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 250,000	\$ 365,525	\$ 615,525
2026	255,000	353,025	608,025
2027	255,000	340,275	595,275
2028	270,000	328,800	598,800
2029	270,000	320,700	590,700
2030	285,000	312,600	597,600
2031	290,000	304,050	594,050
2032	305,000	295,350	600,350
2033	310,000	286,200	596,200
2034	320,000	276,900	596,900
2035	315,000	267,300	582,300
2036	315,000	257,850	572,850
2037	325,000	248,400	573,400
2038	320,000	238,650	558,650
2039	515,000	229,050	744,050
2040	395,000	213,600	608,600
2041	410,000	201,750	611,750
2042	405,000	189,450	594,450
2043	395,000	177,300	572,300
2044	2,690,000	165,450	2,855,450
2045	2,825,000	84,750	2,909,750
2046			
2047			
2048			
2049			
	<u>\$ 11,720,000</u>	<u>\$ 5,456,975</u>	<u>\$ 17,176,975</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2019
ROAD FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 60,000	\$ 218,638	\$ 278,638
2026	65,000	215,787	280,787
2027	70,000	212,700	282,700
2028	70,000	209,375	279,375
2029	65,000	206,050	271,050
2030	65,000	202,963	267,963
2031	60,000	199,875	259,875
2032	60,000	197,475	257,475
2033	60,000	195,075	255,075
2034	55,000	192,675	247,675
2035	50,000	190,475	240,475
2036	45,000	188,475	233,475
2037	45,000	186,675	231,675
2038	40,000	184,875	224,875
2039	35,000	183,675	218,675
2040	20,000	182,625	202,625
2041	15,000	182,025	197,025
2042	10,000	181,575	191,575
2043	5,000	181,275	186,275
2044	3,150,000	181,125	3,331,125
2045	3,150,000	86,625	3,236,625
2046			
2047			
2048			
2049			
	<u>\$ 7,195,000</u>	<u>\$ 3,980,038</u>	<u>\$ 11,175,038</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2020 REFUNDING
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 190,000	\$ 77,550	\$ 267,550
2026	195,000	71,850	266,850
2027	205,000	66,000	271,000
2028	205,000	61,900	266,900
2029	215,000	57,800	272,800
2030	220,000	53,500	273,500
2031	220,000	49,100	269,100
2032	225,000	44,700	269,700
2033	235,000	40,200	275,200
2034	240,000	35,500	275,500
2035	245,000	30,700	275,700
2036	245,000	25,800	270,800
2037	250,000	20,900	270,900
2038	260,000	15,900	275,900
2039	265,000	10,700	275,700
2040	270,000	5,400	275,400
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 3,685,000</u>	<u>\$ 667,500</u>	<u>\$ 4,352,500</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2020 TAXABLE
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 20,000	\$ 196,400	\$ 216,400
2026	30,000	194,400	224,400
2027	30,000	191,400	221,400
2028	30,000	190,650	220,650
2029	30,000	189,900	219,900
2030	30,000	189,150	219,150
2031	30,000	188,400	218,400
2032	30,000	187,650	217,650
2033	30,000	186,900	216,900
2034	30,000	186,150	216,150
2035	30,000	185,400	215,400
2036	30,000	184,650	214,650
2037	30,000	183,900	213,900
2038	30,000	183,150	213,150
2039	30,000	182,250	212,250
2040	20,000	181,350	201,350
2041	20,000	180,750	200,750
2042	30,000	180,150	210,150
2043	30,000	179,250	209,250
2044	260,000	178,350	438,350
2045	885,000	170,550	1,055,550
2046	4,800,000	144,000	4,944,000
2047			
2048			
2049			
	<u>\$ 6,485,000</u>	<u>\$ 4,034,750</u>	<u>\$ 10,519,750</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2021 REFUNDING
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 310,000	\$ 134,238	\$ 444,238
2026	325,000	124,938	449,938
2027	335,000	115,188	450,188
2028	345,000	101,787	446,787
2029	355,000	94,887	449,887
2030	360,000	91,337	451,337
2031	370,000	87,737	457,737
2032	370,000	83,112	453,112
2033	380,000	75,713	455,713
2034	385,000	68,113	453,113
2035	395,000	60,413	455,413
2036	405,000	52,513	457,513
2037	415,000	44,412	459,412
2038	425,000	36,112	461,112
2039	435,000	27,612	462,612
2040	440,000	18,912	458,912
2041	450,000	9,562	459,562
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 6,500,000</u>	<u>\$ 1,226,586</u>	<u>\$ 7,726,586</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2021
PARK FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 305,000	\$ 340,758	\$ 645,758
2026	320,000	316,357	636,357
2027	335,000	290,757	625,757
2028	350,000	263,958	613,958
2029	365,000	235,957	600,957
2030	380,000	221,358	601,358
2031	400,000	206,157	606,157
2032	415,000	194,158	609,158
2033	435,000	181,707	616,707
2034	455,000	168,658	623,658
2035	475,000	155,007	630,007
2036	495,000	140,758	635,758
2037	520,000	125,907	645,907
2038	545,000	110,308	655,308
2039	565,000	93,957	658,957
2040	590,000	77,008	667,008
2041	620,000	59,307	679,307
2042	645,000	40,708	685,708
2043	675,000	21,357	696,357
2044	705,000	1,108	706,108
2045	740,000	756	740,756
2046	770,000	385	770,385
2047			
2048			
2049			
	<u>\$ 11,105,000</u>	<u>\$ 3,246,391</u>	<u>\$ 14,351,391</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2022 TAXABLE
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 85,000	\$ 94,020	\$ 179,020
2026	85,000	92,872	177,872
2027	90,000	91,512	181,512
2028	95,000	89,892	184,892
2029	100,000	87,992	187,992
2030	105,000	85,992	190,992
2031	110,000	83,892	193,892
2032	115,000	81,418	196,418
2033	120,000	78,830	198,830
2034	125,000	75,830	200,830
2035	130,000	72,706	202,706
2036	135,000	69,196	204,196
2037	140,000	65,550	205,550
2038	150,000	61,350	211,350
2039	155,000	56,850	211,850
2040	160,000	52,200	212,200
2041	170,000	47,400	217,400
2042	175,000	42,300	217,300
2043	185,000	37,050	222,050
2044	190,000	31,500	221,500
2045	200,000	25,800	225,800
2046	210,000	19,800	229,800
2047	220,000	13,500	233,500
2048	230,000	6,900	236,900
2049			
	<u>\$ 3,480,000</u>	<u>\$ 1,464,352</u>	<u>\$ 4,944,352</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2023
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 320,000	\$ 548,525	\$ 868,525
2026	335,000	535,725	870,725
2027	350,000	522,325	872,325
2028	370,000	508,325	878,325
2029	385,000	493,525	878,525
2030	405,000	478,125	883,125
2031	425,000	465,975	890,975
2032	445,000	452,694	897,694
2033	470,000	438,231	908,231
2034	490,000	422,956	912,956
2035	515,000	405,806	920,806
2036	545,000	387,781	932,781
2037	570,000	365,981	935,981
2038	600,000	343,181	943,181
2039	630,000	319,181	949,181
2040	660,000	293,981	953,981
2041	695,000	267,581	962,581
2042	730,000	239,781	969,781
2043	765,000	210,581	975,581
2044	805,000	179,981	984,981
2045	845,000	147,781	992,781
2046	885,000	113,981	998,981
2047	930,000	78,581	1,008,581
2048	975,000	40,219	1,015,219
2049			
	<u>\$ 14,145,000</u>	<u>\$ 8,260,803</u>	<u>\$ 22,405,803</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2023
ROAD FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 170,000	\$ 320,019	\$ 490,019
2026	180,000	313,219	493,219
2027	190,000	306,019	496,019
2028	200,000	298,419	498,419
2029	210,000	290,419	500,419
2030	225,000	282,019	507,019
2031	235,000	273,019	508,019
2032	250,000	263,619	513,619
2033	265,000	253,619	518,619
2034	275,000	245,338	520,338
2035	290,000	236,400	526,400
2036	310,000	224,800	534,800
2037	325,000	212,400	537,400
2038	345,000	199,400	544,400
2039	360,000	185,600	545,600
2040	380,000	171,200	551,200
2041	400,000	156,000	556,000
2042	425,000	140,000	565,000
2043	450,000	123,000	573,000
2044	460,000	105,000	565,000
2045	500,000	86,600	586,600
2046	525,000	66,600	591,600
2047	555,000	45,600	600,600
2048	585,000	23,400	608,400
2049			
	<u>\$ 8,110,000</u>	<u>\$ 4,821,709</u>	<u>\$ 12,931,709</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2024A
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 160,000	\$ 309,866	\$ 469,866
2026	205,000	412,950	617,950
2027	220,000	402,700	622,700
2028	230,000	391,700	621,700
2029	245,000	380,200	625,200
2030	255,000	367,950	622,950
2031	270,000	355,200	625,200
2032	285,000	344,400	629,400
2033	300,000	333,000	633,000
2034	320,000	321,000	641,000
2035	335,000	308,200	643,200
2036	355,000	294,800	649,800
2037	380,000	280,600	660,600
2038	395,000	265,400	660,400
2039	420,000	249,600	669,600
2040	450,000	232,800	682,800
2041	470,000	214,800	684,800
2042	500,000	196,000	696,000
2043	530,000	176,000	706,000
2044	560,000	154,800	714,800
2045	590,000	132,400	722,400
2046	625,000	108,800	733,800
2047	660,000	83,800	743,800
2048	700,000	57,400	757,400
2049	735,000	29,400	764,400
	<u>\$ 10,195,000</u>	<u>\$ 6,403,766</u>	<u>\$ 16,598,766</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2024B TAXABLE
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2025	\$ 50,000	\$ 120,446	\$ 170,446
2026	60,000	161,125	221,125
2027	60,000	158,125	218,125
2028	65,000	153,325	218,325
2029	70,000	148,125	218,125
2030	75,000	142,525	217,525
2031	80,000	136,525	216,525
2032	85,000	132,525	217,525
2033	90,000	128,275	218,275
2034	95,000	123,775	218,775
2035	105,000	119,025	224,025
2036	110,000	113,775	223,775
2037	110,000	108,275	218,275
2038	125,000	102,775	227,775
2039	130,000	96,525	226,525
2040	130,000	90,025	220,025
2041	145,000	83,525	228,525
2042	150,000	76,275	226,275
2043	155,000	68,775	223,775
2044	165,000	60,638	225,638
2045	175,000	51,975	226,975
2046	185,000	42,788	227,788
2047	200,000	33,075	233,075
2048	205,000	22,575	227,575
2049	225,000	11,813	236,813
	<u>\$ 3,045,000</u>	<u>\$ 2,486,610</u>	<u>\$ 5,531,610</u>

See accompanying independent auditor's report.

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HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
MASTER DISTRICT ACTIVITIES
MARCH 31, 2024

ANNUAL REQUIREMENTS
FOR ALL SERIES

Due During Fiscal Years Ending March 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2025	\$ 5,000,000	\$ 5,599,788	\$ 10,599,788
2026	5,220,000	5,581,162	10,801,162
2027	5,405,000	5,395,629	10,800,629
2028	5,590,000	5,198,504	10,788,504
2029	5,780,000	5,004,674	10,784,674
2030	5,975,000	4,819,657	10,794,657
2031	6,185,000	4,625,955	10,810,955
2032	6,400,000	4,430,802	10,830,802
2033	6,645,000	4,219,962	10,864,962
2034	6,885,000	4,001,104	10,886,104
2035	7,145,000	3,770,407	10,915,407
2036	7,420,000	3,523,142	10,943,142
2037	7,710,000	3,262,195	10,972,195
2038	8,020,000	2,990,170	11,010,170
2039	8,325,000	2,705,895	11,030,895
2040	8,625,000	2,409,657	11,034,657
2041	9,025,000	2,100,119	11,125,119
2042	9,505,000	1,776,645	11,281,645
2043	9,885,000	1,433,788	11,318,788
2044	9,535,000	1,079,952	10,614,952
2045	9,910,000	787,237	10,697,237
2046	8,000,000	496,354	8,496,354
2047	2,565,000	254,556	2,819,556
2048	2,695,000	150,494	2,845,494
2049	960,000	41,213	1,001,213
	<u>\$ 168,410,000</u>	<u>\$ 75,659,061</u>	<u>\$ 244,069,061</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
CHANGES IN LONG-TERM BOND DEBT - MASTER DISTRICT ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2024

Description	Original Bonds Issued	Bonds Outstanding April 1, 2023
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2014	\$ 5,610,000	\$ 4,535,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Road Facilities) - Series 2015	10,875,000	8,730,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2015	15,875,000	13,510,000
Harris County Municipal Utility District No. 500 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2016	15,955,000	13,985,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Road Facilities) - Series 2016	12,440,000	10,550,000
Harris County Municipal Utility District No. 500 Contract Revenue Refunding Bonds (Water, Sewer and Drainage Facilities) - Series 2017	6,710,000	6,135,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2017	11,875,000	10,415,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Road Facilities) - Series 2018	9,635,000	8,615,000
Harris County Municipal Utility District No. 500 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2018	10,500,000	9,250,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2019	12,615,000	11,965,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Road Facilities) - Series 2019	7,410,000	7,255,000

See accompanying independent auditor's report.

Current Year Transactions		Retirements		Bonds Outstanding	Paying Agent
Bonds Sold	Principal	Interest	March 31, 2024		
\$	\$ 185,000	\$ 171,075	\$ 4,350,000	The Bank of New York Mellon Trust Company, N.A.	
	360,000	334,416	8,370,000	The Bank of New York Mellon Trust Company, N.A.	
	470,000	470,256	13,040,000	The Bank of New York Mellon Trust Company, N.A.	
	405,000	502,238	13,580,000	The Bank of New York Mellon Trust Company, N.A.	
	370,000	285,925	10,180,000	The Bank of New York Mellon Trust Company, N.A.	
	330,000	205,956	5,805,000	The Bank of New York Mellon Trust Company, N.A.	
	270,000	352,844	10,145,000	The Bank of New York Mellon Trust Company, N.A.	
	260,000	291,056	8,355,000	The Bank of New York Mellon Trust Company, N.A.	
	330,000	350,938	8,920,000	The Bank of New York Mellon Trust Company, N.A.	
	245,000	377,775	11,720,000	The Bank of New York Mellon Trust Company, N.A.	
	60,000	221,488	7,195,000	The Bank of New York Mellon Trust Company, N.A.	

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
CHANGES IN LONG-TERM BOND DEBT - MASTER DISTRICT ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2024

Description	Original Bonds Issued	Bonds Outstanding April 1, 2023
Harris County Municipal Utility District No. 500 Contract Revenue Refunding Bonds (Water, Sewer and Drainage Facilities) - Series 2020	\$ 4,705,000	\$ 3,870,000
Harris County Municipal Utility District No. 500 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2020	6,545,000	6,515,000
Harris County Municipal Utility District No. 500 Contract Revenue Refunding Bonds (Water, Sewer and Drainage Facilities) - Series 2021	7,195,000	6,800,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Park Facilities) - Series 2021	11,680,000	11,400,000
Harris County Municipal Utility District No. 500 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2022	3,615,000	3,560,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2023	14,440,000	14,440,000
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Road Facilities) - Series 2023	8,110,000	
Harris County Municipal Utility District No. 500 Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2024A	10,195,000	
Harris County Municipal Utility District No. 500 Taxable Contract Revenue Bonds (Water, Sewer and Drainage Facilities) - Series 2024B	3,045,000	
	<u>\$ 189,030,000</u>	<u>\$ 151,530,000</u>

See accompanying independent auditor's report.

<u>Current Year Transactions</u>		<u>Retirements</u>		<u>Bonds Outstanding March 31, 2024</u>	<u>Paying Agent</u>
<u>Bonds Sold</u>	<u>Principal</u>	<u>Interest</u>			
\$	\$ 185,000	\$ 83,100	\$ 3,685,000		The Bank of New York Mellon Trust Company, N.A.
	30,000	199,400	6,485,000		The Bank of New York Mellon Trust Company, N.A.
	300,000	143,238	6,500,000		The Bank of New York Mellon Trust Company, N.A.
	295,000	367,307	11,105,000		The Bank of New York Mellon Trust Company, N.A.
	80,000	94,820	3,480,000		The Bank of New York Mellon Trust Company, N.A.
	295,000	493,896	14,145,000		The Bank of New York Mellon Trust Company, N.A.
8,110,000		177,788	8,110,000		The Bank of New York Mellon Trust Company, N.A.
10,195,000			10,195,000		The Bank of New York Mellon Trust Company, N.A.
<u>3,045,000</u>			<u>3,045,000</u>		The Bank of New York Mellon Trust Company, N.A.
<u>\$ 21,350,000</u>	<u>\$ 4,470,000</u>	<u>\$ 5,123,516</u>	<u>\$ 168,410,000</u>		

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
CHANGES IN LONG-TERM BOND DEBT - MASTER DISTRICT ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2024

Master District Contract Revenue Bond Authority:	<u>Water/Sewer/ Drainage Bonds</u>	<u>Road Bonds</u>	<u>Parks and Recreational Bonds</u>
Amount Authorized by Voters	\$ 754,660,000	\$ 350,600,000	\$ 64,550,000
Amount Issued	<u>132,245,000</u>	<u>48,470,000</u>	<u>11,680,000</u>
Remaining to be Issued	<u>\$ 622,415,000</u>	<u>\$ 302,130,000</u>	<u>\$ 52,870,000</u>
Cash and investments restricted for Master District debt as of March 31, 2024:			<u>\$ 17,703,017</u>
Average annual debt service payment (principal and interest) for remaining term of all debt:			<u>\$ 9,762,762</u>

See Note 13 for interest rates, interest payment dates and maturity dates.

Note: Utility bonds issued include \$1,840,000 of incremental debt from refunding bond issues.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
LONG-TERM DEBT SERVICE REQUIREMENTS
INTERNAL DISTRICT ACTIVITIES
MARCH 31, 2024

SERIES - 2017
WATER, SEWER AND DRAINAGE FACILITIES

Due During Fiscal Years Ending March 31	Principal Due September 1	Interest Due September 1/ March 1	Total
2025	\$ 55,000	\$ 65,911	\$ 120,911
2026	60,000	64,055	124,055
2027	60,000	62,045	122,045
2028	65,000	59,888	124,888
2029	70,000	57,490	127,490
2030	70,000	54,935	124,935
2031	75,000	52,215	127,215
2032	80,000	49,190	129,190
2033	85,000	45,890	130,890
2034	90,000	42,390	132,390
2035	90,000	38,790	128,790
2036	95,000	35,090	130,090
2037	100,000	31,190	131,190
2038	105,000	27,090	132,090
2039	110,000	22,790	132,790
2040	115,000	18,290	133,290
2041	125,000	13,427	138,427
2042	130,000	8,200	138,200
2043	135,000	2,767	137,767
	<u>\$ 1,715,000</u>	<u>\$ 751,643</u>	<u>\$ 2,466,643</u>

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
CHANGES IN LONG-TERM BOND DEBT
INTERNAL DISTRICT ACTIVITIES
FOR THE YEAR ENDED MARCH 31, 2024

Description	Original Bonds Issued	Bonds Outstanding April 1, 2023	
Harris County Municipal Utility District No. 500 Unlimited Tax Bonds (Water, Sewer and Drainage Facilities) - Series 2017	<u>\$ 2,000,000</u>	<u>\$ 1,770,000</u>	
Internal District Unlimited Tax Bond Authority:	<u>Water/Sewer/ Drainage Bonds</u>	<u>Road Bonds</u>	<u>Parks and Recreational Bonds</u>
Amount Authorized by Voters	\$ 31,250,000	\$ 14,230,000	\$ 20,000,000
Amount Issued	<u>2,000,000</u>	<u> </u>	<u> </u>
Remaining to be Issued	<u>\$ 29,250,000</u>	<u>\$ 14,230,000</u>	<u>\$ 20,000,000</u>
Cash and investments restricted for District debt as of March 31, 2024:		<u>\$ 1,716,671</u>	
Average annual debt service payment (principal and interest) for remaining term of all debt:		<u>\$ 129,823</u>	

See Note 3 for interest rates, interest payment dates and maturity dates.

See accompanying independent auditor's report.

<u>Current Year Transactions</u>				
	<u>Retirements</u>		Bonds Outstanding March 31, 2024	<u>Paying Agent</u>
<u>Bonds Sold</u>	<u>Principal</u>	<u>Interest</u>		
<u>\$ - 0 -</u>	<u>\$ 55,000</u>	<u>\$ 67,603</u>	<u>\$ 1,715,000</u>	The Bank of New York Mellon Trust Company, N.A.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND (INTERNAL DISTRICT ACTIVITIES)

	Amounts		
	2024	2023	2022
REVENUES			
Property Taxes	\$ 445,560	\$ 266,808	\$ 259,588
Water Service	188,261	183,726	143,197
Wastewater Service	150,637	146,224	159,250
Tap Connection and Inspection Fees	20,518	30,375	
Regional Water Authority Fees	225,944	203,496	158,256
Investment and Miscellaneous Revenues	58,126	27,149	1,837
TOTAL REVENUES	\$ 1,089,046	\$ 857,778	\$ 722,128
EXPENDITURES			
Professional Fees	\$ 115,890	\$ 97,847	\$ 103,418
Contracted Services	155,867	111,129	86,939
Purchased Water and Wastewater Services	230,760	212,481	205,659
Regional Water Authority Assessments	235,127	212,600	152,067
Repairs, Maintenance, Capital Outlay	8,250	98,062	241,234
Other	53,706	58,676	24,332
TOTAL EXPENDITURES	\$ 799,600	\$ 790,795	\$ 813,649
NET CHANGE IN FUND BALANCE	\$ 289,446	\$ 66,983	\$ (91,521)
BEGINNING FUND BALANCE	1,109,984	1,043,001	1,134,522
ENDING FUND BALANCE	\$ 1,399,430	\$ 1,109,984	\$ 1,043,001

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 231,253	\$ 182,881	41.0 %	31.2 %	35.9 %	32.9 %	24.8 %
177,330	188,091	17.3	21.4	19.8	25.2	25.6
141,908	146,753	13.8	17.0	22.1	20.2	20.0
	25,350	1.9	3.5			3.5
149,129	169,771	20.7	23.7	21.9	21.2	23.1
3,674	21,726	5.3	3.2	0.3	0.5	3.0
<u>\$ 703,294</u>	<u>\$ 734,572</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 98,893	\$ 128,834	10.6 %	11.4 %	14.3 %	14.1 %	17.5 %
114,964	117,961	14.3	13.0	12.0	16.3	16.1
212,184	227,160	21.2	24.8	28.5	30.2	30.9
127,939	148,279	21.6	24.8	21.1	18.2	20.2
20,006	22,508	0.8	11.4	33.4	2.8	3.1
31,339	74,398	4.9	6.8	3.4	4.5	10.1
<u>\$ 605,325</u>	<u>\$ 719,140</u>	<u>73.4 %</u>	<u>92.2 %</u>	<u>112.7 %</u>	<u>86.1 %</u>	<u>97.9 %</u>
\$ 97,969	\$ 15,432	<u>26.6 %</u>	<u>7.8 %</u>	<u>(12.7) %</u>	<u>13.9 %</u>	<u>2.1 %</u>
<u>1,036,553</u>	<u>1,021,121</u>					
<u>\$ 1,134,522</u>	<u>\$ 1,036,553</u>					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE/CONTRACT TAX FUND (INTERNAL DISTRICT ACTIVITIES)

	Amounts		
	2024	2023	2022
REVENUES			
Property/Contract Tax Revenues	\$ 1,123,248	\$ 1,205,030	\$ 1,228,972
Investment and Miscellaneous Revenues	<u>80,577</u>	<u>33,286</u>	<u>11,398</u>
TOTAL REVENUES	<u>\$ 1,203,825</u>	<u>\$ 1,238,316</u>	<u>\$ 1,240,370</u>
EXPENDITURES			
Tax Collection Expenditures	\$ 44,301	\$ 39,030	\$ 51,916
Debt Service Principal	55,000	50,000	50,000
Debt Service Interest and Fees	67,603	69,178	70,678
Contractual Obligation	<u>870,411</u>	<u>904,312</u>	<u>969,278</u>
TOTAL EXPENDITURES	<u>\$ 1,037,315</u>	<u>\$ 1,062,520</u>	<u>\$ 1,141,872</u>
NET CHANGE IN FUND BALANCE	\$ 166,510	\$ 175,796	\$ 98,498
BEGINNING FUND BALANCE	<u>1,528,798</u>	<u>1,353,002</u>	<u>1,254,504</u>
ENDING FUND BALANCE	<u>\$ 1,695,308</u>	<u>\$ 1,528,798</u>	<u>\$ 1,353,002</u>
TOTAL ACTIVE RETAIL WATER CONNECTIONS	<u>48</u>	<u>46</u>	<u>46</u>
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	<u>33</u>	<u>21</u>	<u>20</u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 1,251,133	\$ 1,273,270	93.3 %	97.3 %	99.1 %	97.9 %	98.7 %
<u>27,241</u>	<u>16,217</u>	<u>6.7</u>	<u>2.7</u>	<u>0.9</u>	<u>2.1</u>	<u>1.3</u>
\$ <u>1,278,374</u>	\$ <u>1,289,487</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 31,111	\$ 25,331	3.7 %	3.2 %	4.2 %	2.4 %	2.0 %
45,000	45,000	4.6	4.0	4.0	3.5	3.5
72,103	73,452	5.6	5.6	5.7	5.6	5.7
<u>1,059,686</u>	<u>1,158,966</u>	<u>72.3</u>	<u>73.0</u>	<u>78.1</u>	<u>82.9</u>	<u>89.9</u>
\$ <u>1,207,900</u>	\$ <u>1,302,749</u>	<u>86.2 %</u>	<u>85.8 %</u>	<u>92.0 %</u>	<u>94.4 %</u>	<u>101.1 %</u>
\$ 70,474	\$ (13,262)	<u>13.8 %</u>	<u>14.2 %</u>	<u>8.0 %</u>	<u>5.6 %</u>	<u>(1.1) %</u>
<u>1,184,030</u>	<u>1,197,292</u>					
\$ <u>1,254,504</u>	\$ <u>1,184,030</u>					
<u>46</u>	<u>46</u>					
<u>20</u>	<u>20</u>					

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MARCH 31, 2024

District Mailing Address - Harris County Municipal Utility District No. 500
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

District Telephone Number - (713) 860-6400

Board Members	Term of Office (Elected or Appointed)	Fees of Office for the year ended March 31, 2024		Expense Reimbursements for the year ended March 31, 2024		Title
		Internal	Master	Internal	Master	
Jeffrey Ottmann	05/22 - 05/26 (Elected)	\$ 1,958	\$1,958	\$1,732	\$ 60	President
Joanne Quintero	05/20 - 05/24 (Elected)	\$1,999	\$2,581	\$ 7	\$ 12	Vice President
Alan Steinberg	05/22 - 05/26 (Elected)	\$1,405	\$1,405	\$ 197	\$ 231	Assistant Vice President/ Assistant Secretary
Jeff Collins	05/22 - 05/26 (Elected)	\$1,772	\$3,319	\$ 25	\$ 21	Secretary
James Spackman	09/20 - 05/24 (Elected)	\$ 999	\$1,109	\$ 66	\$ 66	Assistant Secretary

Notes: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developers or with any of the District's consultants. The District's auditor leases office space from an entity affiliated with the District's Developer.

The submission date of the most recent District Registration Form was on May 17, 2024.

The limit on Fees of Office that a Director may receive during a fiscal year is \$7,200 as set by Board Resolution on August 27, 2007. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
MARCH 31, 2024

Consultants:	<u>Date Hired</u>	<u>Fees for the year ended March 31, 2024 Internal</u>	<u>Fees for the year ended March 31, 2024 Master</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	08/27/07	\$ 91,529 \$ -0-	\$ 325,629 \$ 557,950	General Counsel/ Bond Counsel
McCall Gibson Swedlund Barfoot PLLC	02/03/10	\$ 15,000 \$ -0-	\$ 23,500 \$ 25,500	Audit Related AUP/Bond Related
Myrtle Cruz, Inc.	07/01/22	\$ 21,904	\$ 40,717	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, LLP	03/05/08	\$ 6,513	\$ -0-	Delinquent Tax Attorney
Edminster, Hinshaw, Russ and Associates, Inc.	10/03/07	\$ 9,361	\$2,054,572	Engineer
RBC Capital Markets	10/03/07	\$ 1,250	\$ 330,163	Financial Advisor
Mary Jarmon	07/01/22	\$ -0-	\$ -0-	Investment Officer
Environmental Development Partners	07/02/08	\$ 36,855	\$ 610,071	Operator
BLICO, Inc.	10/03/07	\$ 18,777	\$ 7,500	Tax Assessor/ Collector and Bond Related

See accompanying independent auditor's report.

