


**Fort Bend County Municipal
Utility District No. 57
Fort Bend County, Texas**

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

July 31, 2025



Fort Bend County Municipal Utility District No. 57
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July 31, 2025

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Independent Auditor's Report

Board of Directors
Fort Bend County Municipal Utility District No. 57
Fort Bend County, Texas

Opinions

We have audited the financial statements of the governmental activities and each major fund of Fort Bend County Municipal Utility District No. 57 (District), as of and for the year ended July 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of July 31, 2025, and the respective changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Forvis Mazars, LLP

Houston, Texas
December 17, 2025

**Fort Bend County Municipal Utility District No. 57
Management's Discussion and Analysis
Year Ended July 31, 2025**

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

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Governmental Funds

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

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

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

Notes to Financial Statements

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

Financial Analysis of the District as a Whole

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

Summary of Net Position

	<u>2025</u>	<u>2024</u>
Current and other assets	\$ 12,284,678	\$ 11,911,461
Capital assets	39,372,821	40,081,136
Total assets	<u>51,657,499</u>	<u>51,992,597</u>
Deferred outflows of resources	<u>1,440,785</u>	<u>1,510,619</u>
Total assets and deferred outflows of resources	<u>\$ 53,098,284</u>	<u>\$ 53,503,216</u>
Long-term liabilities	\$ 37,949,026	\$ 39,869,102
Other liabilities	<u>1,095,635</u>	<u>1,020,158</u>
Total liabilities	<u>39,044,661</u>	<u>40,889,260</u>

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Management’s Discussion and Analysis
Year Ended July 31, 2025**

Summary of Net Position (Continued)

	<u>2025</u>	<u>2024</u>
Net position		
Net investment in capital assets	\$ 2,864,580	\$ 1,954,877
Restricted	2,022,247	2,259,632
Unrestricted	<u>9,166,796</u>	<u>8,399,447</u>
Total net position	<u>\$ 14,053,623</u>	<u>\$ 12,613,956</u>

The total net position of the District increased by \$1,439,667, or approximately 11%. The majority of the increase in net position is related to property tax revenues intended to pay principal on the District’s bonded indebtedness, which is included in long-term liabilities in the government-wide financial statements. Although the District’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Changes in Net Position

	<u>2025</u>	<u>2024</u>
Revenues		
Property taxes	\$ 6,637,107	\$ 6,555,759
Charges for services	3,273,416	3,342,036
Other revenues	<u>646,775</u>	<u>677,197</u>
Total revenues	<u>10,557,298</u>	<u>10,574,992</u>
Expenses		
Services	6,291,050	6,516,530
Depreciation	1,762,771	1,726,429
Debt service	<u>1,063,810</u>	<u>1,120,862</u>
Total expenses	<u>9,117,631</u>	<u>9,363,821</u>
Change in net position	1,439,667	1,211,171
Net position, beginning of year	<u>12,613,956</u>	<u>11,402,785</u>
Net position, end of year	<u>\$ 14,053,623</u>	<u>\$ 12,613,956</u>

Financial Analysis of the District’s Funds

The District’s combined fund balances as of the end of the fiscal year ended July 31, 2025 were \$11,469,583, an increase of \$292,770 from the prior year.

The general fund’s fund balance increased by \$773,953. This increase was primarily related to property tax and service revenues, investment income, and a transfer from the capital projects fund exceeding operating expenditures.

The joint water plant and joint sewer plant funds’ fund balances remained the same as all expenditures were billed to the participants.

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Management’s Discussion and Analysis
Year Ended July 31, 2025**

The debt service fund’s fund balance decreased by \$165,056 due to bond principal and interest requirements and contracted services expenditures exceeding property tax revenues and investment income.

The capital projects fund’s fund balance decreased by \$316,127 primarily due to a transfer to the general fund.

General Fund Budgetary Highlights

There were several differences between the final budgetary amounts and actual amounts. The major differences between budget and actual were due to property tax revenues and investment income as well as purchased services expenditures being greater than anticipated and water service revenues and repairs and maintenance expenditures being less than anticipated. In addition, transfers received from the capital projects fund were not included in the budget and budgeted capital outlay expenditures were not incurred. The fund balance as of July 31, 2025 was expected to be \$8,010,004, and the actual end-of-year fund balance was \$9,134,008.

Capital Assets and Related Debt

Capital Assets

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

Capital Assets (Net of Accumulated Depreciation)

	<u>2025</u>	<u>2024</u>
Land	\$ 8,615,509	\$ 8,615,509
Construction in progress	10,631	65,979
Water facilities	5,783,264	5,694,733
Wastewater facilities	11,137,156	10,850,042
Drainage facilities	8,259,968	8,560,893
Parks and improvements	5,566,293	6,293,980
	<u>\$ 39,372,821</u>	<u>\$ 40,081,136</u>

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

Rehabilitation of wastewater treatment plant	\$ 714,827
Wastewater treatment plant clarifier drive replacement	6,360
Refurbishment of ground storage tank No. 2 and hydropneumatic tank No. 2 for water plant No. 1	315,042
Water plant booster pump No. 5 check valve and booster pump No. 3 motor replacement	18,227
	<u>\$ 1,054,456</u>

Debt

The changes in the debt position of the District during the fiscal year ended July 31, 2025 are summarized as follows.

Long-term debt payable, beginning of year	\$ 39,869,102
Decreases in long-term debt	<u>(1,920,076)</u>
Long-term debt payable, end of year	<u>\$ 37,949,026</u>

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At July 31, 2025, the District had \$22,480,000 of unlimited tax bonds authorized, but unissued, for the purpose of acquiring, constructing, and improving the water, sanitary sewer, and drainage systems within the District and \$1,475,000 of recreational facilities bonds authorized, but unissued, for the purpose of constructing park and recreational facilities within the District.

The District’s bonds carry an underlying rating of “A+” from Standard & Poor’s. The District’s Series 2016B, Series 2019 refunding, Series 2021 refunding, and Series 2022 refunding bonds carry a rating of “AA” from Standard & Poor’s by virtue of bond insurance issued by Assured Guaranty Inc. The Series 2020 refunding bonds carry a rating of “AA” from Standard & Poor’s by virtue of bond insurance issued by Build America Mutual Assurance Company.

Other Relevant Factors

Relationship to the City of Houston

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

Fort Bend County Municipal Utility District No. 57
Statement of Net Position and Governmental Funds Balance Sheet
July 31, 2025

	General Fund	Joint Water Plant Fund	Joint Sewer Plant Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets								
Cash	\$ 287,436	\$ 83,166	\$ 9,993	\$ 74,362	\$ -	\$ 454,957	\$ -	\$ 454,957
Certificates of deposit	1,380,000	-	-	460,000	-	1,840,000	-	1,840,000
Short-term investments	7,790,191	-	-	1,691,534	15	9,481,740	-	9,481,740
Receivables								
Property taxes	32,788	-	-	23,612	-	56,400	-	56,400
Service accounts	204,642	-	-	-	-	204,642	-	204,642
Accrued interest	20,900	-	-	19,024	-	39,924	-	39,924
Due from participants	-	164,126	42,889	-	-	207,015	-	207,015
Interfund receivables	11,815	144,966	58,688	-	-	215,469	(215,469)	-
Capital assets (net of accumulated depreciation)								
Land and improvements	-	-	-	-	-	-	8,615,509	8,615,509
Construction in progress	-	-	-	-	-	-	10,631	10,631
Infrastructure	-	-	-	-	-	-	25,180,388	25,180,388
Parks and improvements	-	-	-	-	-	-	5,566,293	5,566,293
Total Assets	9,727,772	392,258	111,570	2,268,532	15	12,500,147	39,157,352	51,657,499
Deferred Outflows of Resources								
Deferred amount on debt refundings	-	-	-	-	-	-	1,440,785	1,440,785
Total Assets and Deferred Outflows of Resources	\$ 9,727,772	\$ 392,258	\$ 111,570	\$ 2,268,532	\$ 15	\$ 12,500,147	\$ 40,598,137	\$ 53,098,284

Fort Bend County Municipal Utility District No. 57
Statement of Net Position and Governmental Funds Balance Sheet
July 31, 2025

(Continued)

	<u>General Fund</u>	<u>Joint Water Plant Fund</u>	<u>Joint Sewer Plant Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Liabilities								
Accounts payable	\$ 189,055	\$ 234,758	\$ 76,570	\$ 45	\$ -	\$ 500,428	\$ -	\$ 500,428
Accrued interest payable	-	-	-	-	-	-	336,940	336,940
Customer deposits	168,267	-	-	-	-	168,267	-	168,267
Operating deposits	-	80,000	10,000	-	-	90,000	-	90,000
Interfund payables	203,654	-	-	11,815	-	215,469	(215,469)	-
Long-term liabilities								
Due within one year	-	-	-	-	-	-	1,900,000	1,900,000
Due after one year	-	-	-	-	-	-	36,049,026	36,049,026
Total Liabilities	<u>560,976</u>	<u>314,758</u>	<u>86,570</u>	<u>11,860</u>	<u>-</u>	<u>974,164</u>	<u>38,070,497</u>	<u>39,044,661</u>
Deferred Inflows of Resources								
Deferred property tax revenues	<u>32,788</u>	<u>-</u>	<u>-</u>	<u>23,612</u>	<u>-</u>	<u>56,400</u>	<u>(56,400)</u>	<u>-</u>
Fund Balances/Net Position								
Fund balances								
Restricted								
Unlimited tax bonds	-	-	-	2,233,060	-	2,233,060	(2,233,060)	-
Water, sewer, and drainage	-	-	-	-	15	15	(15)	-
Committed								
Water production and distribution	-	77,500	-	-	-	77,500	(77,500)	-
Wastewater collection and treatment	-	-	25,000	-	-	25,000	(25,000)	-
Assigned, future expenditures	54,782	-	-	-	-	54,782	(54,782)	-
Unassigned	<u>9,079,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,079,226</u>	<u>(9,079,226)</u>	<u>-</u>
Total fund balances	<u>9,134,008</u>	<u>77,500</u>	<u>25,000</u>	<u>2,233,060</u>	<u>15</u>	<u>11,469,583</u>	<u>(11,469,583)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,727,772</u>	<u>\$ 392,258</u>	<u>\$ 111,570</u>	<u>\$ 2,268,532</u>	<u>\$ 15</u>	<u>\$ 12,500,147</u>		
Net position								
Net investment in capital assets							2,864,580	2,864,580
Restricted for plant operations							102,500	102,500
Restricted for debt service							1,919,732	1,919,732
Restricted for capital projects							15	15
Unrestricted							9,166,796	9,166,796
Total net position							<u>\$ 14,053,623</u>	<u>\$ 14,053,623</u>

Fort Bend County Municipal Utility District No. 57
Statement of Activities and Governmental Funds Revenues,
Expenditures, and Changes in Fund Balances
Year Ended July 31, 2025

	<u>General Fund</u>	<u>Joint Water Plant Fund</u>	<u>Joint Sewer Plant Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues								
Property taxes	\$ 3,901,708	\$ -	\$ -	\$ 2,750,095	\$ -	\$ 6,651,803	\$ (14,696)	\$ 6,637,107
Water service	621,798	-	-	-	-	621,798	-	621,798
Sewer service	714,657	-	-	-	-	714,657	-	714,657
Service to other districts	-	2,825,890	1,901,079	-	-	4,726,969	(3,762,534)	964,435
Regional water fee	972,526	-	-	-	-	972,526	-	972,526
Penalty and interest	33,391	-	-	42,315	-	75,706	-	75,706
Tap connection and inspection fees	14,866	-	-	-	-	14,866	-	14,866
Investment income	404,122	68	125	109,661	7,417	521,393	-	521,393
Other income	34,810	-	-	-	-	34,810	-	34,810
Total Revenues	6,697,878	2,825,958	1,901,204	2,902,071	7,417	14,334,528	(3,777,230)	10,557,298
Expenditures/Expenses								
Service operations								
Purchased services	3,276,034	768,305	-	-	-	4,044,339	(3,271,624)	772,715
Regional water fee	-	1,142,865	-	-	-	1,142,865	-	1,142,865
Professional fees	273,304	48,838	16,547	14,602	-	353,291	1,214	354,505
Contracted services	691,352	32,233	47,149	99,105	-	869,839	-	869,839
Utilities	133,295	126,203	111,667	-	-	371,165	-	371,165
Repairs and maintenance	1,783,968	176,541	664,740	-	-	2,625,249	-	2,625,249
Other expenditures	73,405	15,875	30,834	19,702	151	139,967	-	139,967
Tap connections	14,745	-	-	-	-	14,745	-	14,745
Capital outlay	-	515,098	1,030,267	-	1,215	1,546,580	(1,546,580)	-
Depreciation	-	-	-	-	-	-	1,762,771	1,762,771
Debt service								
Principal retirement	-	-	-	1,860,000	-	1,860,000	(1,860,000)	-
Interest and fees	-	-	-	1,073,718	-	1,073,718	(9,908)	1,063,810
Total Expenditures/Expenses	6,246,103	2,825,958	1,901,204	3,067,127	1,366	14,041,758	(4,924,127)	9,117,631
Excess (Deficiency) of Revenues Over Expenditures	451,775	-	-	(165,056)	6,051	292,770	1,146,897	

Fort Bend County Municipal Utility District No. 57
Statement of Activities and Governmental Funds Revenues,
Expenditures, and Changes in Fund Balances
Year Ended July 31, 2025

(Continued)

	<u>General Fund</u>	<u>Joint Water Plant Fund</u>	<u>Joint Sewer Plant Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Other Financing Sources (Uses)								
Interfund transfers in (out)	\$ 322,178	\$ -	\$ -	\$ -	\$ (322,178)	\$ -	\$ -	
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	773,953	-	-	(165,056)	(316,127)	292,770	(292,770)	
Change in Net Position							1,439,667	\$ 1,439,667
Fund Balances/Net Position								
Beginning of year	8,360,055	77,500	25,000	2,398,116	316,142	11,176,813	-	12,613,956
End of year	<u>\$ 9,134,008</u>	<u>\$ 77,500</u>	<u>\$ 25,000</u>	<u>\$ 2,233,060</u>	<u>\$ 15</u>	<u>\$ 11,469,583</u>	<u>\$ -</u>	<u>\$ 14,053,623</u>

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

Fort Bend County Municipal Utility District No. 57 (District) was created by an order of the Texas Water Commission, now known as the Texas Commission on Environmental Quality (Commission), effective November 21, 1984, in accordance with the provisions of Article XVI, Section 59, of the Constitution of the State of Texas. The District held its first meeting, an organizational meeting, on August 5, 2004. The District operates in accordance with Chapters 49 and 54 of the Texas Water Code and is subject to the continuing supervision of the Commission. The principal functions of the District are to finance, construct, own, and operate waterworks, wastewater, drainage facilities, and parks and to provide such facilities and services to the customers of the District.

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

Reporting Entity

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

Government-Wide and Fund Financial Statements

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

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

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

The District presents the following major governmental funds:

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

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

Special Revenue Funds – The special revenue funds account for revenues and expenditures involving specific revenue sources that are legally restricted to expenditures for specified purposes. The primary source of revenue is participant fees. The joint water plant fund and joint sewer plant funds are considered special revenue funds.

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

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

Fund Balances – Governmental Funds

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

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

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

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

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

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

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

Measurement Focus and Basis of Accounting

Government-Wide Financial Statements

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

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

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

Fund Financial Statements

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

Deferred Outflows and Inflows of Resources

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

Interfund Transactions

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

Pension Costs

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

Use of Estimates

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

Investments and Investment Income

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

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

Property Taxes

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

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

In the governmental funds, property taxes are initially recorded as receivables and deferred inflows of resources at the time the tax levy is billed. Revenues recognized during the fiscal year ended July 31, 2025 include collections during the current period or within 60 days of year-end related to the 2024 and prior years' tax levies.

In the government-wide statement of net position, property taxes are considered earned in the budget year for which they are levied. For the District's fiscal year ended July 31, 2025, the 2024 tax levy is considered earned during the current fiscal year. In addition to property taxes levied, any delinquent taxes are recorded net of amounts considered uncollectible.

Capital Assets

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

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

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

Water production and distribution facilities	10–45 years
Wastewater collection and treatment facilities	10–45 years
Drainage facilities	10–45 years
Parks and improvements	10–20 years

Deferred Amount on Debt Refundings

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

Debt Issuance Costs

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

Long-Term Obligations

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

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

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

Net Position/Fund Balances

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

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

Reconciliation of Government-Wide and Fund Financial Statements

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

Capital assets used in governmental activities are not financial resources and are not reported in the funds.	\$ 39,372,821
Property tax revenue recognition and the related reduction of deferred inflows of resources are subject to availability of funds in the fund financial statements.	56,400
Deferred amount on debt refundings for governmental activities is not considered financial resources and is not reported in the funds.	1,440,785
Accrued interest on long-term liabilities is not payable with current financial resources and is not reported in the funds.	(336,940)
Long-term debt obligations are not due and payable in the current period and are not reported in the funds.	<u>(37,949,026)</u>
Adjustment to fund balances to arrive at net position.	<u><u>\$ 2,584,040</u></u>

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

Change in fund balances.	\$ 292,770
Governmental funds report capital outlays as expenditures. However, for government-wide financial statements, the cost of capitalized assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense and noncapitalized costs exceeded capital outlay expenditures in the current period.	(708,315)
Governmental funds report principal payments on debt as expenditures. These transactions, however, do not have any effect on net position.	1,860,000

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Notes to Financial Statements
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Revenues collected in the current year, which have previously been reported in the statement of activities, are reported as revenues for the governmental funds.	\$ (14,696)
Some expenses previously reported in the statement of activities are reported as expenditures in governmental funds.	<u>9,908</u>
Change in net position of governmental activities.	<u><u>\$ 1,439,667</u></u>

Note 2. Deposits, Investments, and Investment Income

Deposits

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

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

At July 31, 2025, none of the District’s bank balances were exposed to custodial credit risk.

Investments

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

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

The District invests in TexSTAR, an external investment pool that is not registered with the Securities and Exchange Commission. A Board of Directors, made up of participants and representatives of the administrator and investment manager, has oversight of TexSTAR. The District’s investments in TexSTAR are reported at amortized cost.

At July 31, 2025, the District had the following investments and maturities:

Type	Maturities in Years				
	Amortized Cost	Less Than 1	1–5	6–10	More Than 10
TexSTAR	\$ 9,481,740	\$ 9,481,740	\$ -	\$ -	\$ -

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

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

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At July 31, 2025, the District’s investments in TexSTAR were rated “AAAm” by Standard & Poor’s.

Summary of Carrying Values

The carrying values of deposits and investments shown previously are included in the balance sheet at July 31, 2025 as follows:

Carrying value	
Deposits	\$ 2,294,957
Investments	9,481,740
	<hr/>
Total	<u>\$ 11,776,697</u>

Included in the following statement of net position captions:

Cash	\$ 454,957
Certificates of deposit	1,840,000
Short-term investments	9,481,740
	<hr/>
Total	<u>\$ 11,776,697</u>

Investment Income

Investment income of \$521,393 for the year ended July 31, 2025 consisted of interest income.

Note 3. Capital Assets

A summary of changes in capital assets for the year ended July 31, 2025 is presented below:

<u>Governmental Activities</u>	<u>Balances, Beginning of Year</u>	<u>Additions</u>	<u>Reclassi- fications</u>	<u>Balances, End of Year</u>
Capital assets, non-depreciable				
Land and improvements	\$ 8,615,509	\$ -	\$ -	\$ 8,615,509
Construction in progress	65,979	-	(55,348)	10,631
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets, non-depreciable	8,681,488	-	(55,348)	8,626,140

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

Governmental Activities (Continued)	Balances, Beginning of Year	Additions	Reclassi- fications	Balances, End of Year
Capital assets, depreciable				
Water production and distribution facilities	\$ 8,499,527	\$ 333,269	\$ -	\$ 8,832,796
Wastewater collection and treatment facilities	16,508,035	721,187	55,348	17,284,570
Drainage facilities	12,315,430	-	-	12,315,430
Parks and improvements	11,444,812	-	-	11,444,812
Total capital assets, depreciable	48,767,804	1,054,456	55,348	49,877,608
Less accumulated depreciation				
Water production and distribution facilities	(2,804,794)	(244,738)	-	(3,049,532)
Wastewater collection and treatment facilities	(5,657,993)	(489,421)	-	(6,147,414)
Drainage facilities	(3,754,537)	(300,925)	-	(4,055,462)
Parks and improvements	(5,150,832)	(727,687)	-	(5,878,519)
Total accumulated depreciation	(17,368,156)	(1,762,771)	-	(19,130,927)
Total governmental activities, net	\$ 40,081,136	\$ (708,315)	\$ -	\$ 39,372,821

Note 4. Long-Term Liabilities

Changes in long-term liabilities for the year ended July 31, 2025 were as follows:

Governmental Activities	Balances, Beginning of Year	Decreases	Balances, End of Year	Amounts Due in One Year
Bonds payable				
General obligation bonds	\$ 38,405,000	\$ 1,860,000	\$ 36,545,000	\$ 1,900,000
Add premium on bonds	1,473,741	69,715	1,404,026	-
Less discounts on bonds	9,639	9,639	-	-
Total governmental activities long-term liabilities	\$ 39,869,102	\$ 1,920,076	\$ 37,949,026	\$ 1,900,000

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

General Obligation Bonds

	<u>Series 2016B</u>	<u>Refunding Series 2019</u>
Amounts outstanding, July 31, 2025	\$1,240,000	\$4,735,000
Interest rates	2.625% to 3.000%	3.00%
Maturity dates, serially beginning/ending	April 1, 2026/2033	April 1, 2026/2040
Interest payment dates	October 1/April 1	October 1/April 1
Callable dates*	April 1, 2021	April 1, 2025
	<u>Refunding Series 2020</u>	<u>Refunding Series 2021</u>
Amounts outstanding, July 31, 2025	\$3,895,000	\$19,055,000
Interest rates	2.00% to 3.00%	1.375% to 3.000%
Maturity dates, serially beginning/ending	April 1, 2026/2040	April 1, 2026/2042
Interest payment dates	October 1/April 1	October 1/April 1
Callable dates*	April 1, 2025	April 1, 2026
		<u>Refunding Series 2022</u>
Amount outstanding, July 31, 2025		\$7,620,000
Interest rates		3.00% to 4.00%
Maturity dates, serially beginning/ending		April 1, 2026/2040
Interest payment dates		October 1/April 1
Callable date*		April 1, 2031

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

Annual Debt Service Requirements

The following schedule shows the annual debt service requirements to pay principal and interest on general obligation bonds outstanding at July 31, 2025.

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 1,900,000	\$ 1,010,819	\$ 2,910,819
2027	2,015,000	960,518	2,975,518
2028	2,050,000	908,920	2,958,920
2029	2,140,000	857,081	2,997,081
2030	2,185,000	802,693	2,987,693
2031–2035	12,450,000	3,011,863	15,461,863
2036–2040	13,595,000	1,057,038	14,652,038
2041–2042	210,000	6,300	216,300
Total	<u>\$ 36,545,000</u>	<u>\$ 8,615,232</u>	<u>\$ 45,160,232</u>

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

Bonds voted	
Water, sewer, and drainage facilities	\$ 72,000,000
Recreational facilities	7,800,000
Bonds sold	
Water, sewer, and drainage facilities	49,520,000
Recreational facilities	6,325,000
Refunding bonds voted	46,000,000
Refunding bonds authorization used	1,145,000

Note 5. Significant Bond Resolution and Commission Requirements

- (A) The Bond Resolutions require that the District levy and collect an ad valorem debt service tax sufficient to pay interest and principal on bonds when due. During the year ended July 31, 2025, the District levied an ad valorem debt service tax at the rate of \$0.3000 per \$100 of assessed valuation, which resulted in a tax levy of \$2,749,427 on the taxable valuation of \$916,475,560 for the 2024 tax year. The interest and principal requirements to be paid from the tax revenues and available resources are \$2,900,319, of which \$2,394,909 has been paid and \$505,410 is due October 1, 2025.
- (B) The Commission required the District to escrow \$24,364 from the proceeds of its Series 2010 bonds. During the fiscal year ended July 31, 2025, the Commission released the remaining funds from escrow.
- (C) During the current year, the District transferred \$322,178 from the capital projects fund to the general fund. The transfer was in accordance with the rules of the Commission.

Note 6. Maintenance Taxes

At an election held February 5, 2005, voters authorized a maintenance tax not to exceed \$1.50 per \$100 of assessed valuation on all property within the District subject to taxation. During the year ended July 31, 2025, the District levied an ad valorem maintenance tax at the rate of \$0.4260 per \$100 of assessed valuation, which resulted in a tax levy of \$3,904,186 on the taxable valuation of \$916,475,560 for the 2024 tax year. The maintenance tax is being used by the general fund to pay expenditures of operating the District.

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

Note 7. Regional Water Authority

The District is within the boundaries of the North Fort Bend Water Authority (Authority), which was created by the Texas Legislature. The Authority was created to provide a regional entity to acquire surface water and build the necessary facilities to convert from groundwater to surface water in order to meet conversion requirements mandated by the Fort Bend Subsidence District, which regulates groundwater withdrawal. As of July 31, 2025, the Authority was billing the District \$4.55 per 1,000 gallons of water pumped from its wells and \$4.90 per 1,000 gallons for surface water received. These amounts are subject to future adjustments.

Note 8. Risk Management

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

Note 9. Water Supply Agreement

On March 9, 2010, the District entered into a permanent water supply agreement with Fort Bend County Municipal Utility District No. 58 (District No. 58). The agreement was amended August 23, 2010. Under the terms of the agreement, District No. 58 remitted \$981,910 to the District as a capacity payment to supply 465 equivalent single-family connections at the District’s water plant and to expand the water plant as needed to supply such connections. The District completed construction on Phase III of the water plant upgrade and expansion during a prior year. In addition, the District entered into a Utility Agreement on January 24, 2011 (see Note 10) with Beazer Homes Texas, L.P. on behalf of Fort Bend County Municipal Utility District No. 156 (District No. 156) and agreed to sell a portion of its unused water capacity. The District has deposited \$77,500 in the joint water plant fund as an operating reserve, District No. 58 has deposited \$40,000, and District No. 156 has deposited \$40,000.

Transactions for the joint water plant for the current year are as follows:

	<u>The District</u>	<u>District No. 58</u>	<u>District No. 156</u>	<u>Total</u>
Receivable, beginning of year	\$ 157,462	\$ 55,533	\$ 73,424	\$ 286,419
Current year billings	1,832,580	430,215	563,095	2,825,890
Collections	<u>(1,845,076)</u>	<u>(421,702)</u>	<u>(536,439)</u>	<u>(2,803,217)</u>
Receivable, end of year	<u>\$ 144,966</u>	<u>\$ 64,046</u>	<u>\$ 100,080</u>	<u>\$ 309,092</u>

On July 8, 2025, District No. 58 assigned 87 equivalent single family connections of its assigned capacity with the Authority to the District. The assignment expires July 8, 2026 unless terminated or extended by both parties.

Note 10. Utility Agreement

On January 24, 2011, the District entered into a contract with Beazer Homes Texas L.P., on behalf of District No. 156, for the purchase of capacity in the District’s water plant, wastewater treatment plant, and existing drainage facilities. The contract was assigned to District No. 156 on May 15, 2012. Under the terms of the agreement, District No. 156 can purchase up to 645 connections for use at the joint water plant and 645 connections at the joint wastewater treatment plant. During a prior year, District No. 156 purchased all 645 connections in each plant.

Fort Bend County Municipal Utility District No. 57
Notes to Financial Statements
July 31, 2025

District No. 156 also shares in the maintenance of these plants. The District has deposited \$25,000 with the joint sewer plant as an operating reserve, and District No. 156 has deposited \$10,000.

Transactions for the joint sewer plant for the current year are as follows:

	<u>The District</u>	<u>District No. 156</u>	<u>Total</u>
Receivable, beginning of year	\$ 55,030	\$ 40,055	\$ 95,085
Current year billings	1,439,044	462,035	1,901,079
Collections	<u>(1,435,386)</u>	<u>(459,201)</u>	<u>(1,894,587)</u>
Receivable, end of year	<u>\$ 58,688</u>	<u>\$ 42,889</u>	<u>\$ 101,577</u>

Required Supplementary Information

**Fort Bend County Municipal Utility District No. 57
 Budgetary Comparison Schedule – General Fund
 Year Ended July 31, 2025**

	<u>Original Budget</u>	<u>Final Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues				
Property taxes	\$ 3,600,000	\$ 3,600,000	\$ 3,901,708	\$ 301,708
Water service	810,000	810,000	621,798	(188,202)
Sewer service	376,000	680,000	714,657	34,657
Garbage service	304,000	-	-	-
Regional water fee	1,005,000	1,005,000	972,526	(32,474)
Penalty and interest	21,000	21,000	33,391	12,391
Tap connection and inspection fees	11,000	11,000	14,866	3,866
Investment income	200,000	200,000	404,122	204,122
Other income	-	-	34,810	34,810
Total Revenues	<u>6,327,000</u>	<u>6,327,000</u>	<u>6,697,878</u>	<u>370,878</u>
Expenditures				
Service operations				
Purchased services	3,038,811	3,038,811	3,276,034	(237,223)
Professional fees	222,800	222,800	273,304	(50,504)
Contracted services	672,000	672,000	691,352	(19,352)
Utilities	147,000	147,000	133,295	13,705
Repairs and maintenance	1,903,000	1,903,000	1,783,968	119,032
Other expenditures	90,700	90,700	73,405	17,295
Tap connections	10,000	10,000	14,745	(4,745)
Capital outlay	592,740	592,740	-	592,740
Total Expenditures	<u>6,677,051</u>	<u>6,677,051</u>	<u>6,246,103</u>	<u>430,948</u>
Excess (Deficiency) of Revenues Over Expenditures	(350,051)	(350,051)	451,775	801,826
Other Financing Sources				
Interfund transfers in	-	-	322,178	322,178
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	(350,051)	(350,051)	773,953	1,124,004
Fund Balance, Beginning of Year	<u>8,360,055</u>	<u>8,360,055</u>	<u>8,360,055</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 8,010,004</u>	<u>\$ 8,010,004</u>	<u>\$ 9,134,008</u>	<u>\$ 1,124,004</u>

**Fort Bend County Municipal Utility District No. 57
 Budgetary Comparison Schedule – Joint Water Plant Fund
 Year Ended July 31, 2025**

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Service to other districts	\$ 2,810,696	\$ 2,825,890	\$ 15,194
Investment income	-	68	68
Total Revenues	<u>2,810,696</u>	<u>2,825,958</u>	<u>15,262</u>
Expenditures			
Service operations			
Purchased services	-	768,305	(768,305)
Regional water fee	1,800,000	1,142,865	657,135
Professional fees	32,400	48,838	(16,438)
Contracted services	31,300	32,233	(933)
Utilities	110,000	126,203	(16,203)
Repairs and maintenance	206,000	176,541	29,459
Other expenditures	16,800	15,875	925
Capital outlay	614,196	515,098	99,098
Total Expenditures	<u>2,810,696</u>	<u>2,825,958</u>	<u>(15,262)</u>
Excess of Revenues Over Expenditures	-	-	-
Fund Balance, Beginning of Year	<u>77,500</u>	<u>77,500</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 77,500</u>	<u>\$ 77,500</u>	<u>\$ -</u>

Fort Bend County Municipal Utility District No. 57
Budgetary Comparison Schedule – Joint Sewer Plant Fund
Year Ended July 31, 2025

	<u>Original Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Service to other districts	\$ 1,813,963	\$ 1,901,079	\$ 87,116
Investment income	-	125	125
Total Revenues	<u>1,813,963</u>	<u>1,901,204</u>	<u>87,241</u>
Expenditures			
Service operations			
Professional fees	23,700	16,547	7,153
Contracted services	44,300	47,149	(2,849)
Utilities	113,000	111,667	1,333
Repairs and maintenance	573,000	664,740	(91,740)
Other expenditures	31,331	30,834	497
Capital outlay	<u>1,028,632</u>	<u>1,030,267</u>	<u>(1,635)</u>
Total Expenditures	<u>1,813,963</u>	<u>1,901,204</u>	<u>(87,241)</u>
Excess of Revenues Over Expenditures	-	-	-
Fund Balance, Beginning of Year	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ -</u>

Fort Bend County Municipal Utility District No. 57
Notes to Required Supplementary Information
July 31, 2025

Budgets and Budgetary Accounting

Annual operating budgets are prepared for the general, joint water plant, and joint sewer plant funds by the District's consultants. The budgets reflect resources expected to be received during the year and expenditures expected to be incurred. The Board is required to adopt the budgets prior to the start of its fiscal year. The budgets are not a spending limitation (a legally restricted appropriation). The original budget of the general fund was amended and the original budgets of the joint water plant fund and the joint sewer plant fund were not amended during fiscal 2025.

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

Supplementary Information

Fort Bend County Municipal Utility District No. 57
Other Schedules Included Within This Report
July 31, 2025

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

- [X] Notes Required by the Water District Accounting Manual
See "Notes to Financial Statements," Pages 12–23
- [X] Schedule of Services and Rates
- [X] Schedule of General Fund Expenditures
- [X] Schedule of Temporary Investments
- [X] Analysis of Taxes Levied and Receivable
- [X] Schedules of Long-Term Debt Service Requirements by Years
- [X] Changes in Long-Term Bonded Debt
- [X] Comparative Schedules of Revenues and Expenditures – General Fund and Debt Service Fund –
Five Years
- [X] Board Members, Key Personnel, and Consultants

Fort Bend County Municipal Utility District No. 57
Schedule of Services and Rates
Year Ended July 31, 2025

1. Services provided by the District

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

2. Retail service providers

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

	<u>Minimum Charge</u>	<u>Minimum Usage</u>	<u>Flat Rate Y/N</u>	<u>Rate Per 1,000 Gallons Over Minimum</u>	<u>Usage Levels</u>
Water	\$ 10.00	1,000	N	\$ 1.00 \$ 2.50 \$ 3.75 \$ 5.00 \$ 6.00	1,001 to 5,000 5,001 to 15,000 15,001 to 25,000 25,001 to 35,000 35,001 to No Limit
Wastewater	\$ 35.00	-	Y		
Regional water fee	\$ 4.90	-	N	\$ 4.90	1,001 to No Limit

Does the District employ winter averaging for wastewater usage?

Yes No

Total charges per 10,000 gallons usage (including fees) Water \$ 75.50 Wastewater \$ 35.00

b. Water and wastewater retail connections

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFC*</u>
Unmetered	-	-	x1.0	-
≤ 3/4"	942	940	x1.0	940
1"	857	856	x2.5	2,140
1 1/2"	4	4	x5.0	20
2"	51	51	x8.0	408
3"	-	-	x15.0	-
4"	1	1	x25.0	25
6"	-	-	x50.0	-
8"	-	-	x80.0	-
10"	-	-	x115.0	-
Total water	1,855	1,852		3,533
Total wastewater	1,785	1,782	x1.0	1,782

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

Gallons pumped into the system:	409,056
Gallons billed to customers:	400,372
Water accountability ratio (gallons billed/gallons pumped):	97.88%

**"ESFC" means equivalent single-family connections

**Fort Bend County Municipal Utility District No. 57
Schedule of General Fund Expenditures
Year Ended July 31, 2025**

Personnel (including benefits)		\$ -
Professional Fees		
Auditing	\$ 25,300	
Legal	125,864	
Engineering	121,040	
Financial advisor	<u>1,100</u>	273,304
Purchased Services for Resale		
Bulk water and wastewater service purchases		3,276,034
Regional Water Fee		-
Contracted Services		
Bookkeeping	32,325	
General manager	-	
Appraisal district	-	
Tax collector	-	
Security	-	
Other contracted services	<u>105,030</u>	137,355
Utilities		133,295
Repairs and Maintenance		1,783,968
Administrative Expenditures		
Directors' fees	13,702	
Office supplies	24,955	
Insurance	5,851	
Other administrative expenditures	<u>28,897</u>	73,405
Capital Outlay		
Capitalized assets	-	
Expenditures not capitalized	<u>-</u>	-
Tap Connection Expenditures		14,745
Solid Waste Disposal		553,997
Fire Fighting		-
Parks and Recreation		-
Other Expenditures		<u>-</u>
Total Expenditures		<u><u>\$ 6,246,103</u></u>

Fort Bend County Municipal Utility District No. 57
Schedule of Temporary Investments
July 31, 2025

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Face Amount</u>	<u>Accrued Interest Receivable</u>
General Fund				
Certificates of Deposit				
No. 6550119235	4.25%	10/18/25	\$ 230,000	\$ 7,659
No. 95900012274395	4.50%	11/16/25	230,000	7,287
No. 3103132	4.10%	07/31/26	230,000	-
No. 603392	4.18%	04/11/26	230,000	2,924
No. 626860	4.26%	10/14/25	230,000	2,899
No. 6000037173	4.15%	07/26/26	230,000	131
TexSTAR	4.32%	Demand	<u>7,790,191</u>	<u>-</u>
			<u>9,170,191</u>	<u>20,900</u>
Debt Service Fund				
Certificates of Deposit				
No. 50115830	5.50%	08/19/25	230,000	11,992
No. 95900012276766	4.50%	11/25/25	230,000	7,032
TexSTAR	4.32%	Demand	<u>1,691,534</u>	<u>-</u>
			<u>2,151,534</u>	<u>19,024</u>
Capital Projects Fund				
TexSTAR	4.32%	Demand	<u>15</u>	<u>-</u>
Totals			<u><u>\$ 11,321,740</u></u>	<u><u>\$ 39,924</u></u>

Fort Bend County Municipal Utility District No. 57
Analysis of Taxes Levied and Receivable
Year Ended July 31, 2025

	<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>
Receivable, Beginning of Year	\$ 39,392	\$ 31,704
Additions and corrections to prior years' taxes	(9,082)	(7,424)
Adjusted Receivable, Beginning of Year	<u>30,310</u>	<u>24,280</u>
2024 Original Tax Levy	3,901,629	2,747,626
Additions and corrections	2,557	1,801
Adjusted tax levy	<u>3,904,186</u>	<u>2,749,427</u>
Total to Be Accounted For	3,934,496	2,773,707
Tax collections: Current year	(3,874,413)	(2,728,460)
Prior years	(27,295)	(21,635)
Receivable, End of Year	<u>\$ 32,788</u>	<u>\$ 23,612</u>
Receivable, by Years		
2024	\$ 29,773	\$ 20,967
2023	828	661
2022	771	633
2021	595	543
2020	544	532
2019	277	276
Receivable, End of Year	<u>\$ 32,788</u>	<u>\$ 23,612</u>

Fort Bend County Municipal Utility District No. 57
Analysis of Taxes Levied and Receivable
Year Ended July 31, 2025

(Continued)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Property Valuations				
Land	\$ 146,747,079	\$ 111,102,898	\$ 111,103,280	\$ 111,176,600
Improvements	930,531,625	988,519,562	820,600,796	582,602,720
Personal property	5,231,204	5,034,644	4,464,360	4,731,220
Exemptions	<u>(166,034,348)</u>	<u>(248,806,725)</u>	<u>(173,749,559)</u>	<u>(32,612,115)</u>
Total Property Valuations	<u><u>\$ 916,475,560</u></u>	<u><u>\$ 855,850,379</u></u>	<u><u>\$ 762,418,877</u></u>	<u><u>\$ 665,898,425</u></u>
Tax Rates per \$100 Valuation				
Debt service tax rates	\$ 0.3000	\$ 0.3410	\$ 0.3700	\$ 0.4200
Maintenance tax rates*	<u>0.4260</u>	<u>0.4270</u>	<u>0.4500</u>	<u>0.4600</u>
Total Tax Rates per \$100 Valuation	<u><u>\$ 0.7260</u></u>	<u><u>\$ 0.7680</u></u>	<u><u>\$ 0.8200</u></u>	<u><u>\$ 0.8800</u></u>
Tax Levy	<u><u>\$ 6,653,613</u></u>	<u><u>\$ 6,572,931</u></u>	<u><u>\$ 6,251,835</u></u>	<u><u>\$ 5,859,906</u></u>
Percent of Taxes Collected to Taxes Levied**	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

*Maximum tax rate approved by voters: \$1.50 on February 5, 2005

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

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

<u>Due During Fiscal Years Ending July 31</u>	<u>Series 2016B</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 125,000	\$ 34,838	\$ 159,838
2027	150,000	31,087	181,087
2028	150,000	26,588	176,588
2029	150,000	22,650	172,650
2030	150,000	18,712	168,712
2031	175,000	14,588	189,588
2032	175,000	9,775	184,775
2033	165,000	4,744	169,744
Totals	<u>\$ 1,240,000</u>	<u>\$ 162,982</u>	<u>\$ 1,402,982</u>

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

(Continued)

<u>Due During Fiscal Years Ending July 31</u>	<u>Refunding Series 2019</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 205,000	\$ 142,050	\$ 347,050
2027	230,000	135,900	365,900
2028	230,000	129,000	359,000
2029	255,000	122,100	377,100
2030	255,000	114,450	369,450
2031	280,000	106,800	386,800
2032	305,000	98,400	403,400
2033	305,000	89,250	394,250
2034	325,000	80,100	405,100
2035	350,000	70,350	420,350
2036	345,000	59,850	404,850
2037	395,000	49,500	444,500
2038	390,000	37,650	427,650
2039	410,000	25,950	435,950
2040	455,000	13,650	468,650
Totals	<u>\$ 4,735,000</u>	<u>\$ 1,275,000</u>	<u>\$ 6,010,000</u>

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

(Continued)

<u>Due During Fiscal Years Ending July 31</u>	<u>Refunding Series 2020</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 210,000	\$ 98,900	\$ 308,900
2027	220,000	92,600	312,600
2028	215,000	88,200	303,200
2029	230,000	83,900	313,900
2030	235,000	79,300	314,300
2031	235,000	72,250	307,250
2032	260,000	65,200	325,200
2033	260,000	57,400	317,400
2034	265,000	51,550	316,550
2035	275,000	45,256	320,256
2036	295,000	38,381	333,381
2037	290,000	31,006	321,006
2038	285,000	23,757	308,757
2039	305,000	16,275	321,275
2040	315,000	8,269	323,269
Totals	<u>\$ 3,895,000</u>	<u>\$ 852,244</u>	<u>\$ 4,747,244</u>

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

(Continued)

<u>Due During Fiscal Years Ending July 31</u>	<u>Refunding Series 2021</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 1,015,000	\$ 455,531	\$ 1,470,531
2027	1,040,000	435,231	1,475,231
2028	1,075,000	414,432	1,489,432
2029	1,100,000	392,931	1,492,931
2030	1,115,000	370,931	1,485,931
2031	1,165,000	355,600	1,520,600
2032	1,170,000	320,650	1,490,650
2033	1,225,000	285,550	1,510,550
2034	1,455,000	248,800	1,703,800
2035	1,495,000	219,700	1,714,700
2036	1,525,000	174,850	1,699,850
2037	1,560,000	129,100	1,689,100
2038	1,605,000	82,300	1,687,300
2039	1,225,000	50,200	1,275,200
2040	1,075,000	25,700	1,100,700
2041	105,000	4,200	109,200
2042	105,000	2,100	107,100
Totals	<u>\$ 19,055,000</u>	<u>\$ 3,967,806</u>	<u>\$ 23,022,806</u>

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

(Continued)

<u>Due During Fiscal Years Ending July 31</u>	<u>Refunding Series 2022</u>		<u>Total</u>
	<u>Principal Due April 1</u>	<u>Interest Due October 1, April 1</u>	
2026	\$ 345,000	\$ 279,500	\$ 624,500
2027	375,000	265,700	640,700
2028	380,000	250,700	630,700
2029	405,000	235,500	640,500
2030	430,000	219,300	649,300
2031	460,000	202,100	662,100
2032	485,000	183,700	668,700
2033	515,000	164,300	679,300
2034	540,000	143,700	683,700
2035	565,000	122,100	687,100
2036	590,000	99,500	689,500
2037	615,000	75,900	690,900
2038	630,000	57,450	687,450
2039	645,000	38,550	683,550
2040	640,000	19,200	659,200
Totals	<u>\$ 7,620,000</u>	<u>\$ 2,357,200</u>	<u>\$ 9,977,200</u>

Fort Bend County Municipal Utility District No. 57
Schedule of Long-Term Debt Service Requirements by Years
July 31, 2025

(Continued)

<u>Due During Fiscal Years Ending July 31</u>	<u>Annual Requirements For All Series</u>		
	<u>Total Principal Due</u>	<u>Total Interest Due</u>	<u>Total Principal and Interest Due</u>
2026	\$ 1,900,000	\$ 1,010,819	\$ 2,910,819
2027	2,015,000	960,518	2,975,518
2028	2,050,000	908,920	2,958,920
2029	2,140,000	857,081	2,997,081
2030	2,185,000	802,693	2,987,693
2031	2,315,000	751,338	3,066,338
2032	2,395,000	677,725	3,072,725
2033	2,470,000	601,244	3,071,244
2034	2,585,000	524,150	3,109,150
2035	2,685,000	457,406	3,142,406
2036	2,755,000	372,581	3,127,581
2037	2,860,000	285,506	3,145,506
2038	2,910,000	201,157	3,111,157
2039	2,585,000	130,975	2,715,975
2040	2,485,000	66,819	2,551,819
2041	105,000	4,200	109,200
2042	105,000	2,100	107,100
Totals	<u>\$ 36,545,000</u>	<u>\$ 8,615,232</u>	<u>\$ 45,160,232</u>

Fort Bend County Municipal Utility District No. 57
Changes in Long-Term Bonded Debt
Year Ended July 31, 2025

	Bond			
	<u>Series 2015B</u>	<u>Series 2016B</u>	<u>Refunding Series 2019</u>	<u>Refunding Series 2020</u>
Interest rates	3.00%	2.625% to 3.000%	3.00%	2.00% to 3.00%
Dates interest payable	October 1/ April 1	October 1/ April 1	October 1/ April 1	October 1/ April 1
Maturity dates		April 1, 2026/2033	April 1, 2026/2040	April 1, 2026/2040
Bonds outstanding, beginning of current year	\$ 550,000	\$ 1,365,000	\$ 4,940,000	\$ 4,090,000
Retirements, principal	<u>550,000</u>	<u>125,000</u>	<u>205,000</u>	<u>195,000</u>
Bonds outstanding, end of current year	<u>\$ -</u>	<u>\$ 1,240,000</u>	<u>\$ 4,735,000</u>	<u>\$ 3,895,000</u>
Interest paid during current year	<u>\$ 16,500</u>	<u>\$ 38,587</u>	<u>\$ 148,200</u>	<u>\$ 104,750</u>

Paying agent's name and address

- Series 2015B** – Amegy Bank National Association, Houston, Texas
- Series 2016B** – Amegy Bank National Association, Houston, Texas
- Series 2019** – Zions Bancorporation, National Association, Houston, Texas
- Series 2020** – The Bank of New York Mellon Trust Company, N.A., Houston, Texas
- Series 2021** – The Bank of New York Mellon Trust Company, N.A., Houston, Texas
- Series 2022** – The Bank of New York Mellon Trust Company, N.A., Houston, Texas

Bond authority

	<u>Tax Bonds</u>	<u>Other Bonds</u>	<u>Refunding Bonds</u>
Amount authorized by voters	\$ 72,000,000	\$ 7,800,000	\$ 46,000,000
Amount issued	<u>\$ 49,520,000</u>	<u>\$ 6,325,000</u>	<u>\$ 1,145,000</u>
Remaining to be issued	<u>\$ 22,480,000</u>	<u>\$ 1,475,000</u>	<u>\$ 44,855,000</u>

Debt service fund cash and temporary investment balances as of July 31, 2025:

\$ 2,225,896

Average annual debt service payment (principal and interest) for remaining term of all debt:

\$ 2,656,484

Issues

<u>Refunding Series 2021</u>	<u>Refunding Series 2022</u>	<u>Totals</u>
1.375% to 3.000%	3.00% to 4.00%	
October 1/ April 1	October 1/ April 1	
April 1, 2026/2042	April 1, 2026/2040	
\$ 19,520,000	\$ 7,940,000	\$ 38,405,000
<u>465,000</u>	<u>320,000</u>	<u>1,860,000</u>
<u>\$ 19,055,000</u>	<u>\$ 7,620,000</u>	<u>\$ 36,545,000</u>
<u>\$ 469,481</u>	<u>\$ 292,300</u>	<u>\$ 1,069,818</u>

Fort Bend County Municipal Utility District No. 57
Comparative Schedule of Revenues and Expenditures – General Fund
Five Years Ended July 31,

	Amounts				
	2025	2024	2023	2022	2021
General Fund					
Revenues					
Property taxes	\$ 3,901,708	\$ 3,622,292	\$ 3,427,788	\$ 3,059,878	\$ 2,999,183
Water service	621,798	659,672	671,401	639,670	652,850
Sewer service	714,657	677,182	435,597	352,297	353,104
Regional water fee	972,526	1,038,196	1,049,044	983,641	940,994
Penalty and interest	33,391	28,580	35,200	33,092	24,637
Tap connection and inspection fees	14,866	12,350	13,476	11,000	9,000
Investment income	404,122	432,811	281,653	25,255	18,646
Other income	34,810	28,152	33,111	32,955	45,172
Total Revenues	<u>6,697,878</u>	<u>6,499,235</u>	<u>5,947,270</u>	<u>5,137,788</u>	<u>5,043,586</u>
Expenditures					
Service operations					
Purchased services	3,276,034	2,171,941	2,003,679	2,171,239	1,695,709
Professional fees	273,304	205,156	172,246	169,183	212,576
Contracted services	691,352	661,817	592,094	462,540	461,416
Utilities	133,295	159,630	123,938	118,853	115,688
Repairs and maintenance	1,783,968	2,259,766	400,296	615,860	296,738
Other expenditures	73,405	145,129	58,002	64,324	50,565
Tap connections	14,745	10,423	11,019	24,298	35,036
Capital outlay	-	445,857	1,900,511	1,402,242	2,105,221
Total Expenditures	<u>6,246,103</u>	<u>6,059,719</u>	<u>5,261,785</u>	<u>5,028,539</u>	<u>4,972,949</u>
Excess of Revenues Over Expenditures	451,775	439,516	685,485	109,249	70,637
Other Financing Sources (Uses)					
Interfund transfers in (out)	322,178	246,174	(120,205)	-	-
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	773,953	685,690	565,280	109,249	70,637
Fund Balance, Beginning of Year	8,360,055	7,674,365	7,109,085	6,999,836	6,929,199
Fund Balance, End of Year	<u>\$ 9,134,008</u>	<u>\$ 8,360,055</u>	<u>\$ 7,674,365</u>	<u>\$ 7,109,085</u>	<u>\$ 6,999,836</u>
Total Active Retail Water Connections	<u>1,852</u>	<u>1,846</u>	<u>1,840</u>	<u>1,851</u>	<u>1,847</u>
Total Active Retail Wastewater Connections	<u>1,782</u>	<u>1,776</u>	<u>1,767</u>	<u>1,781</u>	<u>1,778</u>

Percent of Fund Total Revenues

<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
58.3 %	55.7 %	57.7 %	59.6 %	59.5 %
9.3	10.2	11.3	12.5	12.9
10.7	10.4	7.3	6.9	7.0
14.5	16.0	17.6	19.1	18.6
0.5	0.4	0.6	0.6	0.5
0.2	0.2	0.2	0.2	0.2
6.0	6.7	4.7	0.5	0.4
<u>0.5</u>	<u>0.4</u>	<u>0.6</u>	<u>0.6</u>	<u>0.9</u>
<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
48.9	33.4	33.7	42.2	33.6
4.1	3.2	2.9	3.3	4.2
10.3	10.2	9.9	9.0	9.2
2.0	2.5	2.1	2.3	2.3
26.7	34.8	6.7	12.0	5.9
1.1	2.2	1.0	1.3	1.0
0.2	0.1	0.2	0.5	0.7
<u>-</u>	<u>6.8</u>	<u>32.0</u>	<u>27.3</u>	<u>41.7</u>
<u>93.3</u>	<u>93.2</u>	<u>88.5</u>	<u>97.9</u>	<u>98.6</u>
<u>6.7 %</u>	<u>6.8 %</u>	<u>11.5 %</u>	<u>2.1 %</u>	<u>1.4 %</u>

Fort Bend County Municipal Utility District No. 57
Comparative Schedule of Revenues and Expenditures – Debt Service Fund
Five Years Ended July 31,

	Amounts				
	2025	2024	2023	2022	2021
Debt Service Fund					
Revenues					
Property taxes	\$ 2,750,095	\$ 2,892,831	\$ 2,818,281	\$ 2,794,424	\$ 2,932,965
Penalty and interest	42,315	27,575	36,143	26,373	39,397
Investment income	109,661	128,076	96,373	8,645	6,197
Total Revenues	<u>2,902,071</u>	<u>3,048,482</u>	<u>2,950,797</u>	<u>2,829,442</u>	<u>2,978,559</u>
Expenditures					
Current					
Professional fees	14,602	11,515	5,396	4,166	8,514
Contracted services	99,105	91,245	81,889	80,359	68,326
Other expenditures	19,702	9,255	3,942	16,639	7,268
Debt service					
Principal retirement	1,860,000	1,795,000	1,730,000	1,590,000	1,690,000
Interest and fees	1,073,718	1,130,269	1,180,430	1,242,071	1,214,811
Debt issuance costs	-	-	-	307,059	660,311
Debt defeasance	-	-	-	-	455,850
Total Expenditures	<u>3,067,127</u>	<u>3,037,284</u>	<u>3,001,657</u>	<u>3,240,294</u>	<u>4,105,080</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(165,056)</u>	<u>11,198</u>	<u>(50,860)</u>	<u>(410,852)</u>	<u>(1,126,521)</u>
Other Financing Sources (Uses)					
Interfund transfers in	-	-	-	-	418,850
General obligation bonds issued	-	-	-	8,565,000	20,680,000
Premium on debt issued	-	-	-	670,233	800,913
Payment to escrow agent	-	-	-	(8,925,514)	(20,819,791)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>309,719</u>	<u>1,079,972</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>(165,056)</u>	<u>11,198</u>	<u>(50,860)</u>	<u>(101,133)</u>	<u>(46,549)</u>
Fund Balance, Beginning of Year	<u>2,398,116</u>	<u>2,386,918</u>	<u>2,437,778</u>	<u>2,538,911</u>	<u>2,585,460</u>
Fund Balance, End of Year	<u>\$ 2,233,060</u>	<u>\$ 2,398,116</u>	<u>\$ 2,386,918</u>	<u>\$ 2,437,778</u>	<u>\$ 2,538,911</u>

Percent of Fund Total Revenues				
2025	2024	2023	2022	2021
94.8 %	94.9 %	95.5 %	98.8 %	98.5 %
1.4	0.9	1.2	0.9	1.3
3.8	4.2	3.3	0.3	0.2
100.0	100.0	100.0	100.0	100.0
0.5	0.4	0.2	0.1	0.3
3.4	3.0	2.8	2.8	2.3
0.7	0.3	0.1	0.6	0.2
64.1	58.9	58.6	56.2	56.7
37.0	37.1	40.0	43.9	40.8
-	-	-	10.9	22.2
-	-	-	-	15.3
105.7	99.7	101.7	114.5	137.8
(5.7) %	0.3 %	(1.7) %	(14.5) %	(37.8) %

**Fort Bend County Municipal Utility District No. 57
Board Members, Key Personnel, and Consultants
Year Ended July 31, 2025**

Complete District mailing address:	Fort Bend County Municipal Utility District No. 57 c/o Allen Boone Humphries Robinson LLP 3200 Southwest Freeway, Suite 2600 Houston, TX 77027
District business telephone number:	713.860.6400
Submission date of the most recent District Registration Form (TWC Sections 36.054 and 49.054):	June 23, 2025
Limit on fees of office that a director may receive during a fiscal year:	\$ 7,200

<u>Board Members</u>	<u>Term of Office Elected & Expires</u>	<u>Fees*</u>	<u>Expense Reimbursements</u>	<u>Title at Year-End</u>
Bill Lyle	Elected 05/24– 05/28	\$ 2,431	\$ -	President
Randy Rodriguez	Elected 05/24– 05/28	2,431	-	Vice President
Gina Babineaux	Elected 05/22– 05/26	3,315	-	Secretary
Chris Tolle	Elected 05/24– 05/28	2,652	-	Treasurer
Freddy Calderon	Appointed 06/25– 05/26	884	-	Assistant Secretary
Steve McConnell	Elected 05/22– 06/25	1,989	-	Resigned

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

**Fort Bend County Municipal Utility District No. 57
Board Members, Key Personnel, and Consultants
Year Ended July 31, 2025**

(Continued)

Consultants	Date Hired	Fees and Expense Reimbursements	Title
Allen Boone Humphries Robinson LLP	08/05/04	\$ 127,079	Attorney
Assessments of the Southwest, Inc.	11/16/04	34,249	Tax Assessor/ Collector
Benchmark Engineering Corporation	11/16/04	266,274	Engineer
Fort Bend Central Appraisal District	Legislative Action	69,051	Appraiser
Forvis Mazars, LLP	06/13/07	29,600	Auditor
The GMS Group, L.L.C.	09/14/05	1,100	Financial Advisor
Inframark, LLC	09/14/05	1,250,460	Operator
Myrtle Cruz, Inc.	11/16/04	56,532	Bookkeeper
Perdue, Brandon, Fielder, Collins & Mott, L.L.P.	03/13/06	14,602	Delinquent Tax Attorney
Investment Officer			
Mary Jarmon	10/28/13	N/A	Bookkeeper