

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**

**FORT BEND COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2024**

## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-8
BASIC FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET	9-12
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES	14-15
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	16
NOTES TO THE FINANCIAL STATEMENTS	17-33
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND AND SPECIAL REVENUE FUND	35-36
SUPPLEMENTARY INFORMATION REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE	
NOTES REQUIRED BY THE WATER DISTRICT FINANCIAL MANAGEMENT GUIDE (Included in the notes to the financial statements)	
SERVICES AND RATES	38-40
GENERAL FUND EXPENDITURES	41-42
INVESTMENTS	43
TAXES LEVIED AND RECEIVABLE	44-45
LONG-TERM DEBT SERVICE REQUIREMENTS	46-56
CHANGES IN LONG-TERM BOND DEBT	57-59
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES GENERAL FUND AND DEBT SERVICE FUND - FIVE YEARS	60-63
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS	64-65

# *McCall Gibson Swedlund Barfoot Ellis PLLC*

*Certified Public Accountants*

*Chris Swedlund  
Noel W. Barfoot  
Joseph Ellis  
Ashlee Martin*

*Mike M. McCall  
(retired)  
Debbie Gibson  
(retired)*

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Fort Bend County Municipal  
Utility District No. 23  
Fort Bend County, Texas

### **Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Fort Bend County Municipal Utility District No. 23 (the "District") as of and for the year ended December 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 and each major fund of the District as of December 31, 2024, and the respective changes in financial position 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.

### **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 and Special Revenue Fund 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.

Board of Directors  
Fort Bend County Municipal Utility District No. 23

### **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 required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and is 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 Ellis PLLC*

McCall Gibson Swedlund Barfoot Ellis PLLC  
Certified Public Accountants  
Houston, Texas

March 27, 2025

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

Management’s discussion and analysis of Fort Bend County Municipal Utility District No. 23’s (the “District”) financial performance provides an overview of the District’s financial activities for the fiscal year ended December 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) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The District’s annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The 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.

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.

The Statement of Activities 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.

**FUND FINANCIAL STATEMENTS**

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 District has four governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, costs and general expenditures. The Special Revenue Fund accounts for the financial resources collected and administered by the District for operation of the regional water and wastewater facilities.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**FUND FINANCIAL STATEMENTS (Continued)**

The Debt Service Fund accounts for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

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.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, 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 other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund and the Special Revenue Fund.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of the District’s financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,279,214 as of December 31, 2024.

A portion of the District’s net position reflects its net investment in capital assets (e.g. water, wastewater and drainage facilities, less any debt used to acquire those assets that is still outstanding). The District uses these assets to provide water and wastewater services.

The following is a comparative analysis of government-wide changes in net position:

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

	Summary of Changes in the Statement of Net Position		
	2024	2023	Change Positive (Negative)
Current and Other Assets	\$ 22,514,037	\$ 21,857,958	\$ 656,079
Capital Assets (Net of Accumulated Depreciation)	<u>40,501,086</u>	<u>41,764,674</u>	<u>(1,263,588)</u>
Total Assets	<u>\$ 63,015,123</u>	<u>\$ 63,622,632</u>	<u>\$ (607,509)</u>
Deferred Outflows of Resources	\$ 928,989	\$ 1,043,656	\$ (114,667)
Bonds Payable	\$ 52,450,242	\$ 55,004,631	\$ 2,554,389
Other Liabilities	<u>2,235,761</u>	<u>2,143,920</u>	<u>(91,841)</u>
Total Liabilities	<u>\$ 54,686,003</u>	<u>\$ 57,148,551</u>	<u>\$ 2,462,548</u>
Deferred Inflows of Resources	\$ 6,978,895	\$ 7,098,036	\$ 119,141
Net Position:			
Net Investment in Capital Assets	\$ (6,459,735)	\$ (7,718,682)	\$ 1,258,947
Restricted	3,511,307	3,319,843	191,464
Unrestricted	<u>5,227,642</u>	<u>4,818,540</u>	<u>409,102</u>
Total Net Position	<u>\$ 2,279,214</u>	<u>\$ 419,701</u>	<u>\$ 1,859,513</u>

The following table provides a summary of the District's operations for the years ended December 31, 2024, and December 31, 2023.

	Summary of Changes in the Statement of Activities		
	2024	2023	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 7,070,522	\$ 7,066,411	\$ 4,111
Charges for Services	4,696,479	4,522,128	174,351
Other Revenues	<u>979,912</u>	<u>944,775</u>	<u>35,137</u>
Total Revenues	<u>\$ 12,746,913</u>	<u>\$ 12,533,314</u>	<u>\$ 213,599</u>
Expenses for Services	<u>10,887,400</u>	<u>10,378,246</u>	<u>(509,154)</u>
Change in Net Position	\$ 1,859,513	\$ 2,155,068	\$ (295,555)
Net Position, Beginning of Year	<u>419,701</u>	<u>(1,735,367)</u>	<u>2,155,068</u>
Net Position, End of Year	<u>\$ 2,279,214</u>	<u>\$ 419,701</u>	<u>\$ 1,859,513</u>

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS**

The District's combined fund balances as of December 31, 2024, were \$13,482,076, an increase of \$765,665 from the prior year.

The General Fund fund balance increased by \$439,912, primarily due to tax and service revenues exceeding operating costs.

The Debt Service Fund fund balance increased by \$242,940, primarily due to the structure of the District's outstanding debt service requirements.

The Capital Projects Fund fund balance increased by \$82,813, primarily due to investment revenues exceeding capital costs.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Directors did not amend the budget during the current fiscal year. Actual revenues were \$139,300 more than budgeted revenues and actual expenditures were \$333,763 more than budgeted expenditures. This resulted in a negative budget variance of \$194,463. See the budget to actual comparison for further information.

**CAPITAL ASSETS**

The District's capital assets as of December 31, 2024, amount to \$40,501,086 (net of accumulated depreciation). These capital assets include land, as well as the water, wastewater and drainage systems. Current year additions include a motor control replacement at water supply plant 1, gearbox and motor replacements at the joint facility and installation of new clarifier #2 drive.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2024	2023	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 3,275,697	\$ 3,275,697	\$
Construction in Progress	604,502	639,866	(35,364)
Capital Assets, Net of Accumulated Depreciation:			
Administration Building and Park Improvements	810,757	923,628	(112,871)
Water System	7,513,628	7,662,712	(149,084)
Wastewater System	10,249,186	10,471,754	(222,568)
Drainage System	18,047,316	18,791,017	(743,701)
<b>Total Net Capital Assets</b>	<b>\$ 40,501,086</b>	<b>\$ 41,764,674</b>	<b>\$ (1,263,588)</b>

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2024**

**LONG-TERM DEBT ACTIVITY**

At the end of the current fiscal year, the District had total bond debt payable of \$51,400,000.

The changes in the debt position of the District during the fiscal year ended December 31, 2024, are summarized as follows:

Bond Debt Payable, January 1, 2024	\$ 53,805,000
Less: Bond Principal Paid	<u>2,405,000</u>
Bond Debt Payable, December 31, 2024	<u><u>\$ 51,400,000</u></u>

The District’s Bonds issued prior to the fiscal year 2017, carry an underlying rating of “A+” from Standard & Poor’s (“S&P”). The Series 2017 Refunding, Series 2017A Refunding, Series 2020 Refunding, Series 2021 Refunding, Series 2021A and Series 2021B Bonds carry an underlying rating of “A2” from Moody’s.

The Series 2015A, Series 2015B and Series 2020 Refunding Bonds carry an insured rating of “AA” from S&P by virtue of bond insurance issued by Assured Guaranty.

The Series 2016 Refunding, Series 2017 Refunding, and Series 2017A Refunding, Series 2021 Refunding, Series 2021A and Series 2021B Bonds carry an insured rating of “AA” from S&P by virtue of bond insurance issued by Build America Mutual.

The Series 2017B Bonds do not carry an underlying or insured rating.

These above ratings reflect all changes, if any, as of December 31, 2024.

**CONTACTING THE DISTRICT’S MANAGEMENT**

This financial report is designed to provide a general overview of the District’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Fort Bend County Municipal Utility District No. 23, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, TX 77027.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2024**

	General Fund	Special Revenue Fund
<b>ASSETS</b>		
Cash	\$ 825,781	\$ 60,827
Investments	4,993,360	
Receivables:		
Property Taxes	2,536,438	
Penalty and Interest on Delinquent Taxes		
Service Accounts (Net of Allowance for Uncollectible Accounts of \$20,000)	684,607	
Accrued Interest		
Other	119,590	
Due from Other Funds	298,985	178,497
Prepaid Costs	2,503	
Due from Other Governmental Units	58,547	42,479
Advance for Joint Operations	66,646	
Land		
Construction in Progress		
Capital Assets (Net of Accumulated Depreciation)		
<b>TOTAL ASSETS</b>	<b>\$ 9,586,457</b>	<b>\$ 281,803</b>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charges on Refunding Bonds	\$ -0-	\$ -0-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 9,586,457</b>	<b>\$ 281,803</b>

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 818,389	\$ 1,860	\$ 1,706,857	\$	\$ 1,706,857
3,922,085	4,477,758	13,393,203		13,393,203
3,671,252		6,207,690		6,207,690
			59,979	59,979
		684,607		684,607
25,168		25,168		25,168
		119,590		119,590
		477,482	(477,482)	
		2,503	113,530	116,033
	99,884	200,910		200,910
		66,646	(66,646)	
			3,275,697	3,275,697
			604,502	604,502
			36,620,887	36,620,887
<u>\$ 8,436,894</u>	<u>\$ 4,579,502</u>	<u>\$ 22,884,656</u>	<u>\$ 40,130,467</u>	<u>\$ 63,015,123</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 928,989</u>	<u>\$ 928,989</u>
<u>\$ 8,436,894</u>	<u>\$ 4,579,502</u>	<u>\$ 22,884,656</u>	<u>\$ 41,059,456</u>	<u>\$ 63,944,112</u>

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

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2024**

	General Fund	Special Revenue Fund
<b>LIABILITIES</b>		
Accounts Payable	\$ 791,838	\$ 200,528
Accrued Interest Payable		
Due to Other Funds	178,497	
Due to Taxpayers		
Security Deposits	635,678	
Advance for Joint Operations		81,275
Long-Term Liabilities:		
Due Within One Year		
Due After One Year		
<b>TOTAL LIABILITIES</b>	\$ 1,606,013	\$ 281,803
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	\$ 2,923,822	\$ -0-
<b>FUND BALANCES</b>		
Nonspendable:		
Prepaid Costs	\$ 2,503	\$
For Joint Operations	66,646	
Restricted for Authorized Construction		
Restricted for Debt Service		
Unassigned	4,987,473	
<b>TOTAL FUND BALANCES</b>	\$ 5,056,622	\$ -0-
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	\$ 9,586,457	\$ 281,803
<b>NET POSITION</b>		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
<b>TOTAL NET POSITION</b>		

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$	\$ 19,070	\$ 1,011,436	\$	\$ 1,011,436
			528,195	528,195
298,985		477,482	(477,482)	45,823
45,823		45,823		635,678
		635,678		14,629
		81,275	(66,646)	
			2,490,000	2,490,000
			<u>49,960,242</u>	<u>49,960,242</u>
<u>\$ 344,808</u>	<u>\$ 19,070</u>	<u>\$ 2,251,694</u>	<u>\$ 52,434,309</u>	<u>\$ 54,686,003</u>
<u>\$ 4,227,064</u>	<u>\$ -0-</u>	<u>\$ 7,150,886</u>	<u>\$ (171,991)</u>	<u>\$ 6,978,895</u>
\$	\$	\$ 2,503	\$ (2,503)	\$
		66,646	(66,646)	
	4,560,432	4,560,432	(4,560,432)	
3,865,022		3,865,022	(3,865,022)	
		<u>4,987,473</u>	<u>(4,987,473)</u>	
<u>\$ 3,865,022</u>	<u>\$ 4,560,432</u>	<u>\$ 13,482,076</u>	<u>\$ (13,482,076)</u>	<u>\$ -0-</u>
<u>\$ 8,436,894</u>	<u>\$ 4,579,502</u>	<u>\$ 22,884,656</u>		
			\$ (6,459,735)	\$ (6,459,735)
			3,511,307	3,511,307
			<u>5,227,642</u>	<u>5,227,642</u>
			<u>\$ 2,279,214</u>	<u>\$ 2,279,214</u>

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

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2024**

Total Fund Balances - Governmental Funds	\$	13,482,076
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Prepaid bond insurance in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		113,530
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Land, construction in progress and capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.		40,501,086
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Interest paid in advance as part of a refunding bond sale is recorded as a deferred outflow in the governmental activities and systematically charged to interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter.		928,989
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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.		231,970
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Certain liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Accrued Interest Payable	\$ (528,195)	
Bonds Payable	<u>(52,450,242)</u>	<u>(52,978,437)</u>
Total Net Position - Governmental Activities		<u>\$ 2,279,214</u>

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

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	General Fund	Special Revenue Fund
<b>REVENUES</b>		
Property Taxes	\$ 2,957,611	\$
Water Service	1,585,811	
Wastewater Service	1,642,914	
Joint Water and Wastewater Service		1,749,057
Penalty and Interest	150,676	
Sales Tax Revenue	54,480	
Tap Connection and Inspection Fees	14,731	
Investment Revenues	305,057	9
Ground Water Reduction Fees	881,782	
Miscellaneous Revenues	88,738	13,600
<b>TOTAL REVENUES</b>	<b>\$ 7,681,800</b>	<b>\$ 1,762,666</b>
<b>EXPENDITURES/EXPENSES</b>		
Service Operations:		
Professional Fees	\$ 296,189	\$ 19,229
Contracted Services	2,102,020	110,358
Purchased Water and Wastewater Service	1,400,484	
Utilities	24,564	213,999
Repairs and Maintenance	1,509,041	530,418
Ground Water Reduction Assessments	944,757	
Parks and Recreational	730,386	
Depreciation		
Other	234,447	505,549
Capital Outlay		383,113
Debt Service:		
Bond Principal		
Bond Interest		
<b>TOTAL EXPENDITURES/EXPENSES</b>	<b>\$ 7,241,888</b>	<b>\$ 1,762,666</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 439,912</b>	<b>\$ -0-</b>
<b>CHANGE IN NET POSITION</b>		
<b>FUND BALANCES/NET POSITION - JANUARY 1, 2024</b>	<b>4,616,710</b>	
<b>FUND BALANCES/NET POSITION - DECEMBER 31, 2024</b>	<b>\$ 5,056,622</b>	<b>\$ -0-</b>

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

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
\$ 4,161,887	\$	\$ 7,119,498	\$ (48,976)	\$ 7,070,522
		1,585,811		1,585,811
		1,642,914		1,642,914
		1,749,057	(1,400,484)	348,573
116,760		267,436	(44,768)	222,668
		54,480		54,480
		14,731		14,731
277,940	228,577	811,583		811,583
		881,782		881,782
10	11,501	113,849		113,849
<u>\$ 4,556,597</u>	<u>\$ 240,078</u>	<u>\$ 14,241,141</u>	<u>\$ (1,494,228)</u>	<u>\$ 12,746,913</u>
\$ 37,207	\$ 4,055	\$ 356,680	\$	\$ 356,680
151,087		2,363,465		2,363,465
		1,400,484	(1,400,484)	
		238,563		238,563
		2,039,459		2,039,459
		944,757		944,757
		730,386		730,386
			1,799,791	1,799,791
43,475	120	783,591		783,591
	153,090	536,203	(536,203)	
2,405,000		2,405,000	(2,405,000)	
1,676,888		1,676,888	(46,180)	1,630,708
<u>\$ 4,313,657</u>	<u>\$ 157,265</u>	<u>\$ 13,475,476</u>	<u>\$ (2,588,076)</u>	<u>\$ 10,887,400</u>
\$ 242,940	\$ 82,813	\$ 765,665	\$ (765,665)	\$
			1,859,513	1,859,513
<u>3,622,082</u>	<u>4,477,619</u>	<u>12,716,411</u>	<u>(12,296,710)</u>	<u>419,701</u>
<u>\$ 3,865,022</u>	<u>\$ 4,560,432</u>	<u>\$ 13,482,076</u>	<u>\$ (11,202,862)</u>	<u>\$ 2,279,214</u>

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

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2024**

Net Change in Fund Balances - Governmental Funds	\$	765,665
Amounts reported for governmental activities in the Statement of Activities are different because:		
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.		(48,976)
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.		(44,768)
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.		(1,799,791)
Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased by new purchases and the Statement of Activities is not affected.		536,203
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.		2,405,000
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.		46,180
Change in Net Position - Governmental Activities	\$	<u>1,859,513</u>

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

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 1. CREATION OF DISTRICT**

Fort Bend County Municipal Utility District No. 23 (the “District”) was created by an Order of the Texas Water Commission, presently known as the Texas Commission on Environmental Quality (the “Commission”), effective February 15, 1978. Pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, the District is empowered to purchase, operate and maintain all facilities, plants and improvements necessary to provide water, sanitary sewer service, storm sewer drainage, irrigation, solid waste collection and disposal, including recycling, parks and recreational facilities for the residents of the District. The District is also empowered to contract for or employ its own peace officers with powers to make arrests and, upon approval by the Commission and voters of the District to establish, operate and maintain a fire department to perform all fire-fighting activities within the District. The Board of Directors held its first meeting on January 4, 1984, and the first bonds were sold on November 15, 1984.

**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 participates in a joint venture for the operation of a regional water and wastewater treatment plant (the “Plant”). Since the District owns and operates the Plant for the benefit of the participants, the Plant’s operations are accounted for in the Special Revenue Fund of the District, see Note 10. The District does not issue separate financial statements for the Plant.

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”).

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Financial Statement Presentation (Continued)

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. 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 assets 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 District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report 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.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Government-Wide Financial Statements (Continued)

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

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances.

Governmental Funds

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

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

Special Revenue Fund – To account for financial resources collected and administered by the District for the operation of the regional water and wastewater facilities.

Debt Service Fund - To account for ad valorem taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund - To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

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 collectible 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 collectible 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.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Basis of Accounting (Continued)

Property taxes considered available by the District and included in revenue include 2023 taxes collected during the period October 1, 2023, to December 31, 2024. In addition, taxes collected from January 1, 2024, to December 31, 2024 for the 2022 and prior tax levies are included in revenue. The 2024 tax levy has been fully deferred.

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.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, 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 \$10,000 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
All Other Equipment	3-20

Budgeting

An annual unappropriated budget is adopted for the General Fund and Special Revenue Fund by the District’s Board of Directors. The budgets are prepared using the same method of accounting as for financial reporting. The original budgets for the current year were not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund and Special Revenue Fund present the original budget amounts compared to the actual amounts of revenues and expenditures for the current year.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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.

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 or resolutions 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 balance. The District does not have any assigned fund balances.

*Unassigned*: all other spendable amounts in the General Fund.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Measurement Focus (Continued)

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.

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**

The District's bonds payable at December 31, 2024, consists of the following unlimited tax bonds:

	Series 2015A	Series 2015B	Refunding Series 2016
Amount Outstanding - December 31, 2024	\$ 2,265,000	\$ 3,550,000	\$ 7,490,000
Interest Rates	3.00%-3.50%	3.375%-3.50%	3.00%-4.00%
Maturity Dates - Serially Beginning/Ending	September 1, 2025/2037	September 1, 2036/2040	September 1, 2025/2035
Interest Payment Dates	March 1, September 1	March 1, September 1	March 1, September 1
Callable Dates	September 1, 2022*	September 1, 2022*	September 1, 2023*

\* Or on any date thereafter, callable at par plus unpaid accrued interest in whole or in part at the option of the District. Series 2015A term bonds due September 1, 2030, September 1, 2036, and September 1, 2040 are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules. Series 2015B term bonds due September 1, 2040, are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules. Series 2016 Refunding term bonds due September 1, 2033 are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1, 2032.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3. LONG-TERM DEBT (Continued)**

	<u>Refunding Series 2017</u>	<u>Refunding Series 2017A</u>	<u>Series 2017B</u>	<u>Refunding Series 2020</u>
Amount Outstanding - December 31, 2024	\$ 6,610,000	\$ 5,755,000	\$ 2,140,000	\$ 9,075,000
Interest Rates	4.00%	4.00%	3.375%-3.50%	2.00%-4.00%
Maturity Dates - Serially Beginning/Ending	September 1, 2025/2037	September 1, 2025/2029	September 1, 2038/2040	September 1, 2025/2032
Interest Payment Dates	March 1, September 1	March 1, September 1	March 1, September 1	March 1, September 1
Callable Dates	September 1, 2024*	September 1, 2024*	September 1, 2024*	September 1, 2025*
	<u>Refunding Series 2021</u>	<u>Series 2021A</u>	<u>Series 2021B</u>	
Amount Outstanding - December 31, 2024	\$ 6,540,000	\$ 4,725,000	\$ 3,250,000	
Interest Rates	2.00%-4.00%	2.375%	2.00%-2.125%	
Maturity Dates - Serially Beginning/Ending	September 1, 2025/2033	September 1, 2040/2041	September 1, 2036/2039	
Interest Payment Dates	March 1, September 1	March 1, September 1	March 1, September 1	
Callable Dates	September 1, 2026*	September 1, 2026*	September 1, 2026*	

\* 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 Refunding term bonds due September 1, 2026, September 1, 2028, September 1, 2030, September 1, 2032 and September 1, 2036, are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1 in the years and amounts as reflected in the debt service schedules. Series 2021A term bonds due September 1, 2041 are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1, 2040. Series 2021B term bonds due September 1, 2037 and September 1, 2039 are subject to mandatory redemption by lot or other customary method at a price of par plus accrued interest on September 1, 2036 and September 1, 2038, respectively.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3. LONG-TERM DEBT (Continued)**

The following is a summary of transactions regarding long-term liabilities for the year ended December 31, 2024:

	January 1, 2024	Additions	Retirements	December 31, 2024
Bonds Payable	\$ 53,805,000	\$	\$ 2,405,000	\$ 51,400,000
Unamortized Discounts	(177,351)		(12,838)	(164,513)
Unamortized Premiums	1,376,982		162,227	1,214,755
Total Long-Term Liabilities	\$ 55,004,631	\$ -0-	\$ 2,554,389	\$ 52,450,242
			Amount Due Within One Year	\$ 2,490,000
			Amount Due After One Year	49,960,242
			Total Long-Term Liabilities	\$ 52,450,242

As of December 31, 2024, the District had authorized but unissued bonds in the amount of \$13,165,000 in tax bonds and \$7,523,121 in refunding bonds.

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

Fiscal Year	Principal	Interest	Total
2025	\$ 2,490,000	\$ 1,584,588	\$ 4,074,588
2026	2,570,000	1,485,239	4,055,239
2027	2,645,000	1,402,788	4,047,788
2028	2,770,000	1,321,939	4,091,939
2029	2,845,000	1,236,488	4,081,488
2030-2034	15,920,000	5,059,480	20,979,480
2035-2039	15,845,000	2,302,816	18,147,816
2040-2041	6,315,000	249,213	6,564,213
	\$ 51,400,000	\$ 14,642,551	\$ 66,042,551

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

During the year ended December 31, 2024, the District levied an ad valorem debt service tax at the rate of \$0.33 per \$100 of assessed valuation, which resulted in a tax levy of \$4,112,563 on the adjusted taxable valuation of \$1,246,231,212 for the 2024 tax year. The bond resolutions require 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 maintenance tax levy.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 3. LONG-TERM DEBT (Continued)**

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 4. SIGNIFICANT BOND RESOLUTIONS AND LEGAL REQUIREMENTS**

The bond resolutions state that all investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the monies for such investments were taken; provided, however, at the discretion of the Board of Directors, the profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund. In accordance with this provision, the earnings in each fund have been retained by the fund making the investment.

The bond resolutions state that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information and operating data with respect to the District to certain financial repositories. This information, along with the audited annual financial statements, is to be provided within six months after the end of each fiscal year and shall continue to be provided through the life of the bonds.

For the \$4,240,000 Series 2015A bond issue, \$3,550,000 Series 2015B Park bond issue, \$8,085,000 Series 2016 Refunding bond issue, \$7,225,000 Series 2017 Refunding bond issue, \$9,050,000 Series 2017A Refunding bond issue, \$2,140,000 Series 2017B bond issue, \$12,830,000 Series 2020 Refunding bond issue, \$7,425,000 Series 2021 Refunding bond issue, \$4,725,000 Series 2021A bond issue and \$3,250,000 Series 2021B bond issue, 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 proceeds of the bonds, 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 each issue.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5. 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 \$2,757,345 and the bank balance was \$2,778,650. 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 December 31, 2024, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 825,781	\$	\$ 825,781
SPECIAL REVENUE FUND	60,827		60,827
DEBT SERVICE FUND	818,389	1,050,488	1,868,877
CAPITAL PROJECTS FUND	1,860		1,860
TOTAL DEPOSITS	\$ 1,706,857	\$ 1,050,488	\$ 2,757,345

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. 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. Texas

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5. DEPOSITS AND INVESTMENTS (Continued)**

Investments (Continued)

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 invests in TexPool, an external investment pool that is not SEC-registered. The State Comptroller of Public Accounts of the State of Texas has oversight of the pool. Federated Hermes, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool measures 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.

The District also invests in the Texas Short Term Asset Reserve Program (“TexSTAR”), an external public funds investment pool that is not SEC-registered. J. P. Morgan Investment Management Inc. provides investment management and Hilltop Securities, Inc., provides participant services and marketing under an agreement with the TexSTAR Board of Directors. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investors Services Co. Investments held by TexSTAR are marked to market daily. The investments are considered Level I investments because their fair value is measured by quoted prices in active markets. The fair value of the District’s position in the pool is the same as the value of the pool shares. There are no limitations or restrictions on withdrawals from TexSTAR.

The District records its investment in certificates of deposit at acquisition cost.

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

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
TexPool	\$ 1,781,115	\$ 1,781,115
TexSTAR	3,212,245	3,212,245
<u>DEBT SERVICE FUND</u>		
TexSTAR	2,871,597	2,871,597
Certificates of Deposit	1,050,488	1,050,488
<u>CAPITAL PROJECTS FUND</u>		
TexSTAR	4,477,758	4,477,758
<b>TOTAL INVESTMENTS</b>	<b>\$ 13,393,203</b>	<b>\$ 13,393,203</b>

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 5. 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. As of December 31, 2024, the District's investments in TexPool and TexSTAR Fund were rated AAAM by Standard and Poor's. The District manages credit risk by investing in certificates of deposit covered by FDIC insurance or pledged collateral.

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 TexPool and TexSTAR to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value. The District manages interest rate risk by investing in certificates of deposit with maturities of approximately one-year or less.

Restrictions

All cash and investments of the Special Revenue Fund are restricted for the regional water and wastewater treatment plant operations. All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2024:

	January 1, 2024	Increases	Decreases	December 31, 2024
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 3,275,697	\$	\$	\$ 3,275,697
Construction in Progress	639,866	536,203	571,567	604,502
<b>Total Capital Assets Not Being Depreciated</b>	<u>\$ 3,915,563</u>	<u>\$ 536,203</u>	<u>\$ 571,567</u>	<u>\$ 3,880,199</u>
<b>Capital Assets Subject to Depreciation</b>				
Administration Building and Park Improvements	\$ 3,430,292		\$	\$ 3,430,292
Water System	15,506,170	309,112		15,815,282
Wastewater System	19,647,764	262,455		19,910,219
Drainage System	33,336,573			33,336,573
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 71,920,799</u>	<u>\$ 571,567</u>	<u>\$ -0-</u>	<u>\$ 72,492,366</u>
<b>Less Accumulated Depreciation</b>				
Administration Building and Park Improvements	\$ 2,506,664	\$ 112,871	\$	\$ 2,619,535
Water System	7,843,458	458,196		8,301,654
Wastewater System	9,176,010	485,023		9,661,033
Drainage System	14,545,556	743,701		15,289,257
<b>Total Accumulated Depreciation</b>	<u>\$ 34,071,688</u>	<u>\$ 1,799,791</u>	<u>\$ -0-</u>	<u>\$ 35,871,479</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 37,849,111</u>	<u>\$ (1,228,224)</u>	<u>\$ -0-</u>	<u>\$ 36,620,887</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 41,764,674</u>	<u>\$ (692,021)</u>	<u>\$ 571,567</u>	<u>\$ 40,501,086</u>

**NOTE 7. MAINTENANCE TAX**

At an election held on April 7, 1984, the voters of the District authorized the levy and collection of an annual maintenance tax for the operation and maintenance of the District's improvements in an amount not to exceed \$0.25 per \$100 of assessed valuation. A maintenance tax is to be used by the General Fund to pay the expenditures of operating and maintaining the District's waterworks, sanitary sewer, and drainage system. During the year ended December 31, 2024, the District levied an ad valorem maintenance tax at the rate of \$0.23 per \$100 of assessed valuation, which resulted in a tax levy of \$2,866,332 on the taxable valuation of \$1,246,231,212 for the 2024 tax year. Revenue from the 2024 tax levy has been deferred until the 2025 fiscal year.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 8. EMERGENCY WATER SUPPLY CONTRACTS**

On November 3, 2003, the District executed an agreement with the Vicksburg Joint Powers Board and the City of Missouri City, Texas. The District agreed to construct at its sole cost an interconnect waterline to connect to an existing 12-inch waterline owned by the City. The meter for the interconnect facility and the waterline on the District's side of the meter will be owned by the District and the cost of maintenance at the point of connection including the meter and meter vault will be shared by the three parties. The District is required to calibrate the meter once a year. In accordance to the provisions of a separate agreement with the Fort Bend Independent School District, the District agreed to pay the school district \$24,649 for the oversizing of the City's waterline up to the point of connection. The rate charged for water under this agreement will be \$1.00 per 1,000 gallons of water supplied plus the cost of any pumpage fees imposed on the supplying party by a governmental entity. The term of the contract will be for a period of 40 years from the date of the agreement. On October 27, 2011, the District approved the assignment of this contract to the City. The City executed the assignment on December 19, 2011.

On May 23, 2006, the District entered into an Emergency Water Supply Agreement with Fort Bend County Fresh Water Supply District No. 1 ("District No. 1"). District No. 1 will be responsible for all costs associated with construction of such water interconnect facilities to be connected to District's system. The rates to be charged by each district for emergency water service shall be \$1.00 per 1,000 gallons plus any per 1,000 gallon pumpage fee that may be imposed on the supplying district by a governmental entity, including but not limited to the City of Missouri City or a regional water authority. The term of this agreement is 40 years from the execution date of the agreement.

**NOTE 9. 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. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**NOTE 10. REGIONAL WATER AND WASTEWATER TREATMENT PLANT, TRUNKLINES, DRAINAGE AND DETENTION AGREEMENT**

On May 1, 2004, the District entered into the Regional Water and Wastewater, Trunklines, Drainage and Detention Agreement (the "Agreement") with Fort Bend County Municipal Utility District No. 24 ("District No. 24"). On April 12, 2005, Amendment No. 1 and Amendment No. 2 to the Agreement were approved. On January 1, 2009, Amendment No. 3 to the agreement was approved. On February 25, 2010, Amendment No. 4 to the agreement was approved. On March 28, 2019, Amendment No. 5 to the agreement was approved. The District owns and operates a water plant and wastewater treatment plant, a water distribution system, a wastewater collection system and a drainage system which has been funded by the sale of District bonds.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 10. REGIONAL WATER AND WASTEWATER TREATMENT PLANT,  
TRUNKLINES, DRAINAGE AND DETENTION AGREEMENT**  
(Continued)

The District holds legal title to the regional water and wastewater plants and plant sites for the benefit of the districts. The District is responsible for operating the regional facilities. The Agreement calls for the District to establish the Regional Project Operating Account. In order to establish the initial balance in the account, each district provided a deposit in an amount equal to three month's expenses. This account was established in the amount of \$81,275. The District's portion of this advance for operations is \$66,646 and District No. 24's portion is \$14,629. The District generates monthly billings related to the regional facilities based upon each district's proportionate share as outlined in the Agreement. During the year ended December 31, 2024, the District's share of monthly billings was \$1,400,484 and District No. 24's share was \$348,573.

The term of the agreement is 50 years. Thereafter, the Agreement shall be renewed for successive one-year terms unless the City of Houston (or its successors or assigns) annexes or dissolves one or both districts.

**NOTE 11. JOINT GROUNDWATER REDUCTION PLAN PARTICIPATION  
AGREEMENT**

On July 1, 2008, the District entered into the Joint Groundwater Reduction Plan Participation Agreement (the "Agreement"). The Agreement is with the City of Missouri City, Texas (the "City"). This agreement was entered into in order to meet compliance criteria of the Fort Bend Subsidence District's (the "Subsidence District") District Regulatory Plan (the "Plan"). The Subsidence District issued the Plan in order to reduce groundwater withdrawal through conversion to surface water or other alternative water sources in certain areas within the Subsidence District's jurisdiction. Under the Plan, the District is required to have a groundwater reduction plan approved by the Subsidence District by the beginning date of the District's permit term in 2008, or pay a disincentive fee for any groundwater withdrawn in excess of 40% of the District's total water demand. Additional disincentive fees would be imposed under the Plan if the District's groundwater withdrawal exceeds 70% of the District's total water demand beginning January 2013 and exceeds 40% of the District's total water demand beginning January 2025.

The District may comply with the Plan's requirements either individually or collectively with other groundwater user(s) within the Subsidence District. The District has agreed to participate in the City's Groundwater Reduction Plan (the "GRP"). In accordance with the Agreement, the District will be assessed pumpage fees on an ongoing basis necessary to comply with the Plan. The current fee is \$1.99 per 1,000 gallons of water pumped. During the year ended December 31, 2024, the District recorded expenditures of \$944,757 related to these fees.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 11. JOINT GROUNDWATER REDUCTION PLAN PARTICIPATION AGREEMENT (Continued)**

In addition, the City may issue bonds in order to finance the construction of the surface water system. Any bonds issued by the City to finance the surface water system costs will be secured by the pumpage fees paid to the City and may be further secured as the City deems necessary or appropriate. The Agreement shall remain in effect until December 31, 2058, and thereafter from year to year until payment in full of the principal, premium, if any, and interest on all bonds and all related fees to be paid under any bond resolution or indenture securing bonds.

**NOTE 12. INTERFUND RECEIVABLES AND LIABILITIES**

As of December 31, 2024, the District had the following interfund liabilities: The Debt Service Fund owed the General Fund \$298,985 for maintenance tax collections and the General Fund owed the Special Revenue Fund \$178,497 related to water and wastewater treatment plant operations.

**NOTE 13. STRATEGIC PARTNERSHIP AGREEMENT**

Effective December 19, 2011, the District entered into a Strategic Partnership Agreement with the City of Houston, Texas (the “City”). The agreement provides that in accordance with Subchapter F of Chapter 43 of the Local Government Code and Act, the City shall annex a commercial tract of land defined as the “Limited-Purpose Tract” for limited purposes. The City has annexed the limited purpose tract. In accordance with the agreement, the District is authorized to exercise all powers and functions of a municipal utility district provided by law, including, without limiting the foregoing, the power to incur additional debts, liabilities, or obligations, to construct additional utility facilities, or to contract with others for the provision and operation thereof, or sell or otherwise transfer property without prior approval of the City.

The District shall not be liable for any present or future debts of the City, and current and future ad valorem taxes levied by the City will not be levied on taxable property within the District. The City shall impose a Sales and Use Tax within the boundaries of the limited-purpose tract. The Sales and Use Tax shall be imposed on the receipts from the sale and use at retail of taxable items at the rate provided within the City.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2024**

**NOTE 13. STRATEGIC PARTNERSHIP AGREEMENT (Continued)**

The City agrees to pay to the District an amount equal to one-half of all Sales and Use Tax revenues generated within the boundaries of the limited-purpose tract. The City agrees to deliver to the District its share of the sales tax receipts within 30 days of the City receiving the funds from the State Comptroller's office.

The term of this agreement is 30 years from the effective date, unless terminated on an earlier date pursuant to other provisions or by express written agreement executed by the City and the District. Upon expiration of the initial term, the agreement will automatically be extended for successive one-year periods, unless either the City or the District gives notice to the other of its intent to terminate prior to any extension. The District recorded revenues of \$54,480 in relation to this agreement during the current fiscal year.

**NOTE 14. USE OF SURPLUS FUNDS**

On January 28, 2021, per Commission rules, the District approved the use of \$105,000 in surplus Capital Projects Fund monies for the Water Plant No. 1 Motor Control Center Improvements Project. This project was completed in the current fiscal year.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**

**REQUIRED SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2024**

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>REVENUES</b>			
Property Taxes	\$ 2,800,000	\$ 2,957,611	\$ 157,611
Water Service	1,875,000	1,585,811	(289,189)
Wastewater Service	1,600,000	1,642,914	42,914
Penalty and Interest	95,000	150,676	55,676
Sales Tax Revenue	57,500	54,480	(3,020)
Tap Connection and Inspection Fees		14,731	14,731
Investment Revenues	265,000	305,057	40,057
Ground Water Reduction Fees	850,000	881,782	31,782
Parks and Recreational Revenues		34,838	34,838
Miscellaneous Revenues		<u>53,900</u>	<u>53,900</u>
<b>TOTAL REVENUES</b>	<u>\$ 7,542,500</u>	<u>\$ 7,681,800</u>	<u>\$ 139,300</u>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 245,000	\$ 296,189	\$ (51,189)
Contracted Services	2,323,000	2,102,020	220,980
Purchased Water and Wastewater Service	1,255,625	1,400,484	(144,859)
Utilities	20,000	24,564	(4,564)
Repairs and Maintenance	1,350,000	1,509,041	(159,041)
Ground Water Reduction			
Assessments	850,000	944,757	(94,757)
Parks and Recreational	242,000	730,386	(488,386)
Other	222,500	234,447	(11,947)
Capital Outlay	<u>400,000</u>		<u>400,000</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 6,908,125</u>	<u>\$ 7,241,888</u>	<u>\$ (333,763)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 634,375</u>	<u>\$ 439,912</u>	<u>\$ (194,463)</u>
<b>FUND BALANCE - JANUARY 1, 2024</b>	<u>4,616,710</u>	<u>4,616,710</u>	
<b>FUND BALANCE - DECEMBER 31, 2024</b>	<u>\$ 5,251,085</u>	<u>\$ 5,056,622</u>	<u>\$ (194,463)</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - BUDGET AND ACTUAL - SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Joint Water and Wastewater Service	\$ 1,531,250	\$ 1,749,057	\$ 217,807
Investment Revenues		9	9
Miscellaneous Revenues		13,600	13,600
<b>TOTAL REVENUES</b>	<b>\$ 1,531,250</b>	<b>\$ 1,762,666</b>	<b>\$ 231,416</b>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 7,750	\$ 19,229	\$ (11,479)
Contracted Services	105,000	110,358	(5,358)
Utilities	210,000	213,999	(3,999)
Repairs and Maintenance	572,000	530,418	41,582
Other	486,500	505,549	(19,049)
Capital Outlay	150,000	383,113	(233,113)
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,531,250</b>	<b>\$ 1,762,666</b>	<b>\$ (231,416)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>
<b>FUND BALANCE - JANUARY 1, 2024</b>	_____	_____	_____
<b>FUND BALANCE - DECEMBER 31, 2024</b>	<b>\$ -0-</b>	<b>\$ -0-</b>	<b>\$ -0-</b>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**SUPPLEMENTARY INFORMATION REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**DECEMBER 31, 2024**



**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23  
SERVICES AND RATES  
FOR THE YEAR ENDED DECEMBER 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	<u>4</u>	<u>4</u>	x 1.0	<u>4</u>
≤ <sup>3</sup> / <sub>4</sub> "	<u>4,481</u>	<u>4,444</u>	x 1.0	<u>4,444</u>
1"	<u>134</u>	<u>133</u>	x 2.5	<u>333</u>
1½"	<u>7</u>	<u>7</u>	x 5.0	<u>35</u>
2"	<u>39</u>	<u>36</u>	x 8.0	<u>288</u>
3"	<u>1</u>	<u>1</u>	x 15.0	<u>15</u>
4"	<u>1</u>	<u>1</u>	x 25.0	<u>25</u>
6"	<u>          </u>	<u>          </u>	x 50.0	<u>          </u>
8"	<u>          </u>	<u>          </u>	x 80.0	<u>          </u>
10"	<u>          </u>	<u>          </u>	x 115.0	<u>          </u>
Total Water Connections	<u><u>4,667</u></u>	<u><u>4,626</u></u>		<u><u>5,144</u></u>
Total Wastewater Connections	<u><u>4,609</u></u>	<u><u>4,569</u></u>	x 1.0	<u><u>4,569</u></u>

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

Gallons pumped into system:	565,021,000	Water Accountability Ratio: 90 % (Gallons billed and sold/Gallons pumped and purchased)
Gallons billed to customers:	392,675,000	
Gallons sold:	116,184,000	To: Fort Bend County Municipal Utility Districts No. 24, No. 47 and No. 48

See accompanying independent auditor's report.



**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

PROFESSIONAL FEES:	
Auditing	\$ 20,500
Engineering	118,758
Legal	<u>156,931</u>
TOTAL PROFESSIONAL FEES	<u>\$ 296,189</u>
PURCHASED SERVICES FOR RESALE:	
Purchased Water and Wastewater Service	<u>\$ 1,400,484</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 34,994
Operations and Billing	311,027
Solid Waste Disposal	1,309,600
Security	329,266
Administrative Management	<u>117,133</u>
TOTAL CONTRACTED SERVICES	<u>\$ 2,102,020</u>
UTILITIES	<u>\$ 24,564</u>
REPAIRS AND MAINTENANCE	<u>\$ 1,509,041</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 33,455
Dues	750
Insurance	24,419
Office Supplies and Postage	61,657
Payroll Taxes	2,605
Travel and Meetings	15,357
Ground Water Reduction Assessment	944,757
Other	<u>52,326</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 1,135,326</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

TAP CONNECTIONS	\$ 12,173
PARKS AND RECREATION	\$ 730,386
OTHER EXPENDITURES:	
Laboratory Fees	\$ 16,030
Permit Fees	11,364
Inspection Fees	4,311
TOTAL OTHER EXPENDITURES	\$ 31,705
TOTAL EXPENDITURES	\$ 7,241,888

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**INVESTMENTS**  
**DECEMBER 31, 2024**

Funds	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
<u>GENERAL FUND</u>					
TexPool	XXXX0002	Varies	Daily	\$ 1,781,115	\$
TexSTAR	XXXX2220	Varies	Daily	2,477,704	
TexSTAR	XXXX2221	Varies	Daily	<u>734,541</u>	
TOTAL GENERAL FUND				<u>\$ 4,993,360</u>	<u>\$ -0-</u>
<u>DEBT SERVICE FUND</u>					
TexSTAR	XXXX3330	Varies	Daily	\$ 2,871,597	\$
Certificate of Deposit	XXXX6816	5.22%	03/02/25	107,780	1,850
Certificate of Deposit	XXXX3926	5.25%	07/02/25	227,625	5,959
Certificate of Deposit	XXXX6794	5.22%	02/10/25	134,702	2,754
Certificate of Deposit	XXXX8041	5.50%	02/13/25	230,000	11,160
Certificate of Deposit	XXXX3480	4.95%	03/21/25	230,000	3,181
Certificate of Deposit	XXXX9371	4.45%	06/13/25	<u>120,381</u>	<u>264</u>
TOTAL DEBT SERVICE FUND				<u>\$ 3,922,085</u>	<u>\$ 25,168</u>
<u>CAPITAL PROJECTS FUND</u>					
TexSTAR	XXXX4440	Varies	Daily	\$ 1,652,680	\$
TexSTAR	XXXX4441	Varies	Daily	<u>2,825,078</u>	
TOTAL CAPITAL PROJECTS FUND				<u>\$ 4,477,758</u>	<u>\$ -0-</u>
TOTAL - ALL FUNDS				<u>\$ 13,393,203</u>	<u>\$ 25,168</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	Maintenance Taxes		Debt Service Taxes	
TAXES RECEIVABLE -				
JANUARY 1, 2024	\$ 2,457,575		\$ 3,495,998	
Adjustments to Beginning				
Balance	<u>(11,402)</u>	\$ 2,446,173	<u>(16,111)</u>	\$ 3,479,887
Original 2024 Tax Levy	\$ 2,844,351		\$ 4,081,026	
Adjustment to 2024 Tax Levy	<u>21,981</u>	<u>2,866,332</u>	<u>31,537</u>	<u>4,112,563</u>
TOTAL TO BE				
ACCOUNTED FOR		\$ 5,312,505		\$ 7,592,450
TAX COLLECTIONS:				
Prior Years	\$ 2,388,683		\$ 3,365,386	
Current Year	<u>387,384</u>	<u>2,776,067</u>	<u>555,812</u>	<u>3,921,198</u>
TAXES RECEIVABLE -				
DECEMBER 31, 2024		<u>\$ 2,536,438</u>		<u>\$ 3,671,252</u>
TAXES RECEIVABLE BY				
YEAR:				
2024		\$ 2,478,948		\$ 3,556,751
2023		20,050		28,069
2022		8,655		14,193
2021		3,253		6,115
2020		2,953		5,905
2019		2,878		6,102
2018		2,222		4,889
2017		4,268		9,731
2016		2,491		6,378
2015 and Prior		<u>10,720</u>		<u>33,119</u>
TOTAL		<u>\$ 2,536,438</u>		<u>\$ 3,671,252</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024	2023	2022	2021
<b>PROPERTY VALUATIONS:</b>				
Land	\$ 215,940,078	\$ 167,929,626	\$ 167,980,950	\$ 167,965,380
Improvements	1,139,141,973	1,183,497,866	1,057,272,144	801,754,873
Personal Property	15,752,841	15,627,270	14,317,261	13,508,420
Exemptions	<u>(124,603,680)</u>	<u>(184,048,866)</u>	<u>(163,605,409)</u>	<u>(54,874,690)</u>
<b>TOTAL PROPERTY VALUATIONS</b>	<u><b>\$ 1,246,231,212</b></u>	<u><b>\$ 1,183,005,896</b></u>	<u><b>\$ 1,075,964,946</b></u>	<u><b>\$ 928,353,983</b></u>
<b>TAX RATES PER \$100 VALUATION:</b>				
Debt Service	\$ 0.33	\$ 0.35	\$ 0.41	\$ 0.47
Maintenance	<u>0.23</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>
<b>TOTAL TAX RATES PER \$100 VALUATION</b>	<u><b>\$ 0.56</b></u>	<u><b>\$ 0.60</b></u>	<u><b>\$ 0.66</b></u>	<u><b>\$ 0.72</b></u>
<b>ADJUSTED TAX LEVY*</b>	<u><b>\$ 6,978,895</b></u>	<u><b>\$ 7,098,036</b></u>	<u><b>\$ 7,101,368</b></u>	<u><b>\$ 6,684,149</b></u>
<b>PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED</b>	<u><b>13.51 %</b></u>	<u><b>99.32 %</b></u>	<u><b>99.68 %</b></u>	<u><b>99.86 %</b></u>

\*\*

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

\*\* As of December 31, 2024. The District is in the process of collecting.

Maintenance Tax – Maximum tax rate of \$0.25 per \$100 of assessed valuation approved by voters on April 7, 1984.

See accompanying independent auditor’s report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

S E R I E S - 2 0 1 5 A			
Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 25,000	\$ 72,869	\$ 97,869
2026	25,000	72,119	97,119
2027	25,000	71,369	96,369
2028	25,000	70,619	95,619
2029	25,000	69,869	94,869
2030	1,000,000	69,119	1,069,119
2031	25,000	39,119	64,119
2032	25,000	38,275	63,275
2033	25,000	37,431	62,431
2034	25,000	36,588	61,588
2035	25,000	35,744	60,744
2036	500,000	34,900	534,900
2037	515,000	18,025	533,025
2038			
2039			
2040			
2041			
	\$ 2,265,000	\$ 666,046	\$ 2,931,046

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

S E R I E S - 2 0 1 5 B			
Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$	\$ 123,625	\$ 123,625
2026		123,625	123,625
2027		123,625	123,625
2028		123,625	123,625
2029		123,625	123,625
2030		123,625	123,625
2031		123,625	123,625
2032		123,625	123,625
2033		123,625	123,625
2034		123,625	123,625
2035		123,625	123,625
2036	500,000	123,625	623,625
2037	600,000	106,750	706,750
2038	700,000	85,750	785,750
2039	800,000	61,250	861,250
2040	950,000	33,250	983,250
2041			
	\$ 3,550,000	\$ 1,770,500	\$ 5,320,500

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

REFUNDING SERIES - 2016

Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 75,000	\$ 298,650	\$ 373,650
2026	80,000	295,650	375,650
2027	85,000	292,450	377,450
2028	90,000	289,050	379,050
2029	95,000	285,450	380,450
2030	95,000	282,600	377,600
2031	100,000	278,800	378,800
2032	105,000	274,800	379,800
2033	110,000	270,600	380,600
2034	3,060,000	266,200	3,326,200
2035	3,595,000	143,800	3,738,800
2036			
2037			
2038			
2039			
2040			
2041			
	\$ 7,490,000	\$ 2,978,050	\$ 10,468,050

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

REFUNDING SERIES - 2017

Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 115,000	\$ 264,400	\$ 379,400
2026	115,000	259,800	374,800
2027	115,000	255,200	370,200
2028	160,000	250,600	410,600
2029	160,000	244,200	404,200
2030	160,000	237,800	397,800
2031	160,000	231,400	391,400
2032	665,000	225,000	890,000
2033	555,000	198,400	753,400
2034	545,000	176,200	721,200
2035	145,000	154,400	299,400
2036	1,815,000	148,600	1,963,600
2037	1,900,000	76,000	1,976,000
2038			
2039			
2040			
2041			
	\$ 6,610,000	\$ 2,722,000	\$ 9,332,000

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

REFUNDING SERIES - 2017 A

Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 1,085,000	\$ 230,200	\$ 1,315,200
2026	1,135,000	186,800	1,321,800
2027	1,185,000	141,400	1,326,400
2028	1,240,000	94,000	1,334,000
2029	1,110,000	44,400	1,154,400
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
	<u>\$ 5,755,000</u>	<u>\$ 696,800</u>	<u>\$ 6,451,800</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

S E R I E S - 2 0 1 7 B			
Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$	\$ 73,962	\$ 73,962
2026		73,963	73,963
2027		73,962	73,962
2028		73,963	73,963
2029		73,962	73,962
2030		73,963	73,963
2031		73,962	73,962
2032		73,963	73,963
2033		73,962	73,962
2034		73,963	73,963
2035		73,962	73,962
2036		73,963	73,963
2037		73,962	73,962
2038	750,000	73,963	823,963
2039	750,000	48,650	798,650
2040	640,000	22,400	662,400
2041			
	\$ 2,140,000	\$ 1,106,525	\$ 3,246,525

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

REFUNDING SERIES - 2020

Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 775,000	\$ 197,000	\$ 972,000
2026	795,000	166,000	961,000
2027	810,000	150,100	960,100
2028	825,000	133,900	958,900
2029	705,000	117,400	822,400
2030	780,000	103,300	883,300
2031	2,420,000	87,700	2,507,700
2032	1,965,000	39,300	2,004,300
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
	\$ 9,075,000	\$ 994,700	\$ 10,069,700

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

REFUNDING SERIES - 2021

Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$ 415,000	\$ 143,300	\$ 558,300
2026	420,000	126,700	546,700
2027	425,000	114,100	539,100
2028	430,000	105,600	535,600
2029	750,000	97,000	847,000
2030	435,000	82,000	517,000
2031	430,000	73,300	503,300
2032	435,000	64,700	499,700
2033	2,800,000	56,000	2,856,000
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
	\$ 6,540,000	\$ 862,700	\$ 7,402,700

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

S E R I E S - 2 0 2 1 A			
Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$	\$ 112,219	\$ 112,219
2026		112,219	112,219
2027		112,219	112,219
2028		112,219	112,219
2029		112,219	112,219
2030		112,219	112,219
2031		112,219	112,219
2032		112,219	112,219
2033		112,219	112,219
2034		112,219	112,219
2035		112,219	112,219
2036		112,219	112,219
2037		112,219	112,219
2038		112,219	112,219
2039		112,219	112,219
2040	1,300,000	112,219	1,412,219
2041	3,425,000	81,344	3,506,344
	\$ 4,725,000	\$ 1,876,848	\$ 6,601,848

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

S E R I E S - 2 0 2 1 B			
Due During Fiscal Years Ending December 31	Principal Due September 1	Interest Due March 1/ September 1	Total
2025	\$	\$ 68,363	\$ 68,363
2026		68,363	68,363
2027		68,363	68,363
2028		68,363	68,363
2029		68,363	68,363
2030		68,363	68,363
2031		68,363	68,363
2032		68,363	68,363
2033		68,363	68,363
2034		68,363	68,363
2035		68,363	68,363
2036	320,000	68,363	388,363
2037	240,000	61,963	301,963
2038	1,330,000	57,163	1,387,163
2039	1,360,000	28,900	1,388,900
2040			
2041			
	\$ 3,250,000	\$ 968,382	\$ 4,218,382

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2024**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending December 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2025	\$ 2,490,000	\$ 1,584,588	\$ 4,074,588
2026	2,570,000	1,485,239	4,055,239
2027	2,645,000	1,402,788	4,047,788
2028	2,770,000	1,321,939	4,091,939
2029	2,845,000	1,236,488	4,081,488
2030	2,470,000	1,152,989	3,622,989
2031	3,135,000	1,088,488	4,223,488
2032	3,195,000	1,020,245	4,215,245
2033	3,490,000	940,600	4,430,600
2034	3,630,000	857,158	4,487,158
2035	3,765,000	712,113	4,477,113
2036	3,135,000	561,670	3,696,670
2037	3,255,000	448,919	3,703,919
2038	2,780,000	329,095	3,109,095
2039	2,910,000	251,019	3,161,019
2040	2,890,000	167,869	3,057,869
2041	3,425,000	81,344	3,506,344
	<u>\$ 51,400,000</u>	<u>\$ 14,642,551</u>	<u>\$ 66,042,551</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**CHANGES IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

Description	Original Bonds Issued	Bonds Outstanding January 1, 2024
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Bonds - Series 2015A	\$ 4,240,000	\$ 2,290,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Park Bonds - Series 2015B	3,550,000	3,550,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Refunding Bonds - Series 2016	8,085,000	7,560,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Refunding Bonds - Series 2017	7,225,000	6,725,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Refunding Bonds - Series 2017A	9,050,000	6,005,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Bonds - Series 2017B	2,140,000	2,140,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Refunding Bonds - Series 2020	12,830,000	10,615,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Refunding Bonds - Series 2021	7,425,000	6,945,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Bonds - Series 2021A	4,725,000	4,725,000
Fort Bend County Municipal Utility District No. 23 Unlimited Tax Park Bonds - Series 2021B	<u>3,250,000</u>	<u>3,250,000</u>
<b>TOTAL</b>	<u><u>\$ 62,520,000</u></u>	<u><u>\$ 53,805,000</u></u>

See accompanying independent auditor's report.

Current Year Transactions			Bonds Outstanding December 31, 2024	Paying Agent
Bonds Sold	Retirements			
	Principal	Interest		
\$	\$ 25,000	\$ 73,619	\$ 2,265,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
		123,625	3,550,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	70,000	301,450	7,490,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	115,000	267,850	6,610,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	250,000	237,700	5,755,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
		73,963	2,140,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	1,540,000	258,600	9,075,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	405,000	159,500	6,540,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
		112,219	4,725,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
		68,362	3,250,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
<u>\$ - 0 -</u>	<u>\$ 2,405,000</u>	<u>\$ 1,676,888</u>	<u>\$ 51,400,000</u>	

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**CHANGES IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2024**

Bond Authority:	Tax Bonds*	Refunding Bonds	Parks and Recreational Facilities Bonds
Amount Authorized by Voters	\$ 90,775,000	\$ 13,245,000	\$ 8,800,000
Amount Issued	<u>77,610,000</u>	<u>5,721,879</u>	<u>8,800,000</u>
Remaining to be Issued	<u>\$ 13,165,000</u>	<u>\$ 7,523,121</u>	<u>\$ - 0 -</u>
Debt Service Fund cash and investment balances as of December 31, 2024:			<u>\$ 4,740,474</u>
Average annual debt service payment (principal and interest) for remaining term of all debt:			<u>\$ 3,884,856</u>

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

\*Includes all bonds secured with tax revenues. Bonds in this category may also be secured with other revenues in combination with taxes.

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND - FIVE YEARS**

	Amounts		
	2024	2023	2022
<b>REVENUES</b>			
Property Taxes	\$ 2,957,611	\$ 2,663,122	\$ 2,310,899
Water Service	1,585,811	1,503,331	1,393,167
Wastewater Service	1,642,914	1,569,614	1,516,487
Penalty and Interest	150,676	175,925	161,678
Sales Tax Revenue	54,480	54,434	57,430
Tap Connection and Inspection Fees	14,731	9,620	82,816
Investment Revenues	305,057	266,984	67,349
Ground Water Reduction Fees	881,782	854,290	792,794
Miscellaneous Revenues	88,738	173,563	286,529
<b>TOTAL REVENUES</b>	<b>\$ 7,681,800</b>	<b>\$ 7,270,883</b>	<b>\$ 6,669,149</b>
<b>EXPENDITURES</b>			
Professional Fees	\$ 296,189	\$ 301,890	\$ 227,956
Contracted Services	2,102,020	2,228,027	2,140,526
Purchased Water and Wastewater Services	1,400,484	1,232,799	1,188,790
Utilities	24,564	20,568	22,465
Repairs and Maintenance	1,509,041	1,367,690	1,132,022
Parks and Recreational	730,386	407,480	271,183
Ground Water Reduction Assessments	944,757	831,960	778,327
Other	234,447	255,615	242,006
Capital Outlay		61,450	210,747
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,241,888</b>	<b>\$ 6,707,479</b>	<b>\$ 6,214,022</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>\$ 439,912</b>	<b>\$ 563,404</b>	<b>\$ 455,127</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In(Out)	\$ - 0 -	\$ - 0 -	\$ - 0 -
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 439,912</b>	<b>\$ 563,404</b>	<b>\$ 455,127</b>
<b>BEGINNING FUND BALANCE</b>	4,616,710	4,053,306	3,598,179
<b>ENDING FUND BALANCE</b>	<b>\$ 5,056,622</b>	<b>\$ 4,616,710</b>	<b>\$ 4,053,306</b>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 2,277,042	\$ 2,135,616	38.4 %	36.7 %	34.7 %	38.5 %	38.9 %
1,288,875	1,085,791	20.6	20.7	20.9	21.9	19.8
1,331,531	1,228,647	21.4	21.6	22.7	22.6	22.4
102,629	98,940	2.0	2.4	2.4	1.7	1.8
51,596	48,971	0.7	0.7	0.9	0.9	0.9
7,590	9,320	0.2	0.1	1.2	0.1	0.2
2,723	46,461	4.0	3.7	1.0		0.8
762,211	782,089	11.5	11.7	11.9	12.9	14.2
80,008	53,145	1.2	2.4	4.3	1.4	1.0
<u>\$ 5,904,205</u>	<u>\$ 5,488,980</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 246,211	\$ 270,430	3.9 %	4.2 %	3.4 %	4.2 %	4.9 %
2,019,207	1,928,622	27.4	30.6	32.1	34.2	35.1
929,268	1,270,829	18.2	17.0	17.8	15.7	23.2
31,907	25,854	0.3	0.3	0.3	0.5	0.5
1,048,701	2,286,352	19.6	18.8	17.0	17.8	41.7
244,905	255,136	9.5	5.6	4.1	4.1	4.6
745,861	851,859	12.3	11.4	11.7	12.6	15.5
220,578	187,574	3.1	3.5	3.6	3.7	3.4
321,607	153,642		0.8	3.2	5.4	2.8
<u>\$ 5,808,245</u>	<u>\$ 7,230,298</u>	<u>94.3 %</u>	<u>92.2 %</u>	<u>93.2 %</u>	<u>98.2 %</u>	<u>131.7 %</u>
<u>\$ 95,960</u>	<u>\$ (1,741,318)</u>	<u>5.7 %</u>	<u>7.8 %</u>	<u>6.8 %</u>	<u>1.8 %</u>	<u>(31.7) %</u>
<u>\$ 1,566,050</u>	<u>\$ - 0 -</u>					
\$ 1,662,010	\$ (1,741,318)					
<u>1,936,169</u>	<u>3,677,487</u>					
<u>\$ 3,598,179</u>	<u>\$ 1,936,169</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2024	2023	2022
<b>REVENUES</b>			
Property Taxes	\$ 4,161,887	\$ 4,371,817	\$ 4,345,468
Penalty and Interest	116,760	61,946	48,969
Interest on Investments	277,940	229,311	47,631
Miscellaneous Revenues	<u>10</u>	<u>10</u>	<u>20</u>
<b>TOTAL REVENUES</b>	<u>\$ 4,556,597</u>	<u>\$ 4,663,084</u>	<u>\$ 4,442,088</u>
<b>EXPENDITURES</b>			
Tax Collection Expenditures	\$ 223,519	\$ 159,763	\$ 163,840
Debt Service Principal	2,405,000	2,330,000	3,675,000
Debt Service Interest and Fees	1,685,138	1,773,487	1,882,797
Paid to Refunding Bond Escrow Agent			
Bond Issuance Costs			
<b>TOTAL EXPENDITURES</b>	<u>\$ 4,313,657</u>	<u>\$ 4,263,250</u>	<u>\$ 5,721,637</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 242,940</u>	<u>\$ 399,834</u>	<u>\$ (1,279,549)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-Term Debt Issued	\$	\$	\$
Paid to Refunding Bond Escrow Agent			
Bond Premium			
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 242,940	\$ 399,834	\$ (1,279,549)
<b>BEGINNING FUND BALANCE</b>	<u>3,622,082</u>	<u>3,222,248</u>	<u>4,501,797</u>
<b>ENDING FUND BALANCE</b>	<u>\$ 3,865,022</u>	<u>\$ 3,622,082</u>	<u>\$ 3,222,248</u>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	<u>4,626</u>	<u>4,627</u>	<u>4,630</u>
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	<u>4,569</u>	<u>4,572</u>	<u>4,576</u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2021	2020	2024	2023	2022	2021	2020
\$ 4,560,176	\$ 4,528,064	91.3 %	93.8 %	97.8 %	98.4 %	97.8 %
62,564	40,834	2.6	1.3	1.1	1.3	0.9
13,086	62,132	6.1	4.9	1.1	0.3	1.3
10	504					
<u>\$ 4,635,836</u>	<u>\$ 4,631,534</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 175,921	\$ 133,090	4.9 %	3.4 %	3.7 %	3.8 %	2.9 %
2,680,000	2,085,000	52.8	50.0	82.7	57.8	45.0
1,799,026	1,836,544	37.0	38.0	42.4	38.8	39.7
14,000	165,000				0.3	3.6
282,491	484,786				6.1	10.5
<u>\$ 4,951,438</u>	<u>\$ 4,704,420</u>	<u>94.7 %</u>	<u>91.4 %</u>	<u>128.8 %</u>	<u>106.8 %</u>	<u>101.7 %</u>
<u>\$ (315,602)</u>	<u>\$ (72,886)</u>	<u>5.3 %</u>	<u>8.6 %</u>	<u>(28.8) %</u>	<u>(6.8) %</u>	<u>(1.7) %</u>
\$ 7,425,000	\$ 12,830,000					
(7,397,675)	(12,955,267)					
<u>262,795</u>	<u>620,867</u>					
<u>\$ 290,120</u>	<u>\$ 495,600</u>					
\$ (25,482)	\$ 422,714					
<u>4,527,279</u>	<u>4,104,565</u>					
<u>\$ 4,501,797</u>	<u>\$ 4,527,279</u>					
<u>4,647</u>	<u>4,637</u>					
<u>4,593</u>	<u>4,583</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**DECEMBER 31, 2024**

District Mailing Address - Fort Bend County Municipal Utility District No. 23  
c/o Allen Boone Humphries Robinson LLP  
3200 Southwest Freeway, Suite 2600  
Houston, TX 77027

District Telephone Number - (713) 860-6400

<b>Board Members</b>	Term of Office (Elected or Appointed)	Fees of Office for the year ended December 31, 2024	Expense Reimbursements for the year ended December 31, 2024	Title
William Thomas	05/22 05/26 (Elected)	\$ 7,200	\$ 1,310	President
Anzilla Gilmore	05/22 05/26 (Elected)	\$ 6,630	\$ 2,012	Vice President
Ellen Hughes	05/22 05/26 (Elected)	\$ 5,525	\$ 401	Secretary
Chris Robinson	05/24 05/28 (Elected)	\$ 7,200	\$ 1,250	Assistant Vice President
Brian Cokes	05/24 05/28 (Elected)	\$ 7,200	\$ 964	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.

Submission date of most recent District Registration Form: October 26, 2023

The limit on Fees of Office that a Director may receive during a fiscal year is the maximum amount allowed by law as set by Board Resolution. Fees of Office are the amounts actually paid to a Director during the District’s current fiscal year.

See accompanying independent auditor’s report.

**FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 23**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**DECEMBER 31, 2024**

<b>Consultants:</b>	<u>Date Hired</u>	<u>District Fees for the year ended December 31, 2024</u>	<u>Special Revenue Fund Fees for the year ended December 31, 2024</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	07/26/03	\$ 152,125	\$ 7,574	General Counsel
McCall Gibson Swedlund Barfoot Ellis PLLC	11/19/96	\$ 20,500	\$ 5,500	Audit Related
Myrtle Cruz, Inc.	01/23/84	\$ 40,516	\$ 9,782	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	03/22/96	\$ 37,207	\$ -0-	Delinquent Tax Attorney
LJA Engineering, Inc.	01/23/84	\$ 271,847	\$ 6,155	Engineer
Rathmann & Associates, L.P.	04/24/03	\$ -0-	\$ -0-	Financial Advisor
Mary Jarmon	11/29/01	\$ -0-	\$ -0-	Investment Officer
Municipal District Services, LLC	12/01/09	\$ 1,913,530	\$ 902,151	Operator
Assessments of the Southwest, Inc.	02/08/84	\$ 80,672	\$ -0-	Tax Assessor/ Collector

See accompanying independent auditor's report.