



**West Harris County Municipal
Utility District No. 4
Harris and Fort Bend Counties, Texas**

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

September 30, 2025



West Harris County Municipal Utility District No. 4
Contents
September 30, 2025

Independent Auditor’s Report	1
Management’s Discussion and Analysis	3
Basic Financial Statements	
Statement of Net Position and Governmental Funds Balance Sheet	7
Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances	8
Notes to Financial Statements	9
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	17
Notes to Required Supplementary Information	18
Supplementary Information	
Other Schedules Included Within This Report	19
Schedule of Services and Rates	20
Schedule of General Fund Expenditures	21
Schedule of Temporary Investments	22
Analysis of Taxes Levied and Receivable	23
Comparative Schedules of Revenues and Expenditures – General Fund and Debt Service Fund – Five Years	25
Board Members, Key Personnel, and Consultants	27

Independent Auditor's Report

Board of Directors
West Harris County Municipal Utility District No. 4
Harris and Fort Bend Counties, Texas

Opinions

We have audited the financial statements of the governmental activities and each major fund of West Harris County Municipal Utility District No. 4 (District), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2025, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedules required by the Texas Commission on Environmental Quality listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Forvis Mazars, LLP

**Houston, Texas
March 26, 2026**

**West Harris County Municipal Utility District No. 4
Management's Discussion and Analysis
Year Ended September 30, 2025**

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

**West Harris County Municipal Utility District No. 4
Management’s Discussion and Analysis
Year Ended September 30, 2025**

Governmental Funds

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

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

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

Notes to Financial Statements

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

Financial Analysis of the District as a Whole

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

Summary of Net Position

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 4,828,591	\$ 4,072,788
Capital assets	<u>2,477,137</u>	<u>2,639,149</u>
Total assets	<u>\$ 7,305,728</u>	<u>\$ 6,711,937</u>
Other liabilities	<u>\$ 210,520</u>	<u>\$ 149,918</u>
Net position		
Investment in capital assets	2,477,137	2,639,149
Restricted	19,473	94,855
Unrestricted	<u>4,598,598</u>	<u>3,828,015</u>
Total net position	<u>\$ 7,095,208</u>	<u>\$ 6,562,019</u>

The total net position of the District increased by \$533,189, or approximately 8%. The majority of the increase in net position is related to property taxes and charges for services revenues exceeding services expenses.

**West Harris County Municipal Utility District No. 4
Management’s Discussion and Analysis
Year Ended September 30, 2025**

Summary of Changes in Net Position

	<u>2025</u>	<u>2024</u>
Revenues		
Property taxes	\$ 1,051,770	\$ 1,165,402
Charges for services	652,915	643,265
Other revenues	<u>241,011</u>	<u>260,632</u>
Total revenues	<u>1,945,696</u>	<u>2,069,299</u>
Expenses		
Services	1,226,713	1,216,377
Depreciation	<u>185,794</u>	<u>185,667</u>
Total expenses	<u>1,412,507</u>	<u>1,402,044</u>
Change in net position	533,189	667,255
Net position, beginning of year	<u>6,562,019</u>	<u>5,894,764</u>
Net position, end of year	<u><u>\$ 7,095,208</u></u>	<u><u>\$ 6,562,019</u></u>

Financial Analysis of the District’s Funds

The District’s combined fund balances as of the end of the fiscal year ended September 30, 2025 were \$4,557,352, an increase of \$694,448 from the prior year.

The general fund’s fund balance increased by \$746,668 primarily due to property taxes and service revenues and investment income exceeding service operations and capital outlay expenditures.

The debt service fund’s fund balance decreased by \$52,220 primarily due to a transfer to the general fund to close out the debt service fund due to the District paying off all its outstanding bonded debt.

The capital projects fund’s fund balance remained the same as there was no activity in the current year.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to penalty and interest revenues, investment income, and regional water authority and contracted services expenditures being greater than anticipated, as well as repairs and maintenance expenditures being less than anticipated. In addition, capital outlay expenditures and interfund transfers in were not budgeted. The fund balance as of September 30, 2025 was expected to be \$4,433,311, and the actual end-of-year fund balance was \$4,537,879.

Capital Assets and Related Debt

Capital Assets

Capital assets held by the District at the end of the current and previous fiscal years are summarized below.

**West Harris County Municipal Utility District No. 4
Management’s Discussion and Analysis
Year Ended September 30, 2025**

Capital Assets (Net of Accumulated Depreciation)

	<u>2025</u>	<u>2024</u>
Land and improvements	\$ 269,968	\$ 269,968
Water facilities	1,208,430	1,286,942
Wastewater facilities	<u>998,739</u>	<u>1,082,239</u>
Total capital assets	<u>\$ 2,477,137</u>	<u>\$ 2,639,149</u>

During the current year, additions to capital assets were as follows:

Install booster pump No. 1 at the water plant	<u>\$ 23,782</u>
---	------------------

Debt

At September 30, 2025, the District had \$4,850,000 of unlimited tax bonds authorized, but unissued, for the purposes of acquiring, constructing, and improving the water, sanitary sewer, and drainage systems within the District.

Other Relevant Factors

Relationship to the City of Houston

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the City of Houston (City), the District must conform to the City ordinance consenting to the creation of the District. In addition, the District may be annexed by the City without the District’s consent. If the District is annexed, the City must assume the District’s assets and obligations (including the bonded indebtedness) and abolish the District within 90 days.

West Harris County Municipal Utility District No. 4
Statement of Net Position and Governmental Funds Balance Sheet
September 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	\$ 44,294	\$ 24,726	\$ 26,393	\$ 95,413	\$ -	\$ 95,413
Certificates of deposit	416,819	-	-	416,819	-	416,819
Short-term investments	4,164,973	-	-	4,164,973	-	4,164,973
Receivables						
Property taxes	44,013	-	-	44,013	-	44,013
Service accounts	83,810	-	-	83,810	-	83,810
Accrued penalty and interest	-	-	-	-	16,706	16,706
Accrued interest	2,876	-	-	2,876	-	2,876
Interfund receivables	31,646	-	-	31,646	(31,646)	-
Due from others	3,981	-	-	3,981	-	3,981
Capital assets (net of accumulated depreciation)						
Land and improvements	-	-	-	-	269,968	269,968
Infrastructure	-	-	-	-	2,207,169	2,207,169
Total Assets	\$ 4,792,412	\$ 24,726	\$ 26,393	\$ 4,843,531	\$ 2,462,197	\$ 7,305,728
Liabilities						
Accounts payable	\$ 140,962	\$ -	\$ -	\$ 140,962	\$ -	\$ 140,962
Due to others	3,058	-	-	3,058	-	3,058
Customer deposits	66,500	-	-	66,500	-	66,500
Interfund payables	-	24,726	6,920	31,646	(31,646)	-
Total Liabilities	210,520	24,726	6,920	242,166	(31,646)	210,520
Deferred Inflows of Resources						
Deferred property tax revenues	44,013	-	-	44,013	(44,013)	-
Fund Balances/Net Position						
Fund balances						
Restricted for water, sewer, and drainage	-	-	19,473	19,473	(19,473)	-
Unassigned	4,537,879	-	-	4,537,879	(4,537,879)	-
Total fund balances	4,537,879	-	19,473	4,557,352	(4,557,352)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,792,412	\$ 24,726	\$ 26,393	\$ 4,843,531		
Net position						
Investment in capital assets					2,477,137	2,477,137
Restricted for capital projects					19,473	19,473
Unrestricted					4,598,598	4,598,598
Total net position					\$ 7,095,208	\$ 7,095,208

West Harris County Municipal Utility District No. 4
Statement of Activities and Governmental Funds Revenues,
Expenditures, and Changes in Fund Balances
Year Ended September 30, 2025

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Property taxes	\$ 1,053,528	\$ -	\$ -	\$ 1,053,528	\$ (1,758)	\$ 1,051,770
Water service	153,063	-	-	153,063	-	153,063
Sewer service	242,360	-	-	242,360	-	242,360
Regional water fee	257,492	-	-	257,492	-	257,492
Penalty and interest	40,225	-	-	40,225	2,511	42,736
Tap connection and inspection fees	9,900	-	-	9,900	-	9,900
Investment income	188,098	277	-	188,375	-	188,375
Total Revenues	<u>1,944,666</u>	<u>277</u>	<u>-</u>	<u>1,944,943</u>	<u>753</u>	<u>1,945,696</u>
Expenditures/Expenses						
Service operations						
Regional water authority	291,402	-	-	291,402	-	291,402
Professional fees	137,020	-	-	137,020	-	137,020
Contracted services	290,363	-	-	290,363	-	290,363
Utilities	58,410	-	-	58,410	-	58,410
Repairs and maintenance	322,493	-	-	322,493	-	322,493
Other expenditures	126,529	496	-	127,025	-	127,025
Capital outlay	23,782	-	-	23,782	(23,782)	-
Depreciation	-	-	-	-	185,794	185,794
Total Expenditures/Expenses	<u>1,249,999</u>	<u>496</u>	<u>-</u>	<u>1,250,495</u>	<u>162,012</u>	<u>1,412,507</u>
Excess (Deficiency) of Revenues Over Expenditures	694,667	(219)	-	694,448	(161,259)	
Other Financing Sources (Uses)						
Interfund transfers in (out)	52,001	(52,001)	-	-	-	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	746,668	(52,220)	-	694,448	(694,448)	
Change in Net Position					533,189	533,189
Fund Balances/Net Position						
Beginning of year	3,791,211	52,220	19,473	3,862,904	-	6,562,019
End of year	<u>\$ 4,537,879</u>	<u>\$ -</u>	<u>\$ 19,473</u>	<u>\$ 4,557,352</u>	<u>\$ -</u>	<u>\$ 7,095,208</u>

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

West Harris County Municipal Utility District No. 4 (District) was created by an order of the Texas Water Rights Commission, now known as the Texas Commission on Environmental Quality (Commission), effective October 31, 1977, in accordance with the Texas Water Code, Chapter 54. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own, and operate waterworks, wastewater, and drainage facilities and to provide such facilities and services to the customers of the District.

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

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

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

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

The District presents the following major governmental funds:

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

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

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

Capital Projects Fund – The capital projects fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays.

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

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

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

Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and liabilities are generally included on the balance sheet. The statement of governmental funds revenues, expenditures, and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in spendable resources. General capital asset acquisitions are reported as expenditures, and proceeds of long-term debt are reported as other financing sources. Under the modified accrual basis of accounting, revenues are recognized when both measurable and available. The District considers revenues

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

reported in the governmental funds to be available if they are collectible within 60 days after year-end. Principal revenue sources considered susceptible to accrual include taxes, charges for services, and investment income. Other revenues are considered to be measurable and available only when cash is received by the District. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, which are recognized as expenditures when payment is due.

Deferred Outflows and Inflows of Resources

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

Interfund Transactions

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

Pension Costs

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

Use of Estimates

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

Investments and Investment Income

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

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

Property Taxes

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

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended September 30, 2025 include collections during the current period or within 60 days of year-end related to the 2024 and prior years' tax levies.

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended September 30, 2025, the 2024 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the government-wide financial statements. Capital assets are defined by the District as assets, with an individual cost of \$5,000 or more and an estimated useful life of two years or more. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives is not capitalized.

Capital assets are depreciated using the straight-line method over their estimated useful lives, as follows:

Water production and distribution facilities	10–45 years
Wastewater collection and treatment facilities	10–45 years

Deferred Amount on Debt Refundings

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

Debt Issuance Costs

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

Long-Term Obligations

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

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

Net Position/Fund Balances

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

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

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

Reconciliation of Government-Wide and Fund Financial Statements

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

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	\$ 2,477,137
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	44,013
Penalty and interest on delinquent taxes is not receivable in the current period and is not reported in the funds.	<u>16,706</u>
Adjustment to fund balances to arrive at net position.	<u><u>\$ 2,537,856</u></u>

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

Change in fund balances.	\$ 694,448
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay expenditures in the current period.	(162,012)
Revenues that do not provide current financial resources are not reported as revenues for the funds but are reported as revenues in the statement of activities.	<u>753</u>
Change in net position of governmental activities.	<u><u>\$ 533,189</u></u>

Note 2. Deposits, Investments, and Investment Income

Deposits

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

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

At September 30, 2025, none of the District's bank balances were exposed to custodial credit risk.

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

Investments

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

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

The District invests in TexPool, an external investment pool that is not registered with the Securities and Exchange Commission. The State Comptroller of Public Accounts of the State of Texas has oversight of TexPool. The District’s investments in TexPool are reported at amortized cost.

At September 30, 2025, the District had the following investments and maturities:

Type	Maturities in Years				
	Amortized Cost	Less Than 1	1–5	6–10	More Than 10
TexPool	\$ 4,164,973	\$ 4,164,973	\$ -	\$ -	\$ -

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

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At September 30, 2025, the District’s investments in TexPool were rated “AAAm” by Standard & Poor’s.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet at September 30, 2025 as follows:

Carrying value	
Deposits	\$ 512,232
Investments	<u>4,164,973</u>
Total	<u>\$ 4,677,205</u>

Included in the following statement of net position captions:

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

Cash	\$ 95,413
Certificates of deposit	416,819
Short-term investments	<u>4,164,973</u>
Total	<u><u>\$ 4,677,205</u></u>

Investment Income

Investment income of \$188,375 for the year ended September 30, 2025 consisted of interest income.

Note 3. Capital Assets

A summary of changes in capital assets for the year ended September 30, 2025 is presented below:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Additions</u>	<u>Balances, End of Year</u>
Capital assets, non-depreciable			
Land and improvements	\$ 269,968	\$ -	\$ 269,968
Capital assets, depreciable			
Water production and distribution facilities	3,753,963	23,782	3,777,745
Wastewater collection and treatment facilities	<u>2,783,164</u>	<u>-</u>	<u>2,783,164</u>
Total capital assets, depreciable	<u>6,537,127</u>	<u>23,782</u>	<u>6,560,909</u>
Less accumulated depreciation			
Water production and distribution facilities	(2,467,021)	(102,294)	(2,569,315)
Wastewater collection and treatment facilities	<u>(1,700,925)</u>	<u>(83,500)</u>	<u>(1,784,425)</u>
Total accumulated depreciation	<u>(4,167,946)</u>	<u>(185,794)</u>	<u>(4,353,740)</u>
Total governmental activities, net	<u><u>\$ 2,639,149</u></u>	<u><u>\$ (162,012)</u></u>	<u><u>\$ 2,477,137</u></u>

Note 4. Long-Term Liabilities

The District's bond authorization as of September 30, 2025 is as follows:

Bonds voted	\$ 12,700,000
Bonds sold	7,850,000
Refunding bonds voted	5,500,000
Refunding bond authorization used	2,509,879

West Harris County Municipal Utility District No. 4
Notes to Financial Statements
September 30, 2025

Note 5. Maintenance Taxes

At an election held January 17, 1981, voters authorized a maintenance tax not to exceed \$0.75 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended September 30, 2025, the District levied an ad valorem maintenance tax at the rate of \$0.750 per \$100 of assessed valuation, which resulted in a tax levy of \$1,068,981 on the taxable valuation of \$142,530,718 for the 2024 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Note 6. Regional Water Authority

The District is within the boundaries of the West Harris County Regional Water Authority (Authority), which was created by the Texas Legislature. The Authority was created to provide a regional entity to acquire surface water and build the necessary facilities to convert from groundwater to surface water in order to meet conversion requirements mandated by the Harris-Galveston Subsidence District, which regulates groundwater withdrawal. As of September 30, 2025, the Authority was billing the District \$3.95 per 1,000 gallons of water pumped from its wells. This amount is subject to future adjustments.

Note 7. Risk Management

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

Required Supplementary Information

**West Harris County Municipal Utility District No. 4
 Budgetary Comparison Schedule – General Fund
 Year Ended September 30, 2025**

	Original Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 1,040,000	\$ 1,053,528	\$ 13,528
Water service	150,000	153,063	3,063
Sewer service	245,000	242,360	(2,640)
Regional water fee	260,000	257,492	(2,508)
Penalty and interest	10,000	40,225	30,225
Tap connection and inspection fees	10,000	9,900	(100)
Investment income	140,000	188,098	48,098
Total Revenues	1,855,000	1,944,666	89,666
Expenditures			
Service operations			
Regional water authority	260,000	291,402	(31,402)
Professional fees	124,000	137,020	(13,020)
Contracted services	268,000	290,363	(22,363)
Utilities	60,000	58,410	1,590
Repairs and maintenance	404,700	322,493	82,207
Other expenditures	96,200	126,529	(30,329)
Capital outlay	-	23,782	(23,782)
Total Expenditures	1,212,900	1,249,999	(37,099)
Excess of Revenues Over Expenditures	642,100	694,667	52,567
Other Financing Sources			
Interfund transfers in	-	52,001	52,001
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	642,100	746,668	104,568
Fund Balance, Beginning of Year	3,791,211	3,791,211	-
Fund Balance, End of Year	\$ 4,433,311	\$ 4,537,879	\$ 104,568

Budgets and Budgetary Accounting

An annual operating budget is prepared for the general fund by the District's consultants. The budget reflects resources expected to be received during the year and expenditures expected to be incurred. The Board is required to adopt the budget prior to the start of its fiscal year. The budget is not a spending limitation (a legally restricted appropriation). The original budget of the general fund was not amended during fiscal 2025.

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

Supplementary Information

**West Harris County Municipal Utility District No. 4
Other Schedules Included Within This Report
September 30, 2025**

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

- Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 9–16
- Schedule of Services and Rates
- Schedule of General Fund Expenditures
- Schedule of Temporary Investments
- Analysis of Taxes Levied and Receivable
- Schedule of Long-Term Debt Service Requirements by Years – Not applicable
- Changes in Long-Term Bonded Debt – Not applicable
- Comparative Schedules of Revenues and Expenditures – General Fund and Debt Service Fund –
Five Years
- Board Members, Key Personnel, and Consultants

West Harris County Municipal Utility District No. 4
Schedule of Services and Rates
Year Ended September 30, 2025

1. Services provided by the District

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Retail Water | <input type="checkbox"/> Wholesale Water | <input checked="" type="checkbox"/> Drainage |
| <input checked="" type="checkbox"/> Retail Wastewater | <input type="checkbox"/> Wholesale Wastewater | <input type="checkbox"/> Irrigation |
| <input type="checkbox"/> Parks/Recreation | <input type="checkbox"/> Fire Protection | <input type="checkbox"/> Security |
| <input checked="" type="checkbox"/> Solid Waste/Garbage | <input type="checkbox"/> Flood Control | <input type="checkbox"/> Roads |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) | | |
| <input type="checkbox"/> Other _____ | | |

2. Retail service providers

a. Retail rates for a 5/8" meter (or equivalent):

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water:	\$ 16.00	9,000	N	\$ 0.25	9,001 to 10,000
				\$ 0.50	10,001 to 11,000
				\$ 0.75	11,001 to 12,000
				\$ 1.00	12,001 to 15,000
				\$ 1.25	15,001 to No Limit
Wastewater:	\$ 35.69	-	Y		
Regional water fee:	\$ 4.35			\$ 4.35	1 to No Limit
Does the District employ winter averaging for wastewater usage?					Yes ___ No <u>X</u>
Total charges per 10,000 gallons usage (including fees):				Water \$ 59.75	Wastewater \$ 35.69

b. Water and wastewater retail connections:

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC*</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	470	464	x1.0	464
1"	81	77	x2.5	193
1 1/2"	3	3	x5.0	15
2"	10	9	x8.0	72
3"	2	2	x15.0	30
4"	-	-	x25.0	-
6"	-	-	x50.0	-
8"	1	1	x80.0	80
10"	-	-	x115.0	-
Total water	567	556		854
Total wastewater	548	538	x1.0	538

3. Total water consumption (in thousands) during the fiscal year

Gallons pumped into the system:	73,556
Gallons billed to customers:	61,702
Water accountability ratio (gallons billed/gallons pumped):	83.88%

*"ESFC" means equivalent single-family connections

West Harris County Municipal Utility District No. 4
Schedule of General Fund Expenditures
Year Ended September 30, 2025

Personnel (including benefits)		\$	-
Professional Fees			
Auditing	\$	24,000	
Legal		104,450	
Engineering		8,570	
Financial advisor		-	137,020
		<u> </u>	
Purchased Services for Resale			
Bulk water and wastewater service purchases			-
Regional Water Authority			291,402
Contracted Services			
Bookkeeping		17,199	
General manager		-	
Appraisal district		9,102	
Tax collector		9,075	
Security		-	
Other contracted services		86,732	122,108
		<u> </u>	
Utilities			58,410
Repairs and Maintenance			322,493
Administrative Expenditures			
Directors' fees		29,392	
Office supplies		25,758	
Insurance		27,684	
Other administrative expenditures		43,695	126,529
		<u> </u>	
Capital Outlay			
Capitalized assets		23,782	
Expenditures not capitalized		-	23,782
		<u> </u>	
Tap Connection Expenditures			-
Solid Waste Disposal			168,255
Fire Fighting			-
Parks and Recreation			-
Other Expenditures			<u> </u>
Total Expenditures		<u>\$</u>	<u>1,249,999</u>

West Harris County Municipal Utility District No. 4
Schedule of Temporary Investments
September 30, 2025

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Face Amount</u>	<u>Accrued Interest Receivable</u>
General Fund				
Certificates of Deposit				
No. 15535	3.50%	01/02/26	\$ 95,000	\$ 683
No. 41076	4.05%	08/03/26	245,000	1,501
No. 28408	2.87%	12/04/25	76,819	692
TexPool	4.18%	Demand	4,164,973	-
Totals			<u>\$ 4,581,792</u>	<u>\$ 2,876</u>

**West Harris County Municipal Utility District No. 4
 Analysis of Taxes Levied and Receivable
 Year Ended September 30, 2025**

	Maintenance Taxes	Debt Service Taxes
Receivable, Beginning of Year	\$ 36,804	\$ 8,967
Additions and corrections to prior years' taxes	(15,583)	(1,628)
Adjusted Receivable, Beginning of Year	<u>21,221</u>	<u>7,339</u>
2024 Original Tax Levy	1,003,107	-
Additions and corrections	65,874	-
Adjusted tax levy	<u>1,068,981</u>	<u>-</u>
Total to Be Accounted For	1,090,202	7,339
Tax collections: Current year	(1,051,296)	-
Prior years	(1,140)	(1,092)
Receivable, End of Year	<u>\$ 37,766</u>	<u>\$ 6,247</u>
Receivable, by Years		
2024	\$ 17,685	\$ -
2023	8,096	1,123
2022	5,164	1,658
2021	2,407	991
2020	2,208	1,039
2019	1,488	801
2018	595	507
2017	123	128
Receivable, End of Year	<u>\$ 37,766</u>	<u>\$ 6,247</u>

West Harris County Municipal Utility District No. 4
Analysis of Taxes Levied and Receivable
Year Ended September 30, 2025

(Continued)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Property Valuations				
Land	\$ 36,186,459	\$ 36,018,362	\$ 34,889,878	\$ 27,675,894
Improvements	140,461,861	139,010,084	120,025,028	105,776,124
Personal property	6,061,415	5,664,214	5,243,929	4,413,188
Exemptions	<u>(40,179,017)</u>	<u>(42,831,133)</u>	<u>(36,858,566)</u>	<u>(28,563,825)</u>
Total Property Valuations	<u>\$ 142,530,718</u>	<u>\$ 137,861,527</u>	<u>\$ 123,300,269</u>	<u>\$ 109,301,381</u>
Tax Rates per \$100 Valuation				
Debt service tax rates	\$ -	\$ 0.104	\$ 0.220	\$ 0.280
Maintenance tax rates*	<u>0.750</u>	<u>0.750</u>	<u>0.685</u>	<u>0.680</u>
Total Tax Rates per \$100 Valuation	<u>\$ 0.750</u>	<u>\$ 0.854</u>	<u>\$ 0.905</u>	<u>\$ 0.960</u>
Tax Levy	<u>\$ 1,068,981</u>	<u>\$ 1,177,337</u>	<u>\$ 1,115,867</u>	<u>\$ 1,049,293</u>
Percent of Taxes Collected to Taxes Levied**	<u>98%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

*Maximum tax rate approved by voters: \$0.75 on January 17, 1981

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

West Harris County Municipal Utility District No. 4
Comparative Schedule of Revenues and Expenditures – General Fund
Five Years Ended September 30,

	Amounts				
	2025	2024	2023	2022	2021
General Fund					
Revenues					
Property taxes	\$ 1,053,528	\$ 1,015,421	\$ 827,255	\$ 746,919	\$ 715,572
Water service	153,063	148,675	147,983	151,507	138,399
Sewer service	242,360	233,011	231,948	228,271	218,284
Regional water fee	257,492	261,579	276,392	256,404	194,606
Penalty and interest	40,225	27,580	28,261	22,049	21,297
Tap connection and inspection fees	9,900	9,750	9,099	9,774	9,799
Investment income	188,098	197,930	134,074	18,776	2,307
Total Revenues	<u>1,944,666</u>	<u>1,893,946</u>	<u>1,655,012</u>	<u>1,433,700</u>	<u>1,300,264</u>
Expenditures					
Service operations					
Regional water authority	291,402	281,427	292,464	269,214	203,625
Professional fees	137,020	137,939	139,660	116,511	93,219
Contracted services	290,363	254,818	229,214	234,720	210,869
Utilities	58,410	58,344	59,605	50,550	38,913
Repairs and maintenance	322,493	357,279	333,750	276,811	273,324
Other expenditures	126,529	94,057	80,812	54,380	57,903
Capital outlay	23,782	19,820	39,511	161,809	31,767
Total Expenditures	<u>1,249,999</u>	<u>1,203,684</u>	<u>1,175,016</u>	<u>1,163,995</u>	<u>909,620</u>
Excess of Revenues Over Expenditures	<u>694,667</u>	<u>690,262</u>	<u>479,996</u>	<u>269,705</u>	<u>390,644</u>
Other Financing Sources (Uses)					
Insurance proceeds	-	-	-	53,562	-
Interfund transfers in (out)	52,001	(176,842)	(30,000)	-	-
Total Other Financing Sources (Uses)	<u>52,001</u>	<u>(176,842)</u>	<u>(30,000)</u>	<u>53,562</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	746,668	513,420	449,996	323,267	390,644
Fund Balance, Beginning of Year	<u>3,791,211</u>	<u>3,277,791</u>	<u>2,827,795</u>	<u>2,504,528</u>	<u>2,113,884</u>
Fund Balance, End of Year	<u>\$ 4,537,879</u>	<u>\$ 3,791,211</u>	<u>\$ 3,277,791</u>	<u>\$ 2,827,795</u>	<u>\$ 2,504,528</u>
Total Active Retail Water Connections	<u>556</u>	<u>561</u>	<u>556</u>	<u>561</u>	<u>564</u>
Total Active Retail Wastewater Connections	<u>538</u>	<u>540</u>	<u>535</u>	<u>540</u>	<u>543</u>

Percent of Fund Total Revenues

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
54.2 %	53.6 %	50.0 %	52.1 %	55.0 %
7.9	8.7	10.1	11.4	11.8
12.4	12.3	14.0	15.9	16.8
13.2	13.8	16.7	17.9	15.0
2.1	0.6	0.6	0.7	0.5
0.5	0.5	0.5	0.7	0.7
<u>9.7</u>	<u>10.5</u>	<u>8.1</u>	<u>1.3</u>	<u>0.2</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
15.0	14.9	17.7	18.8	15.7
7.1	7.3	8.4	8.1	7.2
14.9	13.4	13.8	16.4	16.2
3.0	3.1	3.6	3.5	3.0
16.6	18.9	20.2	19.3	21.0
6.5	5.0	4.9	3.8	4.5
<u>1.2</u>	<u>1.0</u>	<u>2.4</u>	<u>11.3</u>	<u>2.4</u>
<u>64.3</u>	<u>63.6</u>	<u>71.0</u>	<u>81.2</u>	<u>70.0</u>
<u>35.7 %</u>	<u>36.4 %</u>	<u>29.0 %</u>	<u>18.8 %</u>	<u>30.0 %</u>

West Harris County Municipal Utility District No. 4
Comparative Schedule of Revenues and Expenditures – Debt Service Fund
Five Years Ended September 30,

	Amounts				
	2025	2024	2023	2022	2021
Debt Service Fund					
Revenues					
Property taxes	\$ -	\$ 142,059	\$ 265,606	\$ 308,912	\$ 337,599
Penalty and interest	-	21,528	10,623	22,659	14,203
Investment income	277	897	7,294	1,438	54
Total Revenues	<u>277</u>	<u>164,484</u>	<u>283,523</u>	<u>333,009</u>	<u>351,856</u>
Expenditures					
Current					
Professional fees	-	7,800	7,139	3,930	2,754
Contracted services	-	16,200	16,746	16,464	16,176
Other expenditures	496	8,516	11,716	10,556	9,528
Debt service					
Principal retirement	-	290,000	275,000	265,000	255,000
Interest and fees	-	11,100	23,100	32,212	39,362
Total Expenditures	<u>496</u>	<u>333,616</u>	<u>333,701</u>	<u>328,162</u>	<u>322,820</u>
Excess (Deficiency) of Revenues Over Expenditures	(219)	(169,132)	(50,178)	4,847	29,036
Other Financing Sources (Uses)					
Interfund transfers in (out)	(52,001)	176,842	30,000	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(52,220)	7,710	(20,178)	4,847	29,036
Fund Balance, Beginning of Year	<u>52,220</u>	<u>44,510</u>	<u>64,688</u>	<u>59,841</u>	<u>30,805</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 52,220</u>	<u>\$ 44,510</u>	<u>\$ 64,688</u>	<u>\$ 59,841</u>

Percent of Fund Total Revenues				
2025	2024	2023	2022	2021
- %	86.4 %	93.7 %	92.8 %	96.0 %
-	13.1	3.7	6.8	4.0
<u>100.0</u>	<u>0.5</u>	<u>2.6</u>	<u>0.4</u>	<u>0.0</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
-	4.7	2.5	1.2	0.8
-	9.8	5.9	4.9	4.6
179.1	5.2	4.1	3.1	2.7
-	176.3	97.0	79.6	72.5
-	6.8	8.2	9.7	11.2
<u>179.1</u>	<u>202.8</u>	<u>117.7</u>	<u>98.5</u>	<u>91.8</u>
<u><u>(79.1) %</u></u>	<u><u>(102.8) %</u></u>	<u><u>(17.7) %</u></u>	<u><u>1.5 %</u></u>	<u><u>8.2 %</u></u>

**West Harris County Municipal Utility District No. 4
Board Members, Key Personnel, and Consultants
Year Ended September 30, 2025**

Complete District mailing address:	West Harris County Municipal Utility District No. 4 c/o Smith, Murdaugh, Little & Bonham, L.L.P. 2727 Allen Parkway, Suite 1100 Houston, TX 77019
District business telephone number:	713.652.6500
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	November 4, 2024
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected & Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-End</u>
Mary Gomez	Elected 05/22– 05/26	\$ 6,630	\$ 2,817	President
Hanna Affram	Elected 05/22– 05/26	6,188	2,764	Vice President
Anthony Rodriguez	Elected 05/24– 05/28	5,967	1,784	Secretary
Michael Cummings	Elected 05/24– 05/28	6,630	2,123	Treasurer
Jack Patel	Elected 05/24– 05/28	3,977	1,927	Assistant Secretary

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

**West Harris County Municipal Utility District No. 4
Board Members, Key Personnel, and Consultants
Year Ended September 30, 2025**

(Continued)

Consultants	Date Hired	Fees and Expense Reimbursements	Title
Bob Leared Interests	05/01/80	\$ 17,357	Tax Assessor/ Collector
Forvis Mazars, LLP	08/23/85	24,000	Auditor
The GMS Group, L.L.C.	1996	-	Financial Advisor
Harris Central Appraisal District	Legislative Action	9,102	Appraiser
Inframark, LLC	04/23/12	35,399	Former Operator
Municipal Business Services, Inc.	Prior to 10/01/82	17,199	Bookkeeper
Sherrington-Humble, LLC	09/29/97	8,570	Engineer
Si Environmental LLC	10/28/24	291,223	Operator
Smith, Murdaugh, Little & Bonham, L.L.P.	01/27/78	104,450	General Counsel
Investment Officer			
Bob Ideus	06/07/04	N/A	Bookkeeper