

**NOTICE OF MEETING  
FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
OF  
FORT BEND COUNTY, TEXAS**

Notice is hereby given that the Board of Supervisors of Fort Bend County Fresh Water Supply District No. 1 will meet in **regular** session, open to the public, at **6:00 p.m. on Thursday, April 21, 2022**, at the Mustang Community Center, **4521 F.M. 521 North, Fresno, Fort Bend County, Texas, 77545**, a designated meeting place of the Board inside the boundaries of the District.

Electronic copies of the meeting materials are available at **www.fortbendwater1.com** at such time as the meeting occurs. At the meeting the following items will be considered:

**1. Hear from public solely regarding matters on the agenda (limited to 3 minutes per person).**

**2. Review Bookkeeper's Report and consider taking action thereon, including:**

- A. Approval of bills submitted to the District for payment.
- B. Review Investment Report and authorize necessary action in connection therewith.
- C. Review Collateral Pledge Report and Investment Policy and authorize necessary action in connection therewith including any amendments or changes thereto.
- D. Discuss depository institutions and take any necessary related actions.

**3. Review Tax Assessor/Collector's Report and consider taking action thereon, including:**

- A. Approve write-offs as recommended by the Fort Bend County Tax Assessor/Collector.

**4. Review Engineer's Report and consider taking action thereon, including:**

- A. Report on status of projects including: (i) Water Plant No. 2, (ii) Gateway Acres Subdivision wastewater collection system, (iii) Fresno Ranchos Subdivision lift station and force main, and (iv) Gateway Acres Subdivision wastewater plumbing contract, and take action related thereto, including authorize advertisement of bids, award of contracts, approval of pay estimates and change orders.
- B. Authorize Engineer to prepare plans and specifications for water and wastewater system projects, and authorize solicitation/advertisement of bids for construction of water system and wastewater system projects as necessary.
- C. Report on status of project funding, and take necessary action related thereto.
- D. Report on projections for District Water and Wastewater Projects.
- E. Discuss Emergency Preparedness Plan and take any necessary action related thereto.
- F. Update concerning status of non-residential connections.
- G. Update concerning emergency water interconnect with BC MUD 21.
- H. Update of status of City of Arcola water plant.
- I. Update on status of WWTP expansion.
- J. Update concerning road widening projects within the District.

**5. Review Operator's Report and consider taking action thereon, including:**

- A. Approval of repairs to water and wastewater systems.
- B. Approval of requests for water taps.
- C. Approval of water termination list.

**6. Attorney's Report and consider taking action thereon, including:**

- A. Approval of minutes of meetings held on March 17, 2022, and March 24, 2022.
- B. Discuss and take action on Regional Facilities Contract.
- C. Consider approving Resolution Regarding Annual Review of Identity Theft Policy.

**7. Regional Plant Committee Report and consider taking action thereon.**

**8. Approve audit for fiscal year ended December 31, 2021.**

**9. Hear from public.**

The meeting is also available by **ZOOM**, please use the link:

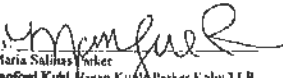
<https://us02web.zoom.us/j/85740194125?pwd=eIV4WFZzbjdiOGd6ejMvTlFUbGR4U109>

**The Meeting ID is 857 4019 4125 and the password is 167680.**

Pursuant to V.T.C.A. Government Code §551, the Board of Supervisors may convene in closed session in relation to any agenda item included in this Notice with such closed session to be held at the date, hour, and place given in this Notice any and all subjects for any and all purposes permitted by V.T.C.A Government Code Chapter 551, including but not limited to, private consultation with the District's Attorney's on any or all matters or subjects authorized by law, pending

or contemplated litigation, personnel matters, real estate transactions, security devices, economic development negotiations and/or gifts and donations.

**FORT BEND COUNTY FRESH WATER  
SUPPLY DISTRICT NO. 1**

  
By: Maria Salinas Parker  
Stanford Kuhl, Eagan Kuhl, Parker Kuhl LLP  
Attorneys for the District



MUNICIPAL ACCOUNTS  
& CONSULTING, L.P.

# Fort Bend County Fresh Water Supply District No. 1

Bookkeeper's Report

April 21, 2022

## Cash Flow Report - Checking Account

As of April 21, 2022

Num	Name	Memo	Amount	Balance
BALANCE AS OF 03/18/2022				\$311,970.77
Receipts				
	Service Application Fee - Spanish Fresno Congregation of Jehovahs		2,500.00	
	City of Arcola Joint Water Over Billing Payment		36,693.54	
	Wire Transfer from Lockbox		164,442.24	
	City of Arcola Joint Water Payment		55,463.91	
	Interest Earned on Checking		13.63	
	City of Arcola Capacity Reserve Payment		10,500.00	
	Service Application Fee - Jesus N. Bravo: 1318 1/2 Trammel Fresno		500.00	
Total Receipts				270,113.32
Disbursements				
8145	AT&T Mobility - #0808	Ipad Expense	(183.43)	
8146	Hudson Energy Services, LLC	Utility Expense	(3,627.83)	
8147	North Fort Bend Water Authority	Pumpage Fees	(47,547.50)	
8148	City of Arcola	WWTP Expenses	(28,859.50)	
8150	Frontier Communications	Telephone Expense	(150.95)	
8151	Calvin Casher	Fees of Office - 4/21/2022	(138.53)	
8152	Erasto Vallejo	Fees of Office - 4/21/2022	(138.53)	
8153	Paul Hamilton	Fees of Office - 4/21/2022	(138.52)	
8154	Rosa Linda Medina	Fees of Office - 4/21/2022	(113.53)	
8155	Calvin Casher	Fees of Office - 2/24/22 & 3/24/22	(277.05)	
8156	Erasto Vallejo	Fees of Office - 2/24/22 & 3/24/22	(277.05)	
8157	Paul Hamilton	Fees of Office - 2/24/22 & 3/24/22	(277.05)	
8158	Rosa Linda Medina	Fees of Office - 2/24/22 & 3/24/22	(227.05)	
8159	Paul Hamilton	Fees of Office - WWTP Report	(138.53)	
8160	B-5 Construction Company	Deposit Refund	(1,356.63)	
8161	Juanita Ibarra	Deposit Refund	(74.18)	
8162	Roney Jacob	Deposit Refund	(79.00)	
8163	CDC Unlimited, LLC	Mowing Expense	(225.00)	
8164	City of Arcola	Sewer Collections	(4,885.67)	
8165	DonDulin.com, LP	Website Expense	(351.40)	
8166	DXI Industries, Inc.	Chemicals	(839.94)	
8167	Envirodyne Laboratories, Inc	Laboratory Fees	(88.00)	
8168	Environmental Development Partners	Maintenance & Operations	(49,735.80)	
8169	Hudson Energy Services, LLC	Utility Expense	(2,799.92)	
8170	Jacobs Engineering Group, Inc.	Engineering Fees	(36,117.75)	
8171	Municipal Accounts & Consulting, LP	Bookkeeping Fees	(4,487.07)	
8172	Municipal Risk Management Group	Arbitrage Expense	(400.00)	
8173	North Fort Bend Water Authority	Pumpage Fees	(43,170.40)	
8174	Sanford Kuhl Hagan Kugle Parker Kahn LLP	Legal Fees	(21,960.34)	
8175	Texas Commission on Enviromental Quality	Permit Expense	(199.10)	
8176	AT&T Mobility - #0808	Ipad Expense	0.00	
8177	City of Arcola	WWTP Expense	0.00	
8178	Frontier Communications	Telephone Expense	0.00	
8179	United States Treasury	1st Quarter Payroll Taxes	(849.58)	
Fees	Central Bank	Bank Service Charge	(40.00)	
Total Disbursements				(249,754.83)
BALANCE AS OF 04/21/2022				\$332,329.26

Fort Bend County FWSD No. 1 - GOF  
**Cash Flow Report - Operator Account**  
 As of April 21, 2022

Num	Name	Memo	Amount	Balance
BALANCE AS OF 03/18/2022				\$30,573.90
Receipts				
	Accounts Receivable		109,216.71	
	Accounts Receivable		43,840.17	
Total Receipts				153,056.88
Disbursements				
Fees	Central Bank	Bank Service Charge	(25.00)	
Rtn Chk	Fort Bend County FWSD No 1	Returned Checks (1)	(94.67)	
Wire	Central Bank	Wire Transfer to Checking	(164,442.24)	
Total Disbursements				(164,561.91)
BALANCE AS OF 04/21/2022				\$19,068.87

## Cash Flow Report - Checking Account

As of April 21, 2022

Num	Name	Memo	Amount	Balance
BALANCE AS OF 03/18/2022				\$420.03
Receipts				
	Wire Transfer from 2015 DFund Money Market		47,132.75	
	Wire Transfer from 2019 DFund Money Market		244,696.98	
	Interest Earned on Checking		0.86	
	Wire Transfer from 2019 DFund Money Market		214,345.32	
	Wire Transfer from Sr 2022 Money Market		794.32	
Total Receipts				506,970.23
Disbursements				
6018	B-5 Construction Company, Inc.	Water Plant #2 - PE #11	(291,824.46)	
6019	Jacobs Engineering Group, Inc.	Engineering Fees	(8,158.01)	
6020	Terracon Consultants, Inc.	Engineering Fees	(2,527.50)	
6021	B-5 Construction Company, Inc.	Water Plant #2 - PE #12	(204,454.13)	
Svc Chg	Central Bank	Service Charge	(40.00)	
Total Disbursements				(507,004.10)
BALANCE AS OF 04/21/2022				\$386.16

## Account Balances

As of April 21, 2022

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
<b>Fund: Operating</b>					
Certificates of Deposit					
TEXAS CAPITAL BANK (XXXX0586)	04/27/2021	04/27/2022	0.25 %	245,000.00	
ALLEGIANCE BANK (XXXX0783)	04/29/2021	04/29/2022	0.20 %	240,000.00	
PIONEER BANK (XXXX2548)	05/28/2021	05/28/2022	0.29 %	240,000.00	
THIRD COAST BANK, SSB (XXXX6605)	05/30/2021	05/30/2022	0.50 %	240,000.00	
SOUTH STAR BANK (XXXX0172)	06/30/2021	06/30/2022	0.15 %	240,000.00	
UNITY NATIONAL BANK (XXXX4604)	07/22/2021	07/22/2022	0.25 %	240,000.00	
TEXAS REGIONAL BANK (XXXX0879)	08/01/2021	08/02/2022	0.13 %	240,000.00	
SIMMONS BANK (XXXX6670)	09/30/2021	09/30/2022	0.25 %	240,000.00	
BANCORPSOUTH (XXXX7336)	11/02/2021	11/04/2022	0.44 %	240,000.00	
PLAINS STATE BANK (XXXX1329)	11/24/2021	11/24/2022	0.25 %	240,000.00	
WALLIS BANK (XXXX0319)	11/24/2021	11/24/2022	0.12 %	240,000.00	
VERITEX COMMUNITY BANK (XXXX0266)	11/25/2021	11/25/2022	0.30 %	240,000.00	
TEXAS FIRST BANK (XXXX7767)	12/22/2021	12/22/2022	0.30 %	240,000.00	
INDEPENDENT BANK (XXXX1575)	12/30/2021	12/31/2022	0.10 %	240,000.00	
FRONTIER BANK (XXXX2246)	01/23/2022	01/23/2023	0.50 %	240,000.00	
LONE STAR BANK (XXXX2413)	02/24/2022	02/24/2023	0.35 %	240,000.00	
Money Market Funds					
TEXAS CLASS (XXXX0002)	03/17/2020		0.29 %	4,333,951.86	
Checking Account(s)					
CENTRAL BANK - CHECKING (XXXX0488)			0.00 %	332,329.26	Checking Account
CENTRAL BANK - CHECKING (XXXX3849)			0.00 %	19,068.87	Operator
PNC (XXXX3051)			0.00 %	0.00	Checking BBVA
Totals for Operating Fund:				\$8,530,349.99	
<b>Fund: Capital Projects</b>					
Money Market Funds					
UMB (XXXX1340)	04/01/2021		0.00 %	202,177.10	Series 2019 Dfund
TEXAS CLASS (XXXX0005)	05/14/2021		0.29 %	1,010,119.54	Series 2019 DFund
TEXAS CLASS (XXXX0006)	03/11/2022		0.29 %	9,749,217.87	Series 2022
Checking Account(s)					
CENTRAL BANK - CHECKING (XXXX0453)			0.00 %	386.16	Checking Account
Totals for Capital Projects Fund:				\$10,961,900.67	
<b>Fund: Debt Service</b>					
Certificates of Deposit					
ALLEGIANCE BANK - DEBT (XXXX4800)	08/02/2021	08/02/2022	0.20 %	240,000.00	
SIMMONS BANK-DEBT (XXXX2023)	08/02/2021	08/02/2022	0.25 %	240,000.00	
TEXAS REGIONAL BANK-DEBT (XXXX5860)	08/02/2021	08/02/2022	0.13 %	240,000.00	
UNITY BANK - DEBT (XXXX4608)	08/02/2021	08/02/2022	0.25 %	240,000.00	
FRONTIER BANK - DEBT (XXXX2126)	08/04/2021	08/04/2022	0.50 %	240,000.00	
BANCORPSOUTH - DEBT (XXXX0073)	08/05/2021	08/05/2022	0.44 %	240,000.00	
INDEPENDENT BANK-DEBT (XXXX0365)	02/26/2022	02/26/2023	0.10 %	240,000.00	
SOUTH STAR BANK-DEBT (XXXX0134)	02/27/2022	02/27/2023	0.15 %	240,000.00	

## Account Balances

As of April 21, 2022

Financial Institution (Acct Number)	Issue Date	Maturity Date	Interest Rate	Account Balance	Notes
Fund: Debt Service					
Money Market Funds					
TEXAS CLASS (XXXX0004)	04/09/2020		0.29 %	2,352,394.05	
Totals for Debt Service Fund:				\$4,272,394.05	
Grand total for Fort Bend County Fresh Water Supply District No. 1:				\$23,764,644.71	



# Capital Projects Fund Breakdown

FB FWSD 1

As of Date 4/21/22

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## Net Proceeds for All Bond Issues

### Receipts

Bond Proceeds - Series 2015	\$2,495,655.26
Interest Earnings - Series 2015	51,679.00
Bond Proceeds - Series 2019	1,745,000.00
Interest Earnings - Series 2019	1,096.22
Bond Proceeds - Series 2022	10,450,000.00
Interest Earnings - Series 2022	1,503.65

### Disbursements

Disbursements - Series 2015	(2,547,334.26)
Disbursements - Series 2019	(533,413.42)
Disbursements - Series 2022	(702,285.78)

<b>Total Cash Balance</b>	<b><u><u>\$10,961,900.67</u></u></b>
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## Balances by Account

Central Bank - Checking	\$386.16
Texas Class - Series 2015	0.00
Texas Class - Series 2019	1,010,119.54
Texas Class - Series 2022	9,749,217.87
UMB - Series 2019 Escrow	202,177.10

<b>Total Cash Balance</b>	<b><u><u>\$10,961,900.67</u></u></b>
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## Balances by Bond Series

Bond Proceeds - Series 2019	1,212,682.80
Bond Proceeds - Series 2022	9,749,217.87

<b>Total Cash Balance</b>	<b><u><u>\$10,961,900.67</u></u></b>
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## Remaining Costs/Surplus By Bond Series

Remaining Costs - Series 2019	1,211,586.58
Remaining Costs - Series 2022	9,747,714.22

<b>Total Amount in Remaining Costs</b>	<b><u><u>\$10,959,300.80</u></u></b>
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Surplus & Interest - Series 2019	1,096.22
Surplus & Interest - Series 2022	1,503.65

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# Capital Projects Fund Breakdown

FB FWSD 1

As of Date 4/21/22

Total Surplus & Interest Balance	<u>\$2,599.87</u>
Total Remaining Costs/Surplus	<u>\$10,961,900.67</u>

# Cost Comparison - \$1,745,000 - Series 2019

FB FWSD 1

	USE OF PROCEEDS	ACTUAL COSTS	REMAINING COSTS	VARIANCE (OVER)/UNDER
<b>District Items</b>				
TWDB Issue - WP #2	\$1,200,000.00	\$449,151.11	\$750,848.89	\$0.00
Contingency	475,000.00	14,262.31	460,737.69	0.00
<b>Subtotal District Items</b>	<b>\$1,675,000.00</b>	<b>\$463,413.42</b>	<b>\$1,211,586.58</b>	<b>\$0.00</b>
<b>TOTAL CONSTRUCTION COSTS</b>	<b>\$1,675,000.00</b>	<b>\$463,413.42</b>	<b>\$1,211,586.58</b>	<b>\$0.00</b>
<b>NON-CONSTRUCTION COSTS</b>				
Legal Fees	\$35,000.00	\$35,000.00	\$0.00	\$0.00
Fiscal Agent Fees	35,000.00	35,000.00	0.00	0.00
<b>TOTAL NON-CONSTRUCTION COSTS</b>	<b>\$70,000.00</b>	<b>\$70,000.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL BOND ISSUE REQUIREMENT</b>	<b>\$1,745,000.00</b>	<b>\$533,413.42</b>	<b>\$1,211,586.58</b>	<b>\$0.00</b>
			Interest Earned	\$1,096.22
			Total Surplus & Interest	\$1,096.22
			Total Remaining Funds	<b>\$1,212,682.80</b>

# Cost Comparison - \$10,450,000 - Series 2022

FB FWSD 1

	USE OF PROCEEDS	ACTUAL COSTS	REMAINING COSTS	VARIANCE (OVER)/UNDER
<b>CONSTRUCTION COSTS</b>				
<b>District Items</b>				
City of Arcola WWTP Expansion(0.5 MGD to 0.675 MGD)	\$84,000.00	\$0.00	\$84,000.00	\$0.00
City of Arcola WWTP Expansion(0.675 MGD to 0.95 MGD)	870,000.00	0.00	870,000.00	0.00
Gateway Acres Subdivision Wastewater Collection System	5,000,000.00	0.00	5,000,000.00	0.00
Fresno Ranches Subdivion Lift Station and Force Main	2,000,000.00	0.00	2,000,000.00	0.00
Contingencies	710,000.00	0.00	710,000.00	0.00
Engineering	787,300.00	794.32	786,505.68	0.00
Material Testing	160,000.00	0.00	160,000.00	0.00
Surveying	66,750.00	0.00	66,750.00	0.00
<b>Subtotal District Items</b>	<b>\$9,678,050.00</b>	<b>\$794.32</b>	<b>\$9,677,255.68</b>	<b>\$0.00</b>
<b>TOTAL CONSTRUCTION COSTS</b>	<b>\$9,678,050.00</b>	<b>\$794.32</b>	<b>\$9,677,255.68</b>	<b>\$0.00</b>
<b>NON-CONSTRUCTION COSTS</b>				
Legal Fees	\$209,000.00	\$209,000.00	\$0.00	\$0.00
Fiscal Agent Fees	144,500.00	144,500.00	0.00	0.00
Bond Discount	265,310.00	265,310.00	0.00	0.00
Bond Issuance Expenses	29,825.00	29,825.00	0.00	0.00
Attorney General Fee	9,500.00	9,500.00	0.00	0.00
TCEQ Bond Issuance Fee	26,125.00	26,125.00	0.00	0.00
Bond Application Report Cost	39,500.00	0.00	39,500.00	0.00
Contingency	48,190.00	17,231.46	30,958.54	0.00
<b>TOTAL NON-CONSTRUCTION COSTS</b>	<b>\$771,950.00</b>	<b>\$701,491.46</b>	<b>\$70,458.54</b>	<b>\$0.00</b>
<b>TOTAL BOND ISSUE REQUIREMENT</b>	<b>\$10,450,000.00</b>	<b>\$702,285.78</b>	<b>\$9,747,714.22</b>	<b>\$0.00</b>
Interest Earned				\$1,503.65
Total Surplus & Interest				\$1,503.65
Total Remaining Funds				<b>\$9,749,217.87</b>

## Actual vs. Budget Comparison

February 2022

		February 2022			January 2022 - February 2022			Annual
		Actual	Budget	Over/(Under)	Actual	Budget	Over/(Under)	Budget
<b>Revenues</b>								
14110	Water - Customer Service Revenu	48,994	47,895	1,098	96,906	95,791	1,116	574,744
14112	Regional Water Authority Fees	35,098	39,532	(4,434)	69,841	79,065	(9,224)	474,389
14140	Connection Fees	1,505	893	613	2,336	1,785	551	10,711
14150	Tap Connections	18,975	12,500	6,475	34,838	25,000	9,838	150,000
14160	Service Application Fees	0	617	(617)	0	1,235	(1,235)	7,407
14210	Sewer - Customer Service Fee	18,219	18,667	(448)	35,538	37,335	(1,796)	224,007
14220	Inspection Fees	1,250	1,537	(287)	2,250	3,074	(824)	18,443
14310	Penalties & Interest	3,382	2,514	867	7,233	5,029	2,204	30,173
14330	Miscellaneous Income	3,711	4,615	(903)	7,211	9,230	(2,018)	55,378
14350	Maintenance Tax Collections	409,123	409,000	123	1,220,920	1,220,800	120	1,731,496
14351	Penalty & Interest on Tax	6,836	5,812	1,024	10,777	11,623	(846)	69,739
14365	Interest Earned on Checking	5	15	(10)	9	29	(20)	176
14370	Interest Earned on Temp. Invest	300	568	(268)	1,714	1,136	578	6,815
14410	Water Plant Operations COA	12,577	11,857	720	24,466	23,714	752	142,285
14425	Arcola Capacity Reserve	1,500	0	1,500	3,000	0	3,000	0
<b>Total Revenues</b>		<b>561,474</b>	<b>556,022</b>	<b>5,452</b>	<b>1,517,039</b>	<b>1,514,845</b>	<b>2,195</b>	<b>3,495,763</b>
<b>Expenditures</b>								
16105	Operator Expense	7,584	7,610	(26)	15,196	15,220	(23)	91,317
16110	Tap Connection Expense	7,926	6,250	1,676	22,234	12,500	9,734	75,000
16130	Maintenance & Repairs	17,545	16,173	1,372	25,147	32,347	(7,200)	194,079
16140	Chemicals	528	291	236	999	583	416	3,496
16150	Laboratory Expense	588	678	(90)	1,176	1,357	(181)	8,141
16160	Utilities	3,821	3,311	510	7,766	6,622	1,144	39,734
16210	Inspection Expense	479	971	(492)	989	1,942	(953)	11,649
16234	Water Authority Pumpage-COA	10,269	13,438	(3,168)	21,722	26,875	(5,154)	161,252
16235	Water Authority Pumpage Fees	37,278	36,744	535	75,930	73,487	2,443	440,923
16236	Arcola WWTP Expenses	7,112	8,014	(902)	9,260	16,028	(6,769)	96,169
16320	Tax Assessor/Collector Fees	9,132	2,509	6,623	9,132	5,019	4,114	30,111
16330	Legal Fees	15,763	16,667	(904)	19,926	33,333	(13,407)	200,000
16340	Auditing Fees	15,500	15,500	0	15,500	15,500	0	20,800
16350	Engineering Fees	34,204	29,167	5,037	61,098	58,333	2,765	350,000
16370	Election Expense	113	207	(95)	575	414	161	2,485
16380	Permit Expense	0	0	0	0	0	0	6,121
16390	Telephone Expense	316	322	(6)	634	644	(11)	3,866
16410	Sales Tax Tracking	0	125	(125)	0	250	(250)	1,500
16430	Bookkeeping Fees	5,912	3,833	2,079	9,712	7,667	2,045	46,000
16455	SB 622 Publications	0	36	(36)	0	72	(72)	433
16460	Printing & Office Supplies	1,095	499	596	2,261	997	1,263	5,984
16480	Delivery Expense	98	89	9	98	179	(81)	1,071
16490	Website Services	288	168	120	288	337	(49)	2,020
16520	Postage	793	739	55	1,602	1,478	124	8,866
16530	Insurance & Surety Bond	0	0	0	0	0	0	12,120
16540	Travel Expense	248	25	223	248	49	199	295
16560	Miscellaneous Expense	491	2,866	(2,375)	1,394	5,732	(4,339)	34,394
16570	AWBD Expense	0	125	(125)	0	250	(250)	1,500
16580	Bank Service Charge	223	80	143	444	160	284	960
16590	Seminar Expenses	751	30	721	751	60	691	358
16600	Payroll Expenses	2,850	1,030	1,820	3,600	2,060	1,540	12,362
16620	Payroll Tax Expense	218	88	130	275	176	99	1,057
16650	Arbitrage Expense	0	0	0	0	0	0	9,750
<b>Total Expenditures</b>		<b>181,124</b>	<b>167,585</b>	<b>13,539</b>	<b>307,956</b>	<b>319,670</b>	<b>(11,715)</b>	<b>1,873,813</b>

Fort Bend County FWSD No. 1 - GOF  
**Actual vs. Budget Comparison**  
 February 2022

		February 2022			January 2022 - February 2022			Annual
		Actual	Budget	Over/(Under)	Actual	Budget	Over/(Under)	Budget
Other Revenues								
15000	Prior Year Reserve	0	0	0	0	0	0	363,050
Total Other Revenues		0	0	0	0	0	0	363,050
Other Expenditures								
16750	Capital Outlay	0	0	0	0	0	0	50,000
16754	Cap Out - Gateway Acres WWCS	1,702	0	1,702	2,610	0	2,610	0
16757	Cap Outlay - Road Reloc Utility	0	0	0	0	0	0	500,000
16758	Cap Outlay - City of Arcola WP	0	0	0	0	0	0	635,000
16759	Cap Outlay - WP 2 Treatmt Unit	0	0	0	0	0	0	500,000
16760	Cap Outlay - WP2	0	0	0	0	0	0	300,000
Total Other Expenditures		1,702	0	1,702	2,610	0	2,610	1,985,000
Excess Revenues (Expenditures)		<u>\$378,648</u>	<u>\$388,437</u>	<u>(\$9,789)</u>	<u>\$1,206,474</u>	<u>\$1,195,174</u>	<u>\$11,299</u>	<u>\$0</u>

## Balance Sheet

As of February 28, 2022

Feb 28, 22

## ASSETS

## Current Assets

## Checking/Savings

\$\$\$ '7\W\l b[ '66J 5

1,863

\$\$\$ '7U\ l b'6Ub\_

444,855

\$\$\$ 'C dYfUcf

30,574

## Total Checking/Savings

477,292

## Other Current Assets

% \$ \$ 'HJa Y8 YdcgIhg

7,665,793

% \$ \$ '5Wti bIhgFWj UY

298,008

% \$ % '5#F '15fWt UK UYf

68,339

% \$ % '5#F '5fWt U! '7LdUJmF YgYfj Y

9,000

% \$ &amp; \$ 'A UjbHbLbW HU 'F YWj UY

515,550

% \$ , \$ '5Wti YX -bHYfYgh

4,981

% \$ '8 i Y: fca '8 G

415,958

% \$ ( \$ '8 i Y: fca '7D:

9,500

## Total Other Current Assets

8,987,129

## Total Current Assets

9,464,421

## TOTAL ASSETS

9,464,421

## LIABILITIES &amp; EQUITY

## Liabilities

## Current Liabilities

## Accounts Payable

\$\$\$ '5Wti bIhgDUhtUY

214,254

## Total Accounts Payable

214,254

## Other Current Liabilities

\$\$\$ 'DUhtc ``@UJ] jHYg

710

% \* \$ '7i ghca Yf'A YHf'8 YdcgIhg

133,863

% + \$ '8 i YHc '7C 5!Gyk Yf'7c ``Wjcbg

7,778

% + \$ '1 bWUja YX'DfcdYfIm

38,000

% +, \$ '8 YZYffYX' -bZck gDfcdYfIm HU Yg

817,046

## Total Other Current Liabilities

997,396

## Total Current Liabilities

1,211,650

## Total Liabilities

1,211,650

## Equity

% \$ \$ '1 bUgI bYX: i bX'6UUbW

7,046,297

## Net Income

1,206,474

## Total Equity

8,252,770

## TOTAL LIABILITIES &amp; EQUITY

9,464,421

## District Debt Service Payments

04/21/2022 - 04/30/2023

Paying Agent	Series	Date Due	Date Paid	Principal	Interest	Total Due
Debt Service Payment Due 08/15/2022						
Computershare Trust Company, NA	2006A - WS&D	08/15/2022		380,000.00	33,862.50	413,862.50
Computershare Trust Company, NA	2010 - WS&D	08/15/2022		150,000.00	2,812.50	152,812.50
Computershare Trust Company, NA	2010A - WS&D	08/15/2022		30,000.00	0.00	30,000.00
Amegy Bank of Texas	2015 - WS&D	08/15/2022		195,000.00	130,410.50	325,410.50
Amegy Bank of Texas	2016 - Refunding	08/15/2022		185,000.00	58,350.00	243,350.00
Amegy Bank of Texas	2017 - Refunding	08/15/2022		10,000.00	105,950.00	115,950.00
Bank of New York	2019 - WS&D	08/15/2022		40,000.00	30,822.50	70,822.50
Amegy Bank of Texas	2020 - Refunding	08/15/2022		280,000.00	68,556.25	348,556.25
Total Due 08/15/2022				1,270,000.00	430,764.25	1,700,764.25
Debt Service Payment Due 02/15/2023						
Computershare Trust Company, NA	2006A - WS&D	02/15/2023		0.00	28,827.50	28,827.50
Amegy Bank of Texas	2015 - WS&D	02/15/2023		0.00	128,441.00	128,441.00
Amegy Bank of Texas	2016 - Refunding	02/15/2023		0.00	56,500.00	56,500.00
Amegy Bank of Texas	2017 - Refunding	02/15/2023		0.00	105,800.00	105,800.00
Bank of New York	2019 - WS&D	02/15/2023		0.00	30,428.50	30,428.50
Amegy Bank of Texas	2020 - Refunding	02/15/2023		0.00	64,356.25	64,356.25
Total Due 02/15/2023				0.00	414,353.25	414,353.25
District Total				\$1,270,000.00	\$845,117.50	\$2,115,117.50



# Cash Flow Forecast

## Fort Bend County Fresh Water Supply District No. 1

	12/22	12/23	12/24	12/25	12/26
Assessed Value	\$412,931,570	\$412,931,570	\$412,931,570	\$412,931,570	\$412,931,570
Maintenance Tax Rate	\$0.410	\$0.410	\$0.410	\$0.410	\$0.410
Maintenance Tax	\$1,659,159	\$1,659,159	\$1,659,159	\$1,659,159	\$1,659,159
% Change in Water Rate		3.00%	3.00%	3.00%	3.00%
% Change in Wastewater Rate		3.00%	3.00%	3.00%	3.00%
% Change in NFBWA		10.00%	10.00%	10.00%	10.00%
% Change in Expenses		5.00%	5.00%	5.00%	5.00%
<b>Beginning Cash Balance 12-31-20</b>	<b>\$7,034,209</b>	<b>\$6,673,758</b>	<b>\$8,158,739</b>	<b>\$9,628,201</b>	<b>\$11,081,217</b>
<b>Revenues</b>					
Maintenance Tax	\$1,731,496	\$1,659,159	\$1,659,159	\$1,659,159	\$1,659,159
Water Revenue	574,744	591,986	609,746	628,038	646,879
Wastewater Revenue	224,007	230,727	237,649	244,778	252,122
NFBWA Revenue	474,389	521,828	574,011	631,412	694,553
Other	491,126	515,682	541,466	568,540	596,967
<b>Total Revenues</b>	<b>\$3,495,762</b>	<b>\$3,519,383</b>	<b>\$3,622,031</b>	<b>\$3,731,927</b>	<b>\$3,849,680</b>
<b>Expenses</b>					
Purchase Water	\$161,252	\$166,090	\$171,072	\$176,204	\$181,491
Purchase Wastewater	96,169	99,054	102,026	105,086	108,239
NFBWA	440,923	485,015	533,517	586,869	645,555
Other Expenses	1,175,469	1,234,242	1,295,955	1,360,752	1,428,790
<b>Total Expenses</b>	<b>\$1,873,813</b>	<b>\$1,984,401</b>	<b>\$2,102,569</b>	<b>\$2,228,912</b>	<b>\$2,364,075</b>
<b>Net Surplus</b>	<b>\$1,621,949</b>	<b>\$1,534,981</b>	<b>\$1,519,462</b>	<b>\$1,503,016</b>	<b>\$1,485,605</b>
<b>Capital Outlay</b>					
Capital Outlay	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Road Widen Utility Relocation	500,000	0	0	0	0
City of Arcola WP	635,000	0	0	0	0
Water Treatment Unit	500,000	0	0	0	0
WP #2	300,000	0	0	0	0
<b>Total Capital Outlay</b>	<b>\$1,985,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$50,000</b>
<b>Construction Surplus</b>	<b>\$2,600</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Ending Cash Balance</b>	<b>\$6,673,758</b>	<b>\$8,158,739</b>	<b>\$9,628,201</b>	<b>\$11,081,217</b>	<b>\$12,516,822</b>
<b>Operating Reserve % of Exp</b>					
	356.16%	411.14%	457.93%	497.16%	529.46%
<b>Bond Authority</b>					
Remaining Bonding Capacity - \$69,760,000					
Maintenance Tax Rate Cap - \$0.50					

# 2022 AWBD Annual Conference

Fort Bend County Fresh Water Supply District No. 1

**Thursday, June 23 - Saturday, June 25, 2022**

Fort Worth Convention Center - Fort Worth, TX

Director	Registration			Prior Conference Expenses
Name	Attending	Online	Paid	Paid
Calvin Casher	Yes			Yes
Paul Hamilton	Yes			Yes
Rosa Linda Medina	Yes			Yes
Rodrigo Carreon				N/A
Erasto Vallejo	Yes			N/A

## Note

**Register on-line [www.awbd-tx.org](http://www.awbd-tx.org)** (For log in assistance, contact Taylor Cavnar: [tcavnar@awbd-tx.org](mailto:tcavnar@awbd-tx.org))

This page only confirms registration for the conference, not hotel registrations.

All hotel reservations are the sole responsibility of each attendee.

Your conference registration confirmation will contain a housing reservation request web link.

The link will require the registration number from your conference registration before you can reserve a room.

All requests for an advance of funds must be sent via email to the bookkeeper within 30 days of conference.

## Registration Dates

Early Registration:	Begins	2/16/2022	\$425
Regular Registration:	Begins	3/31/2022	\$475
Late Registration	Begins	5/12/2022	\$575

## Cancellation Policy

All cancellations must be made in writing.

A \$50.00 administrative fee is assessed for each conference registration cancelled on or before 05/11/22.

There will be no refunds after 05/11/22.

## Housing Information

Hotel reservations are only available to attendees who are registered with AWBD-TX for the Conference.

If you have questions, please call Taylor Cavnar at (281) 350-7090.

**FORT BEND FRESH WATER SUPPLY DISTRICT NO 1**  
**TAX ANALYSIS FISCAL YEAR END 12/31/2022**

	TAX YEARS			TAX YEARS			GRAND DSF	TOTAL MAINT	TOTAL
	2022			2021					
	DSF 0.5900	M&O 0.4100	TOTAL 2022	DSF 0.5900	M&O 0.4100	TOTAL 2021			
PERCENTAGE									
PRIOR YEAR									191,816.92
TAX LEVY 2021	0.00	0.00		2,133,308.95	1,482,468.93	3,615,777.88			0.00
COLLECTIONS:									
JAN 2021									
TAXES	0.00	0.00	0.00	1,150,240.56	799,319.71	1,949,560.27	1,166,967.97	811,797.01	1,978,764.98
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	5,075.03	3,957.96	9,032.99
							1,172,043.00	815,754.97	1,987,797.97
FEB 2021									
TAXES	0.00	0.00	0.00	576,802.90	400,829.14	977,632.04	588,214.66	409,122.52	997,337.18
PENALTY	0.00	0.00	0.00	5,793.25	4,025.81	9,819.06	10,016.93	6,980.14	16,997.07
							598,231.59	416,102.66	1,014,334.25
MARCH 2021									
TAXES	0.00	0.00	0.00	101,654.33	70,641.15	172,295.48	110,701.90	77,273.99	187,975.89
PENALTY	0.00	0.00	0.00	8,006.38	5,563.75	13,570.13	10,900.45	7,737.96	18,638.41
							121,602.35	85,011.95	206,614.30
APRIL 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
MAY 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
JUNE 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
JULY 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
AUG 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
SEPT 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
OCT 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
NOV 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
DEC 2021									
TAXES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PENALTY	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
							0.00	0.00	0.00
TOTALS	0.00	0.00	0.00	1,842,497.42	1,280,379.56	3,122,876.98	49,379.52	36,490.02	85,869.54
TAXES	0.00	0.00	0.00	1,828,697.79	1,270,790.00	3,099,487.79	1,865,884.53	1,298,193.52	3,164,078.05
PENALTY	0.00	0.00	0.00	13,799.63	9,589.56	23,389.19	25,992.41	18,676.06	44,668.47
TOTALS	0.00	0.00	0.00	1,842,497.42	1,280,379.56	3,122,876.98	1,891,876.94	1,316,869.58	3,208,746.52
ADJUSTMENTS						4,019.90			0.00
TAX									
DUE @			0.00%			85.63%			TOTAL TAX DUE
1/31/2020	0.00	0.00	0.00	306,982.89	213,327.10	520,309.99	619,853.95	438,275.77	1,058,129.72
TAX RATES	0.5900	0.4100	1.0000	0.5900	0.4100	1.0000			

Deferral Operating 2021	301,496.01
Deferral Debt 2021	433,860.12
Debt Collections CFY (Defer)	0.00
Operating Collections CFY (Defer)	0.00
Total DSF Collections	2,299,744.65
Total Op Collections	1,599,689.53
Total DSF Deferral	1,053,714.07
Total Op Deferral	739,771.78

## Summary of Money Market Funds

03/18/2022 - 04/21/2022

Fund: Operating

Financial Institution: TEXAS CLASS

Account Number: XXXX0002 Date Opened: 03/17/2020 Current Interest Rate: 0.29%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		4,238,457.14				
03/18/2022	Transfer from CPF Sr 2022		9,500.00			
03/31/2022					989.89	
04/21/2022	From DSF MM - 3/22 Tax Xfer		85,004.83			
Totals for Account XXXX0002:		\$4,238,457.14	\$94,504.83		\$989.89	\$4,333,951.86
Totals for Operating Fund:		\$4,238,457.14	\$94,504.83		\$989.89	\$4,333,951.86

## Methods Used For Reporting Market Values

Certificates of Deposits:	Face Value Plus Accrued Interest
Securities/Direct Government Obligations:	Market Value Quoted by the Seller of the Security and Confirmed in Writting
Public Fund Investment Pool/MM Accounts:	Balance = Book Value = Current Market

## Summary of Money Market Funds

03/18/2022 - 04/21/2022

Fund: Capital Projects

Financial Institution: TEXAS CLASS

Account Number: XXXX0001 Date Opened: 03/17/2020 Current Interest Rate: 0.29%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		47,127.48				
03/18/2022	To Checking			(47,127.48)		
03/18/2022	To Checking Addl			(5.27)		
03/31/2022					5.27	
Totals for Account XXXX0001:		\$47,127.48		(\$47,132.75)	\$5.27	\$0.00

Account Number: XXXX0005 Date Opened: 05/14/2021 Current Interest Rate: 0.29%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		1,468,841.32				
03/18/2022	To Checking			(244,696.98)		
03/31/2022					320.52	
04/21/2022	To Checking			(214,345.32)		
Totals for Account XXXX0005:		\$1,468,841.32		(\$459,042.30)	\$320.52	\$1,010,119.54

Account Number: XXXX0006 Date Opened: 03/11/2022 Current Interest Rate: 0.29%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		9,763,008.54				
03/18/2022	Transfer to GOF			(9,500.00)		
03/18/2022	Transfer to Checking			(5,000.00)		
03/31/2022					1,503.65	
04/21/2022	Transfer to Checking			(794.32)		
Totals for Account XXXX0006:		\$9,763,008.54		(\$15,294.32)	\$1,503.65	\$9,749,217.87

Financial Institution: UMB

Account Number: XXXX1340 Date Opened: 04/01/2021 Current Interest Rate: 0.00%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		202,177.10				
03/31/2022					0.00	
Totals for Account XXXX1340:		\$202,177.10			\$0.00	\$202,177.10
Totals for Capital Projects Fund:		\$11,481,154.44		(\$521,469.37)	\$1,829.44	\$10,961,514.51

## Methods Used For Reporting Market Values

Certificates of Deposits:	Face Value Plus Accrued Interest
Securities/Direct Government Obligations:	Market Value Quoted by the Seller of the Security and Confirmed in Writing
Public Fund Investment Pool/MM Accounts:	Balance = Book Value = Current Market

## Summary of Money Market Funds

03/18/2022 - 04/21/2022

Fund: Debt Service

Financial Institution: TEXAS CLASS

Account Number: XXXX0004 Date Opened: 04/09/2020 Current Interest Rate: 0.29%

Date	Description	Begin Balance	Cash Added	Cash Withdrawn	Int. Earned	End Balance
03/18/2022		2,274,196.76				
03/18/2022	Tax Collections - 3/22		22,403.48			
03/25/2022	Tax Collections - 3/22		32,417.89			
03/31/2022					594.43	
04/01/2022	Tax Collections - 3/22 DIT		38,972.47			
04/08/2022	Tax Collections - 3/22 DIT		69,213.85			
04/21/2022	Xfer to GOF - 3/22 Tax			(85,004.83)		
Totals for Account XXXX0004:		\$2,274,196.76	\$163,007.69	(\$85,004.83)	\$594.43	\$2,352,794.05
Totals for Debt Service Fund:		\$2,274,196.76	\$163,007.69	(\$85,004.83)	\$594.43	\$2,352,794.05

## Methods Used For Reporting Market Values

Certificates of Deposits:	Face Value Plus Accrued Interest
Securities/Direct Government Obligations:	Market Value Quoted by the Seller of the Security and Confirmed in Writting
Public Fund Investment Pool/MM Accounts:	Balance = Book Value = Current Market



April 20, 2022

Board of Directors  
Fort Bend County Freshwater Supply District #1  
c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP  
1980 Post Oak Boulevard, Suite 1380  
Houston, TX 77056

Re: Fort Bend County Freshwater Supply District #1 – April 2022 Board of Directors Meeting

Dear Board Members:

Following is the status report on Fort Bend County FWSD#1 No. 1 projects:

Agenda Item No. 4 – Engineer's Report:

**(a) Report on status of projects:**

i) Water Plant #2

- Project currently under construction – Contractor is currently working on final grading, drainage swales, concrete work, and electrical components.
- Request Board's approval of Pay Estimates No. 12 from B-5 Construction Co. for construction of the project for \$204,454.13.
- Request Board's approval of Invoice No. 13 from Terracon for material testing services for \$2,527.50
- Request Board's approval of Change Order No. 1 from B-5 Construction Co. for modification to level gauge enclosure box on GST for \$2,588.00
- Anticipate construction being completed 3<sup>rd</sup> Q 2022 (Contractor currently having issues with delivery of above ground piping components) (timeline does not account for installation of additional water treatment system, if required)
- District Est. Water Conn. Timeline (FBCFWSD#1 WP#1 Conn. Capacity = 1,875).
  - End of 2022 = 1,825

ii) Gateway Acres Subdivision Wastewater Collection System

- Currently working to secure the last two agency signatures (City of Houston and FBC Engineering) needed to advertise the project...anticipate CoH approval of project next week...anticipate next month to have all approvals

iii) Fresno Ranchos Subdivision Wastewater Lift Station and Force Main

- Currently in process of securing approval signatures on the final construction plans from review agencies needed for advertisement of project...anticipate next month to have all approvals

iv) Gateway Acres Subdivision Wastewater Plumbing Contract

- Third townhall meeting was conducted on March 24<sup>th</sup> for the Gateway Acres West section... a total of 105 applications have been secured so far...the next townhall meeting will be on April 28<sup>th</sup> for the Gateway Acres West section (area west of the center of Alice St) (revision requested by Board to account for residents not able to attend last townhall meeting)...afterwards, there will be two remaining townhall meetings in May and June of this year (Board to consider a 7<sup>th</sup> townhall meeting to allow all sections 3 opportunities)...recommend only allowing 40 applications to be processed at each townhall meeting, which takes around 3 hours to complete
- Anticipate Gateway Acres Sub WW Collection System project being completed mid 2023 and the plumbing contract being completed within 2023

**(b) Authorize Engineer to Prepare Plans and Specifications for Water/Wastewater Projects**

- no action items

**(c) Report on status of project funding and take necessary action related thereto.**

- Project One-Year Warranty Expiration Dates
- 4<sup>th</sup> TWDB DFUND Loan (\$1.745M)...funds will be used to complete the Water Plant No. 2 project
- 2022 TCEQ Loan (\$10.45M) – funds from the loan are needed to fund the completion of a) Gateway Acres Sub WW Collection System project b) Fresno Ranchos Sub LS and FM project, and c) CoA WWTP Expansion Project...working with District BK as necessary to assist with reimbursing District's General Fund with funds from TCEQ loan
- FBC CDBG Funds...will pursue funding source for future plumbing projects

**(d) Projections for District Water and Wastewater Projects**

- request Board approval to update information every January and July

**(e) Discuss Emergency Preparedness Plan and take any necessary action related thereto**

- review EPP in April each year to determine if any updates are required...District Operator to update plan as necessary...no water and wastewater record drawing information needs to be updated at this time

**(f) Status of Non-Residential Applications for Water Service –**

<b>Connected:</b>	
<b>4320 Doreen Avenue (Multi-Family Dwelling)</b>	<b>Interconnect with FBCMUD23</b>
<b>293 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>La Fresno Food Mart</b>
<b>297 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>Lou's Back Porch</b>
<b>Church of God of Prophecy</b>	<b>LT No Limits</b>
<b>Crossroad Market</b>	<b>Mustang Community Center</b>
<b>Dollar General</b>	<b>MVP Auto Parts (Domestic &amp; FW)</b>
<b>Enriquez Tire Shop (East Palm)</b>	<b>New Quality Life Ministries (Church)</b>
<b>FBC Water Connection at Water Plant</b>	<b>New Quality Life Ministries (Restaurant)</b>
<b>First Baptist Church of Fresno (Domestic &amp; FW)</b>	<b>Papa Nick's BBQ Kitchen – Mobile Food Truck</b>
<b>Fresno Gym (3941 FM 521)</b>	<b>PMC International Tire Shop</b>
<b>Fresno Market – FM521 (Domestic &amp; Irrigation)</b>	<b>Quality Paint and Body (Pecan Street)</b>
<b>Fresno Motor</b>	<b>Richard Martini-Rental Livestock Pasture</b>
<b>Fresno Mount Corinth Baptist Church</b>	<b>Robbins Nest for Children (Domestic &amp; FW)</b>
<b>Fresno Volunteer Fire Department</b>	<b>St. James Knanaya Church – Fire Tap</b>
<b>F&amp;R Tax</b>	<b>St. Peters &amp; St. Pauls Orthodox Church of Houston</b>
<b>General Office Space (514 Pecan Street)</b>	<b>Swingby#3 Gas Station (Domestic &amp; Irrigation)</b>
<b>Gulf Coast LP Gas Company</b>	<b>Teleview Terrace Subdivision Lift Station</b>
<b>HEFCO Enterprises</b>	<b>Tiny Toes Academy</b>
<b>Iglesia Bautista Del Calvario Church</b>	<b>Tire Shop at 1739A Trammel Fresno</b>
<b>Iglesia Principe De Paz Church</b>	<b>Valero Gas Station</b>
<b>Interconnect with City of Arcola</b>	<b>Welcome Foods</b>

<b>Connections Pending:</b>	



<b>Processing Application:</b>	
<b>St. James Knanaya Church (Ave C)</b> - received all required information from customer, except for on-site wastewater treatment system permit from FBC...once received, application will be presented to Board for approval and EDP can work with customer toward remaining steps in process for receiving District water service	
<b>Fresno Food Mart (Trammel Fresno Rd)</b> - waiting on all required docs from customer to complete application (this is second application from customer as previous application had expired)...application submitted in April 2021	
<b>Kingdom Hall of Jehovah Witnesses (East Sycamore St.)</b> - waiting on all required docs from customer to complete application	
<b>Nena's Secret Cuts and Styles – Beauty Salon (Trammel Fresno Rd)</b> - present application with fee to Board and request approval to start processing application...waiting on all required docs from customer to complete application	

#### **Status of Non-Residential Applications for Wastewater Service –**

<b>Connected:</b>	
<b>4320 Doreen Avenue (Multi-Family Dwelling)</b>	<b>General Office Space (514 Pecan Street)</b>
<b>293 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>Mustang Comm Center (<i>minus field bathrooms</i>)</b>
<b>297 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>New Quality Life Ministries (Church)</b>
<b>Church of God of Prophecy</b>	<b>New Quality Life Ministries (Restaurant)</b>
<b>First Baptist Church of Fresno</b>	<b>Quality Paint and Body (Pecan Street)</b>
<b>Fresno Volunteer Fire Department</b>	

<b>Connections Pending:</b>	

<b>Processing Application:</b>	

#### **(g) Potential Emergency Water Interconnect with BCMUD21**

- conducted phone conversation with LJA (Bill Ehler), engineer for BCMUD21, on December 2016 regarding potential emergency water interconnect between our districts
- possible location for interconnect would be at east end of Renfro Burford Road
- BCMUD21 would be interested in pursuing interconnect (50/50 cost split) once FBCFWSD#1 completes its 2<sup>nd</sup> Water Plant

#### **(h) Status of New CoA WP – CoA anticipates their water plant being completed by 3<sup>rd</sup> Q 2022 ...once completed, interconnect with CoA will become an emergency water interconnect and the District will owe funds to CoA, per the RFC, for taking back 500 connections worth of water service (plus 125 connections, per the temporary water service agreement)...if it is determined later that there will be a significant delay in the completion of the CoA WP, then the District may want to consider conducting an elevated storage tank waiver application with the TCEQ for additional water connections...need to consider all steps once they complete their WP (pay back CoA, take back 625 connections, discontinue water bills to CoA, close vault to make emergency interconnect, rework RFC into a standard emergency interconnect agreement and a waste disposal agreement)**

#### **(i) Status of CoA WWTP Expansion Project (increasing capacity from 0.675 MGD to 0.95 MGD...the District would be receiving an additional 100,000 GPD of capacity through this expansion) –**

- Waiting for results from re-rate study, being performed by CoA, to determine if the RFC's gpd/connection value (currently at 350) can be reduced to 250 or less...if favorable results are not provided to the District by March 31, 2022, then the District's capacity at the WWTP would be equal to 350,000 gpd and the District would be able to provide wastewater service to 1,000 connections
- Also, CoA is contractually obligated to the District to complete the expansion of the WWTP from 0.675 MGD to 0.95 MGD on or before June 2024...have received drawings from CoA to review

**(j) Roadway Widening Projects Within District (which will require utility and service line relocations):**

- **South Post Oak Boulevard Widening Project (from W Sycamore to Trammel Fresno Rd):**
  - o **Scope** – Increased ROW width, with 2 lane road and additional lanes throughout sections, with roadside ditches
  - o **Schedule** –
    - County is currently in process of clearing ROW and acquiring easements
    - Utility Relocations – waiting on coordination meeting with FBC
    - Road Construction – FBC to update
  - o **Estimated Cost** -
    - Jacobs and EDP discussed recommended waterline relocations for road widening project...EDP to prepare and present costs to both the District and County for their approval and for cost sharing discussion
    - Per communications from County, they plan to fund the relocation of the District's utilities
- **FM521 Roadway Widening Project (North of SH6):**
  - o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, side swales, and sidewalk
  - o **Schedule** –
    - 30% Utility Coordination meeting was conducted in November 2020
    - 60% Utility Coordination meeting was conducted in September 2021
    - 90% Utility Coordination meeting???...waiting for TxDOT to coordinate
    - Anticipate 100% completed construction plans by May 2022
    - Anticipate coordinating necessary water and wastewater utility relocations by mid-2022
    - Anticipate roadway widening project to start construction in 2023
  - o **Estimated Cost-**
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along
- **FM521 Roadway Widening Project (South of SH6):**
  - o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, and side path...proposed detention pond along west side of CoA WWTP and new WWTP entrance roadway...including a proposed overpass at the BNSF RR crossing
  - o **Schedule** –
    - 30% Utility Coordination meeting was conducted in September 2021
    - 60% Utility Coordination meeting was conducted in April 2022
    - Anticipate 100% completed construction plans by September 2022
    - Anticipate coordinating necessary wastewater forcemain relocations in 2023
    - Anticipate roadway widening project to start construction in 2024
  - o **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along (possibly include our relocation work in the roadway plans)
- **West Sycamore Road Widening Project:**
  - o **Scope** – Proposed 100' ROW, with 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, and sidewalk
  - o **Schedule** –
    - Received 30% complete roadway plans
    - Requested from County overall project schedule and possibility of including utility relocation work within roadway plans...waiting for a response from County
  - o **Estimated Cost** –
    - Requested from County if they would assist financially regarding the relocation of utilities...waiting for a response
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along

- **Evergreen Road Widening Project (California Rd to Mustang Bayou):**
  - o **Scope** – Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches
  - o **Schedule** –
    - Working on 30% complete roadway plans...no overall schedule provided yet
  - o **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along...will ask if utility relocations can be included in roadway plans and if FBC will assist financially
- **Evergreen Road Widening Project (Mustang Bayou to FM521):**
  - o **Scope** – Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches
  - o **Schedule** –
    - Working on 30% complete roadway plans...no overall schedule provided yet
  - o **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along...will ask if utility relocations can be included in roadway plans and if FBC will assist financially
- **Other Road Widening Projects Within District**
  - o FBC Representative to provide updates at monthly meetings

Please let me know if you have any questions or comments.

Sincerely,

David C. Dybala, Jr., P.E.  
 District Engineer  
 713-855-1917

Board of Directors  
Fort Bend County F.W.S.D. No. 1

**Operator's Report for the April 21, 2022 Board Meeting**

**Substantial System Repairs and Maintenance**

Distribution System	Installed 4 residential taps & meters 1110 Ave A 406 Trammel Fresno Rd 307 B College Dr 610 Teakwood Ave	\$ 5,527.65
Town Hall Mtg #2	Prepare and attend town hall meeting	\$ 2,026.47

**1. Water Plant #1 Booster Pump #2 Pump & Motor Replacement**

I am requesting authorization to replace the booster pump & motor for an estimated cost of \$26,266.00 due to mechanical seal failure and end-of-life cycle. The pump and motor are not economical to repair as the repair cost exceeds the new pump & motor cost. EDP replaced the pump in 2017 due to the end-of-life cycle. The current motor is original and will need to be replaced as it is not economical to repair.

**2. Water Plant #1 Booster Pump #3 Pump & Motor Replacement (pre-approval)**

I am requesting authorization to replace the booster pump & motor for an estimated cost not to exceed \$25,000.00 due to mechanical seal failure and end-of-life cycle. This pump & motor is slightly smaller than booster pump #2. The pump and motor are not economical to repair as the repair cost exceeds the new pump & motor cost. EDP replaced the pump in 2018 due to a coupling & shaft failure. The current motor is original and will need to be replaced as it is not economical to repair. This pump cannot be pulled until we replace the isolation valve which has failed.

**3. Water Plant #1 Booster Pump #3 Isolation Valve Replacement**

I am requesting authorization to replace the 16" butterfly isolation valve for an estimated cost of \$6,850.00 due to the closing mechanism failing. This valve needs to be replaced to pull booster pump #3.

**4. Water Plant #1 Booster Pump #4 Pump & Motor Replacement**

The booster pump & motor #4 will be removed for an evaluation once booster pump #2 and booster pump #3 are replaced. The shaft is warped, which will cause a mechanical failure eventually. Booster pump #4 is an original pump and motor and is nearing the end of its life cycle. This replacement cost will be similar to booster pump #3 as they are the same size.

**5. Water Plant #1 Well Insurance Claim**

EDP initiated an insurance claim on behalf of the district on April 19th, 2022. Due to an electrical surge, the well motor failed, and C&C installed a rental motor. A teardown report is pending. This well motor was repaired in 2018 and 2020 due to electrical surges for about \$36k each occurrence. A new motor estimated in 2020 was listed at \$46k. I would recommend a new 250 HP motor with additional electrical protection devices once we receive the estimate for repair/replacement. We do not have a price yet.

**6. South Post Oak Road Widening Project**

I was authorized at the January town hall meeting to move forward with relocation of identified interferences along S. Post Oak Rd. District reps have a pending meeting with Commissioner G Prestage for cost sharing agreement to be approved.

**7. FM 521 Road Widening Project**

I am working with your engineer to confirm and quantify the potential interference along FM 521 road widening project to be presented at a later date. No new updates this month.

**8. W Sycamore Road Widening Project**

I am working with your engineer to confirm and quantify the potential interference along W Sycamore Rd road widening project to be presented at a later date. No new updates this month.

**9. NFBWA Water Usage Report**

EDP has completed the North Fort Bend Water Usage Report. A copy of the report has been sent to your attorney.

**10. Texas Water Development Board Water Loss Audit Report**

EDP has completed the TWBD Water Loss Audit. A copy of the report has been sent to your attorney.

**11. Annual Report on Identity Theft Prevention Program “Red Flag Rule”**

Please see attached the annual report for the Identity Theft Prevention Program. EDP has not sited any instances of identity theft and is recommending the district not make any changes to the program.

**12. Critical Load Facility List**

Please see attached a copy of the Critical Facility List. We will provide this information to the District's retail electric provider, the State of Texas (TDEM) and Fort Bend County.

**13. Emergency Generator Rental Agreement**

As part of your facility emergency preparedness, EDP recommends you enter into an agreement with GenSolutions to secure a rental generator for the District's Lift Station #1 for a cost of \$1,375.00 per month for the months of June through November.

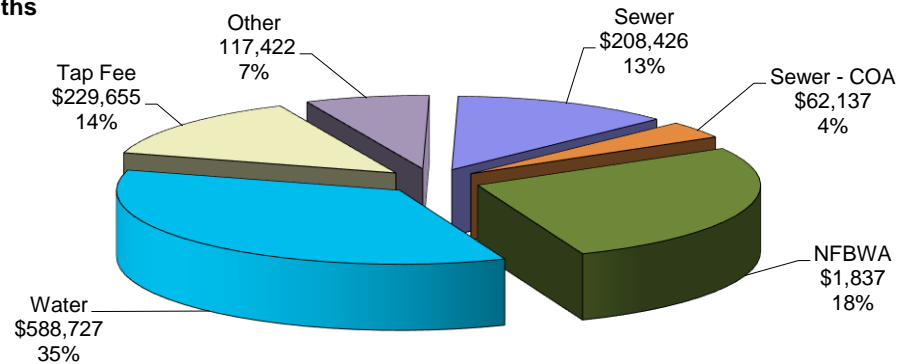
**14. Delinquent Accounts and Service Terminations**

There are 111 account(s) that were mailed delinquent letters prior to the board meeting. We disconnected 15 account(s) following last month's meeting.

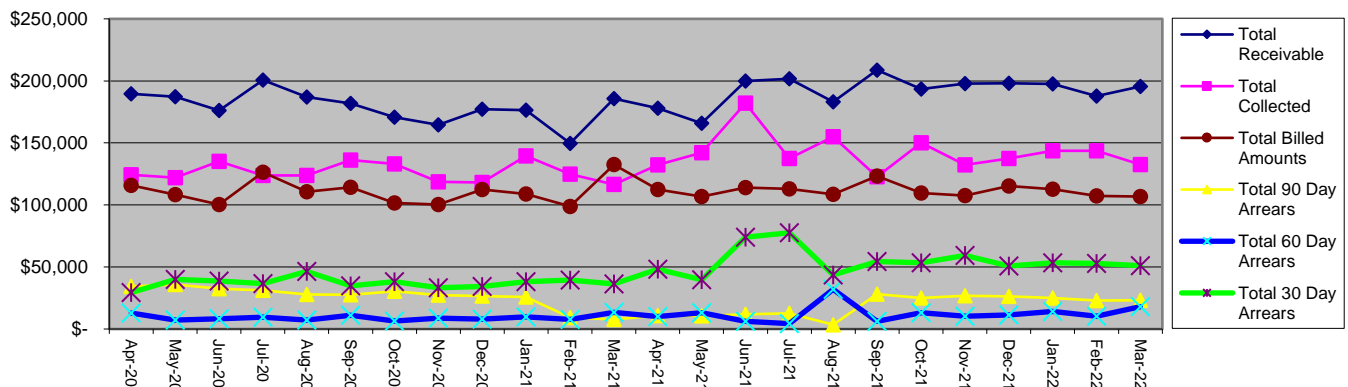
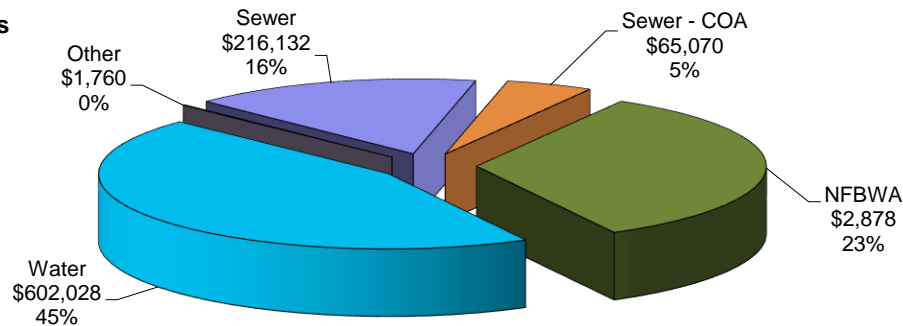
# Fort Bend FWSD No. 1 Utility Billing Summary

	March 13, 2022	February 13, 2022	12 Months
Total Collected	\$ (132,639.03)	\$ (143,598.53)	\$ (1,711,436.38)
Total Billed	\$ 106,822.18	\$ 107,360.90	\$ 1,337,157.52
Tap Fees Received	\$ (10,113.92)	\$ (24,840.61)	\$ (229,654.77)
Total Aged Receivable	\$ 88,632.56	\$ 80,369.03	
Total Receivable	\$ 188,791.59	\$ 182,929.16	
Security Deposit Balance	\$ 133,862.96	\$ 132,964.96	\$ 107,604.43
NFBWA Fee Billed	\$ 35,444.83	\$ 35,947.56	\$ 452,168.08
NFBWA Fee to pay billing cycle	\$ 47,238.10	\$ 46,678.45	\$ 627,364.90
Water Sold (gallons)	7,366,000	7,465,000	98,958,300
Water Produced (gallons)	10,382,000	10,259,000	145,328,000
Residential Connections	1,013	1,003	
Avg per Residential Connection	4,325	4,424	

**Collections, 12 Months**



**Billing, 12 Months**



# Fort Bend FWSD No. 1

## Utility Billing Detail Report

	March 13, 2022	February 13, 2022	March 13, 2021
Beginning Date	02/18/22	01/21/22	02/23/21
Closing Date	03/16/22	02/17/22	03/17/21
No. of Days	26	27	27
<b>Beginning Balance</b>	<b>\$ 182,929.16</b>	<b>\$ 192,449.11</b>	<b>\$ 144,970.91</b>
<b>Adjustments</b>			
Back Charge	\$ -	\$ 1,500.21	\$ -
Collection Fee Write Off	\$ -	\$ (45.78)	\$ -
Collections	\$ 867.20	\$ (3,888.86)	\$ -
Credit Refund	\$ 1,310.69	\$ 744.98	\$ 219.87
Deposits	\$ 2,950.51	\$ 3,369.15	\$ 450.00
Disconnection	\$ 1,050.00	\$ 1,050.00	\$ -
Inspections	\$ 1,175.00	\$ 925.00	\$ 750.00
Letter Fee	\$ 2,370.00	\$ 2,280.00	\$ 1,930.00
NFBWA	\$ 14.46	\$ 18.04	\$ -
NSF Fee	\$ 60.00	\$ 90.00	\$ 60.00
Penalty	\$ 3,410.51	\$ 3,973.72	\$ (6.25)
Return Check	\$ 338.75	\$ 181.40	\$ 3,350.58
Sewer	\$ -	\$ -	\$ -
Tap Fee	\$ 18,975.00	\$ 15,862.50	\$ 12,050.00
Transfer	\$ 480.00	\$ 420.00	\$ 150.00
Unapplied	\$ (411.33)	\$ (492.03)	\$ (1,118.42)
Water	\$ 21.00	\$ 23.50	\$ -
Well Permit Fee	\$ -	\$ 300.00	\$ -
Door Hanger Fee	\$ 1,320.00	\$ 1,420.00	\$ 10.00
<b>Total Adjustments</b>	<b>\$ 33,931.79</b>	<b>\$ 27,731.83</b>	<b>\$ 17,845.78</b>
<b>Collected Amounts</b>			
Back Charge	\$ (994.36)	\$ -	\$ -
Collections	\$ (867.20)	\$ (76.76)	\$ -
Deposits	\$ (2,975.51)	\$ (2,769.00)	\$ (650.00)
Disconnection	\$ (881.56)	\$ (975.00)	\$ -
Door Hanger Fee	\$ (1,147.74)	\$ (1,062.76)	\$ (364.14)
Grease Trap Inspection	\$ (75.00)	\$ (75.00)	\$ (50.01)
Inspections	\$ (1,105.00)	\$ (925.00)	\$ (525.00)
NFBWA	\$ (36,293.84)	\$ (36,214.45)	\$ (30,816.98)
NSF Fee	\$ (90.00)	\$ (169.57)	\$ (30.00)
Penalty	\$ (3,860.79)	\$ (2,893.26)	\$ (2,392.31)
Sewer	\$ (17,350.51)	\$ (17,250.38)	\$ (17,936.53)
Sewer - COA	\$ (4,885.67)	\$ (5,500.13)	\$ (4,889.39)
Tap Fee	\$ (10,113.92)	\$ (24,840.61)	\$ (9,562.17)
Transfer	\$ (480.00)	\$ (425.00)	\$ (150.00)
Water	\$ (46,796.07)	\$ (46,358.04)	\$ (42,627.19)
Well Permit Fee	\$ (90.99)	\$ (309.01)	\$ -
Letter Fee	\$ (2,148.60)	\$ (2,343.83)	\$ (1,463.23)
Meter Rental	\$ (120.00)	\$ (120.00)	\$ -
<b>Total Collected</b>	<b>\$ (130,276.76)</b>	<b>\$ (142,307.80)</b>	<b>\$ (111,456.95)</b>
<b>Overpayments</b>	<b>\$ (2,362.27)</b>	<b>\$ (1,290.73)</b>	<b>\$ (5,051.42)</b>
<b>Total Collected</b>	<b>\$ (132,639.03)</b>	<b>\$ (143,598.53)</b>	<b>\$ (116,508.37)</b>
<b>Deposits Applied</b>	<b>\$ (2,252.51)</b>	<b>\$ (1,014.15)</b>	<b>\$ (726.00)</b>
<b>Billed Amounts</b>			
Meter Rental	\$ 120.00	\$ 120.00	\$ -
NFBWA	\$ 35,444.83	\$ 35,947.56	\$ 48,004.44
Sewer	\$ 18,009.50	\$ 17,908.75	\$ 18,824.25
Sewer - COA	\$ 5,508.00	\$ 5,562.00	\$ 5,256.00
Water	\$ 47,664.85	\$ 47,747.59	\$ 60,312.21
Grease Trap Inspection	\$ 75.00	\$ 75.00	\$ 50.01
<b>Total Billed</b>	<b>\$ 106,822.18</b>	<b>\$ 107,360.90</b>	<b>\$ 132,446.91</b>
<b>Aged Receivable</b>			
Total 90 Day Arrears	\$ 23,298.34	\$ 23,046.08	\$ 7,801.93
Total 60 Day Arrears	\$ 18,097.36	\$ 10,204.16	\$ 13,357.47
Total 30 Day Arrears	\$ 51,067.76	\$ 52,972.36	\$ 36,441.64
Unapplied Credits	\$ (3,830.90)	\$ (5,853.57)	\$ (4,446.79)
Total Aged Receivable	\$ 88,632.56	\$ 80,369.03	\$ 53,154.25
Current Receivable	\$ 100,159.03	\$ 102,560.13	\$ 124,874.98
<b>Total Receivable</b>	<b>\$ 188,791.59</b>	<b>\$ 182,929.16</b>	<b>\$ 178,029.23</b>
<b>Electronic Payment Stats - Calendar Month</b>			
	<b>Feb-22</b>	<b>Jan-22</b>	<b>Feb-21</b>
Check Consolidation	67	59	69
Credit Card	791	740	670
ACH	259	254	221
<b>Total</b>	<b>1117</b>	<b>1053</b>	<b>960</b>

# Fort Bend FWSD No. 1

## Connection/Active Accounts

Connection Count	March 13, 2022	February 13, 2022	March 13, 2021
Residential Water Only	1013	1003	968
Vacant Residential Water Only	58	65	61
Residential Full Service	522	518	494
Vacant Residential Full Service	16	14	11
Residential Water Only (Arcola sewer)	102	102	97
Vacant Residential Water Only (Arcola sewer)	6	6	3
Fire Line Non - Profit/Tax	4	4	4
Multi-Family	3	3	3
Builder	0	0	0
Builder Connection	0	0	0
Builder- Full Service	0	0	0
Builder Deposit	13	13	10
Commercial Water Only	18	18	17
Commercial Water Only (Arcola sewer)	1	1	1
Commercial w/GT	2	2	2
Commercial Water Only w/ GT	1	1	1
Commercial- Full Service	0	0	0
3rd Party Backcharge	2	2	2
Com Mfg & Industrial	1	1	1
Com Mfg & Industrial- Full Service	0	0	0
Non-Profit - Fresno VFD	0	0	0
HOA Irrigation	0	0	0
Commerical Irrigation	3	3	3
Ft Bend City. Water Only	1	1	1
Ft Bend Co. Full Service	2	2	2
Ft Bend Co. Water Only	0	0	0
Churches - Water Only	4	4	4
Churches - Full Service	3	3	3
District Meter	1	1	1
Interconnect - No Bill Arcola	1	1	1
<b>Total</b>	<b>1777</b>	<b>1768</b>	<b>1690</b>
Water use per ESFC	267	274	379

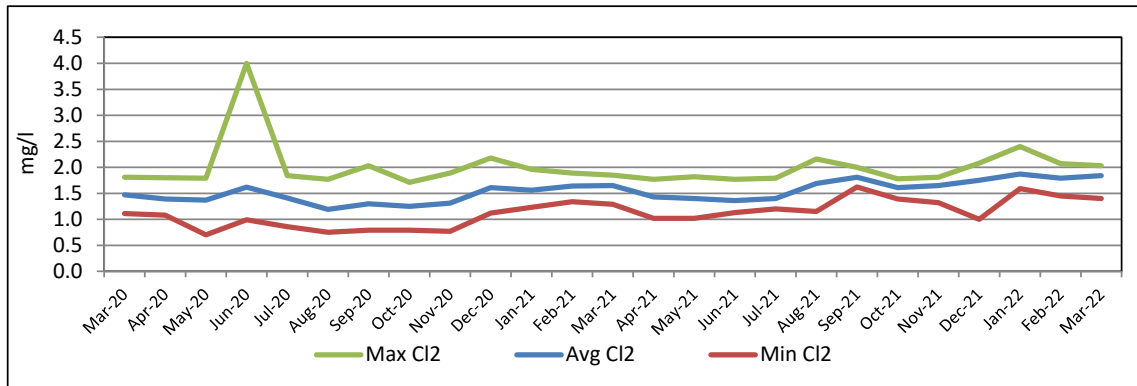
### Tap Activity

Month	Month	Month	Month
Mar-22	4	Mar-21	6
Feb-22	6	Feb-21	4
Jan-22	11	Jan-21	4
Dec-21	0	Dec-20	6
Nov-21	7	Nov-20	4
Oct-21	5	Oct-20	9
Sep-21	5	Sep-20	3
Aug-21	7	Aug-20	2
Jul-21	16	Jul-20	6
Jun-21	9	Jun-20	7
May-21	7	May-20	6
Apr-21	3	Apr-20	9
<b>Total</b>	<b>80</b>		<b>66</b>



# Fort Bend FWSD No. 1 Water Quality Monitoring Report

## Disinfection Monitoring



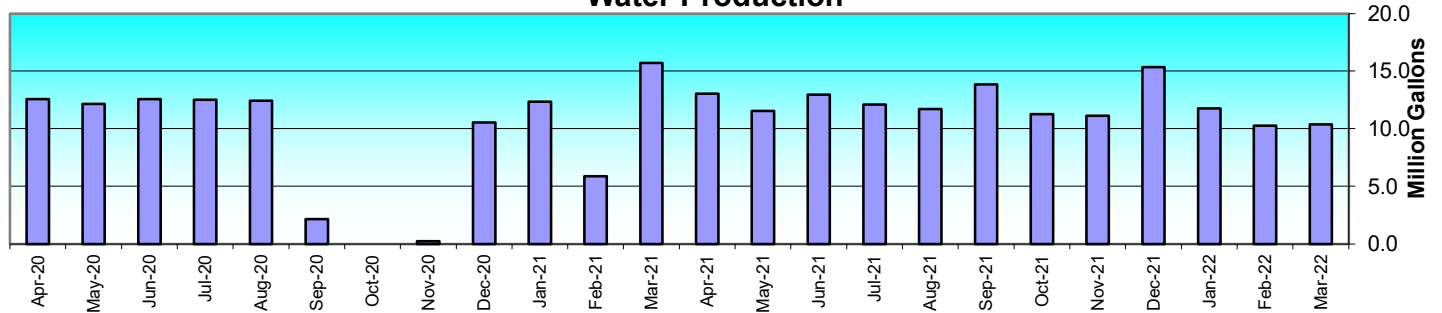
## Maximum Residual Disinfectant Level (MRDL)

Month	Mar-22	Feb-22	Jan-22
# TCR Samples	4	4	4
# Disinfectant Samples	35	32	35
Average Disinfection Res.	1.84	1.79	1.87
Highest Reading	2.03	2.07	2.40
Lowest Reading	1.40	1.45	1.59
# Below Limit	0	0	0
# With None Detected	0	0	0

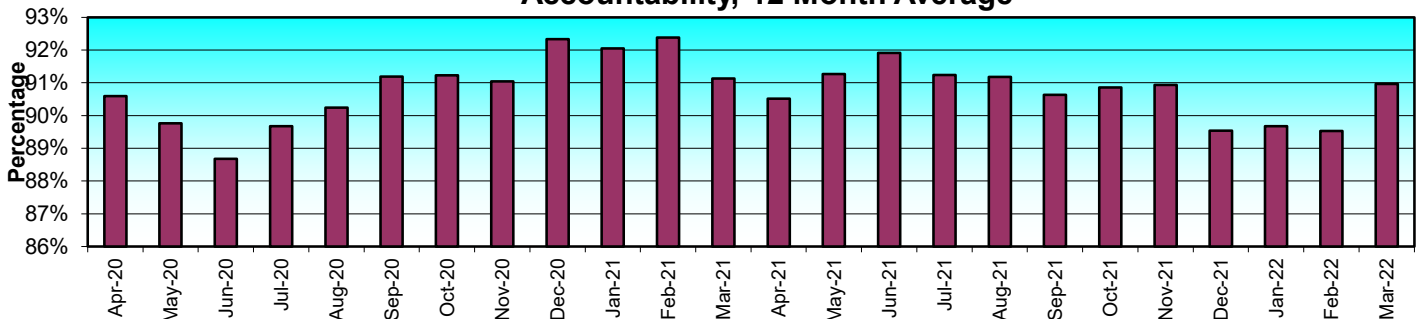
# Fort Bend FWSD No. 1 Water Production Report

Period Ending	Production (MG)	Billed (MG)	Water Sold (MG)	Water Purchased	Total Billed (MG)	Water Loss	Accountability (%)	12 Month Avg.
Mar-4-22	10.382	7.366	2.274	0.000	9.640	0.742	92.9%	91.0%
Feb-4-22	10.259	7.465	2.105	0.000	9.570	0.689	93.3%	89.5%
Jan-6-22	11.762	8.105	2.239	0.000	10.344	1.418	87.9%	89.7%
Dec-6-21	15.337	8.653	2.919	0.000	11.572	3.765	75.5%	89.5%
Nov-4-21	11.130	7.804	2.454	0.000	10.258	0.872	92.2%	90.9%
Oct-6-21	11.267	8.065	2.506	0.000	10.571	0.696	93.8%	90.9%
Sep-7-21	13.844	9.764	3.357	0.000	13.121	0.723	94.8%	90.6%
Aug-5-21	11.711	7.976	2.890	0.000	10.866	0.845	92.8%	91.2%
Jul-7-21	12.105	8.564	3.028	0.000	11.592	0.513	95.8%	91.2%
Jun-7-21	12.965	8.755	3.168	0.000	11.923	1.042	92.0%	91.9%
May-5-21	11.534	7.894	2.700	0.000	10.594	0.940	91.9%	91.3%
Apr-6-21	13.032	8.547	3.045	0.000	11.592	1.440	89.0%	90.5%
Mar-5-21	15.715	10.715	1.154	0.000	11.869	3.846	75.5%	91.1%
Feb-3-21	5.866	7.016	2.552	4.200	9.568	0.498	95.1%	92.4%
Jan-7-21	12.341	8.027	2.626	0.000	10.653	1.688	86.3%	92.0%
Dec-7-20	10.545	8.962	3.074	2.500	12.036	1.009	92.3%	92.3%
Nov-4-20	0.222	7.608	2.670	11.050	10.278	0.994	91.2%	91.0%
Oct-7-20	0.000	7.690	2.704	11.400	10.394	1.006	91.2%	91.2%
Sep-8-20	2.153	9.269	3.250	10.200	12.519	-0.166	101.3%	91.2%
Aug-7-20	12.415	8.834	2.777	0.000	11.611	0.804	93.5%	90.2%
Jul-8-20	12.504	10.431	2.544	0.000	12.975	-0.471	103.8%	89.7%
Jun-8-20	12.563	7.738	2.853	0.000	10.591	1.972	84.3%	88.7%
May-7-20	12.141	8.593	1.459	0.000	10.052	2.089	82.8%	89.8%
Apr-7-20	12.565	9.489	2.609	0.000	12.098	0.467	96.3%	90.6%

Water Production



Accountability, 12 Month Average



## l Interconnect w/COA

Day	FWSD#1 IC w/ COA	Daily Flow	Well Reads @ WP	Daily Flow
2/1/2022	185747	65	925291	276
2/2/2022	185812	74	925567	425
2/3/2022	185886	77	925992	338
2/4/2022	185963	66	926330	372
2/5/2022	186029	92	926702	421
2/6/2022	186121	73	927123	440
2/7/2022	186194	72	927563	288
2/8/2022	186266	66	927851	428
2/9/2022	186332	66	928279	277
2/10/2022	186398	81	928556	409
2/11/2022	186479	69	928965	421
2/12/2022	186548	71	929386	347
2/13/2022	186619	81	929733	506
2/14/2022	186700	74	930239	288
2/15/2022	186774	55	930527	289
2/16/2022	186829	71	930816	409
2/17/2022	186900	70	931225	595
2/18/2022	186970	68	931820	97
2/19/2022	187038	81	931917	360
2/20/2022	187119	76	932277	355
2/21/2022	187195	72	932632	412
2/22/2022	187267	188	933044	437
2/23/2022	187455	170	933481	433
2/24/2022	187625	102	933914	426
2/25/2022	187727	67	934340	265
2/26/2022	187794	67	934605	337
2/27/2022	187861	67	934942	375
2/28/2022	187928	76	935317	424
3/1/2022	188004	82	935741	401

\*meter is read M-F during normal business hours, weekend reads are .

## l Interconnect w/COA

Day	FWSD#1 IC w/ COA	Daily Flow	Well Reads @ WP	Daily Flow
3/1/2022	188004	82	935741	401
3/2/2022	188086	71	936142	288
3/3/2022	188157	80	936430	282
3/4/2022	188237	80	936712	419
3/5/2022	188317	80	937131	438
3/6/2022	188397	80	937569	270
3/7/2022	188477	70	937839	292
3/8/2022	188547	90	938131	412
3/9/2022	188637	84	938543	275
3/10/2022	188721	65	938818	427
3/11/2022	188786	64	939245	264
3/12/2022	188850	94	939509	433
3/13/2022	188944	55	939942	270
3/14/2022	188999	215	940212	500
3/15/2022	189214	448	940712	734
3/16/2022	189662	79	941446	353
3/17/2022	189741	70	941799	343
3/18/2022	189811	109	942142	381
3/19/2022	189920	78	942523	420
3/20/2022	189998	81	942943	445
3/21/2022	190079	72	943388	279
3/22/2022	190151	89	943667	418
3/23/2022	190240	83	944085	428
3/24/2022	190323	78	944513	286
3/25/2022	190401	72	944799	430
3/26/2022	190473	72	945229	0
3/27/2022	190545	72	945229	0
3/28/2022	190617	82	945229	0
3/29/2022	190699	80	945229	0
3/30/2022	190779	71	945229	0
3/31/2022	190850	86	945229	0
4/1/2022	190936	83	945229	0

\*meter is read M-F during normal business hours, weekend reads are .

## 2021 COA Sewer Meter Reads

Day	COA Sewer Reads	Daily Flow (in GPD)
2/1/2022	49735056	162,448
2/2/2022	49897504	66,208
2/3/2022	49963712	103,376
2/4/2022	50067088	108,640
2/5/2022	50175728	106,816
2/6/2022	50282544	112,752
2/7/2022	50395296	76,016
2/8/2022	50471312	82,960
2/9/2022	50554272	92,512
2/10/2022	50646784	80,448
2/11/2022	50727232	74,368
2/12/2022	50801600	98,416
2/13/2022	50900016	108,128
2/14/2022	51008144	85,076
2/15/2022	51093220	83,708
2/16/2022	51176928	105,688
2/17/2022	51282616	38,872
2/18/2022	51321488	95,488
2/19/2022	51416976	91,456
2/20/2022	51508432	100,160
2/21/2022	51608592	92,704
2/22/2022	51701296	68,208
2/23/2022	51769504	106,983
2/24/2022	51876487	56,393
2/25/2022	51932880	71,820
2/26/2022	52004700	87,172
2/27/2022	52091872	111,120
2/28/2022	52202992	74,464
3/1/2022	52277456	91,616
		<b>90,800</b>
		<b>36%</b>

**% based on allotted capacity 250,000 gpd**

## 2022 COA Sewer Meter Reads

Day	COA Sewer Reads	Daily Flow (in GPD)
3/1/2022	52277456	91,616
3/2/2022	52369072	62,480
3/3/2022	52431552	81,120
3/4/2022	52512672	91,848
3/5/2022	52604520	86,484
3/6/2022	52691004	86,484
3/7/2022	52777488	71,536
3/8/2022	52849024	90,368
3/9/2022	52939392	61,248
3/10/2022	53000640	94,992
3/11/2022	53095632	76,149
3/12/2022	53171781	76,149
3/13/2022	53247930	76,150
3/14/2022	53324080	85,168
3/15/2022	53409248	78,560
3/16/2022	53487808	91,632
3/17/2022	53579440	65,792
3/18/2022	53645232	90,773
3/19/2022	53736005	90,773
3/20/2022	53826778	90,774
3/21/2022	53917552	98,624
3/22/2022	54016176	117,136
3/23/2022	54133312	95,112
3/24/2022	54228424	87,784
3/25/2022	54316208	93,744
3/26/2022	54409952	93,744
3/27/2022	54503696	93,744
3/28/2022	54597440	86,784
3/29/2022	54684224	73,872
3/30/2022	54758096	92,304
3/31/2022	54850400	90,784
4/1/2022	54941184	84,341
		<b>85,877</b>
		<b>34%</b>
<b>% based on allotted capacity 250,000 gpd</b>		

DISTRICT NAME:	PRIMARY CONTACT:	SECONDARY CONTACT:	
Fort Bend County FWSD 1	Name:	Name:	
	EDP Area Manager      Bruce Dubiel      Cell: 281-924-4967 EDP Manager of Operations      JC Reno      Cell: 832-493-2877	EDP Eric Thiry - Vice President of Operations	
COUNTY:	PRIMARY PHONE NUMBER	SECONDARY CONTACT PHONE NUMBER:	
Fort Bend County	832-467-1599    (24 Hour Emergency)	832-467-1599    (24 Hour Emergency)	
	PRIMARY FAX NUMBER	SECONDARY FAX NUMBER:	
	832-467-1610	832-467-1610	
FACILITY	ADDRESS	ESI ID #	VOLUME
Water Plant	14415 1st Street, Fresno, TX 77545 (2723 FM 521, Fresno, TX 77545)	1008901001900176320108	
Lift Station # 1	4521 1/2 FM 521, Fresno, TX77545	1008901023900975170115	
Transmission & Distribution Utility Company (TDU): Centerpoint Energy			
Retail Electric Company:			
Hudson Energy hudsonenergycare@hudsonenergy.net			
*** The mailing address for all District facilities is: EDP 17495 Village Green Drive, Houston, TX 77040	Office of Emergency Management:  Fort Bend County OEM Alan.Spears@fortbendcountytexas.gov		

**MINUTES OF THE MEETING OF  
FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

March 17, 2022

**STATE OF TEXAS**

**COUNTY OF FORT BEND**

The Board of Supervisors (the “Board”) of Fort Bend County Fresh Water Supply District No. 1 of Fort Bend County, Texas (the “District”), met in regular session, open to the public, at 6:00 p.m. on Thursday, March 17, 2022, at 4521 F.M. 521 North, Fresno, Fort Bend County, Texas 77545, a designated meeting place inside the boundaries of the District, and the roll was called of the members of the Board, to wit:

Paul Hamilton	President
Rosa Linda Medina	Vice-President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Erasto Vallejo	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

Also present at the meeting were: Cindy Grimes with Municipal Accounts & Consulting, LP, the District’s Bookkeeper (“MAC”); David Dybala with Jacobs Engineering Group, Inc. (“Jacobs”), the District’s Engineer; Breah Campbell with Environmental Development Partners (“EDP”), the District’s Operator; Miguel Gonzalez, a resident of the District; and Michael R. Willis of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), the District’s Attorney.

The meeting was called to order at 6:00 p.m. and the following business was transacted.

**1. HEAR FROM PUBLIC (MATTERS ON THE AGENDA)**

At this time, the Vice President opened the meeting to comments from the public.

**2. BOOKKEEPER’S REPORT AND TAX ASSESSOR/COLLECTOR’S REPORT**

The Board then considered the Bookkeeper’s Report presented by Ms. Grimes, a copy of which is on file in the official records of the District, and the invoices and checks presented for payment as follows:

**A. Approval of Bills.**

The Board reviewed the bills presented for payment, including the invoices discussed in more detail under the Engineer’s Report.

**B. Review Investment Report.**

The Board reviewed the investment report.



### **C. Review Collateral Pledge Report.**

The Board reviewed the Collateral Pledge report.

Ms. Grimes then presented the Tax Report, a copy of which is on file in the official records of the District.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Casher, the Board voted unanimously (i) to approve the Bookkeeper's Report; (ii) to authorize the payment of the checks and invoices listed therein, including Pay Estimate No. 11 from B-5 Construction Co. for \$291,824.46 and Invoice No. 12 from Terracon for \$2,361.00; and (iii) to approve the Tax Assessor/Collector's Report.

### **3. ENGINEER'S REPORT**

The Board recognized Mr. Dybala, who then presented the Engineer's Report, a copy of which is on file in the official records of the District, and is excerpted below:

#### **(a) Report on status of projects:**

##### **i) Water Plant #2**

- Project currently under construction – Contractor is currently working on installation of perimeter fence, drainage swales, concrete work, and electrical components.
- Request Board's approval of Pay Estimates No. 11 from B-5 Construction Co. for construction of the project for \$291,824.46.
- Request Board's approval of Invoice No. 12 from Terracon for material testing services for \$2,361.00
- Anticipate construction being completed 3<sup>rd</sup> Q 2022 (timeline does not account for installation of additional water treatment system, if required)
- District Est. Water Conn. Timeline (FBCFWSD#1 WP#1 Conn. Capacity = 1,875).
  - End of 2022 = 1,825

##### **ii) Gateway Acres Subdivision Wastewater Collection System**

- Currently working to secure the last two agency signatures (City of Houston and FBC Engineering) needed to advertise the project...anticipate next month to have all approvals

##### **iii) Fresno Ranchos Subdivision Wastewater Lift Station and Force Main**

- Currently in process of securing approval signatures on the final construction plans from review agencies needed for advertisement of project...anticipate next month to have all approvals

##### **iv) Gateway Acres Subdivision Wastewater Plumbing Contract**

- Second townhall meeting was conducted on February 24<sup>th</sup> for the Gateway Acres Central section... a total of 69 applications have been secured so far...the next townhall meeting will be on March 24<sup>th</sup> for the Gateway Acres West section (area west of the center of Alice St)...afterwards, there will be three remaining townhall meetings in April through June of this year...recommend only allowing 40 applications to be processed at each townhall meeting, which takes around 3 hours to complete
- Anticipate Gateway Acres Sub WW Collection System project being completed early 2023 and the plumbing contract being completed within 2023

#### **(b) Authorize Engineer to Prepare Plans and Specifications for Water/Wastewater Projects**

- no action items

#### **(c) Report on status of project funding and take necessary action related thereto.**

- Project One-Year Warranty Expiration Dates
- 2015 TWDB DFUND Loan...remaining funds will be used for the Water Plant No. 2 project
- 4<sup>th</sup> TWDB DFUND Loan (\$1.745M)...funds will be used to complete the Water Plant No. 2 project
- 2022 TCEQ Loan (\$10.45M) – funds from the loan are needed to fund the completion of a) Gateway Acres Sub WW Collection System project b) Fresno Ranchos Sub LS and FM project, and c) CoA WWTP Expansion project
- FBC CDBG Funds...will pursue funding source for future plumbing projects

**(d) Projections for District Water and Wastewater Projects**

- request Board approval to update information every January and July

**(e) Discuss Emergency Preparedness Plan and take any necessary action related thereto**

- review EPP in April each year to determine if any updates are required

**(f) Status of Non-Residential Applications for Water Service –**

<b>Connected:</b>	
<b>4320 Doreen Avenue (Multi-Family Dwelling)</b>	<b>Interconnect with FBCMUD23</b>
<b>293 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>La Fresno Food Mart</b>
<b>297 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>Lou's Back Porch</b>
<b>Church of God of Prophecy</b>	<b>LT No Limits</b>
<b>Crossroad Market</b>	<b>Mustang Community Center</b>
<b>Dollar General</b>	<b>MVP Auto Parts (Domestic &amp; FW)</b>
<b>Enriquez Tire Shop (East Palm)</b>	<b>New Quality Life Ministries (Church)</b>
<b>FBC Water Connection at Water Plant</b>	<b>New Quality Life Ministries (Restaurant)</b>
<b>First Baptist Church of Fresno (Domestic &amp; FW)</b>	<b>Papa Nick's BBQ Kitchen – Mobile Food Truck</b>
<b>Fresno Gym (3941 FM 521)</b>	<b>PMC International Tire Shop</b>
<b>Fresno Market – FM521 (Domestic &amp; Irrigation)</b>	<b>Quality Paint and Body (Pecan Street)</b>
<b>Fresno Motor</b>	<b>Richard Martini-Rental Livestock Pasture</b>
<b>Fresno Mount Corinth Baptist Church</b>	<b>Robbins Nest for Children (Domestic &amp; FW)</b>
<b>Fresno Volunteer Fire Department</b>	<b>St. James Knanaya Church – Fire Tap</b>
<b>F&amp;R Tax</b>	<b>St. Peters &amp; St. Pauls Orthodox Church of Houston</b>
<b>General Office Space (514 Pecan Street)</b>	<b>Swingby#3 Gas Station (Domestic &amp; Irrigation)</b>
<b>Gulf Coast LP Gas Company</b>	<b>Teleview Terrace Subdivision Lift Station</b>
<b>HEFCO Enterprises</b>	<b>Tiny Toes Academy</b>
<b>Iglesia Bautista Del Calvario Church</b>	<b>Tire Shop at 1739A Trammel Fresno</b>
<b>Iglesia Principe De Paz Church</b>	<b>Valero Gas Station</b>
<b>Interconnect with City of Arcola</b>	<b>Welcome Foods</b>

<b>Connections Pending:</b>	

<b>Processing Application:</b>	
<b>St. James Knanaya Church (Ave C)</b> - completed review of updated information from customer...received comments from EDP, which Jacobs	

need to review and respond back to customer
<b>Fresno Food Mart (Trammel Fresno Rd)</b> - waiting on all required docs to complete application (this is second application from customer as previous application had expired)...application submitted in April 2021
<b>Kingdom Hall of Jehovah Witnesses (East Sycamore St.)</b> - received application and application fee from customer...request Board's approval to review and process application

**Status of Non-Residential Applications for Wastewater Service –**

<b>Connected:</b>	
<b>4320 Doreen Avenue (Multi-Family Dwelling)</b>	<b>General Office Space (514 Pecan Street)</b>
<b>293 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>Mustang Comm Center (minus field bathrooms)</b>
<b>297 Teakwood Avenue (Multi-Family Dwelling)</b>	<b>New Quality Life Ministries (Church)</b>
<b>Church of God of Prophecy</b>	<b>New Quality Life Ministries (Restaurant)</b>
<b>First Baptist Church of Fresno</b>	<b>Quality Paint and Body (Pecan Street)</b>
<b>Fresno Volunteer Fire Department</b>	

<b>Connections Pending:</b>	

<b>Processing Application:</b>	

**(g) Potential Emergency Water Interconnect with BCMUD21**

- conducted phone conversation with LJA (Bill Ehler), engineer for BCMUD21, on December 2016 regarding potential emergency water interconnect between our districts
- possible location for interconnect would be at east end of Renfro Burford Road
- BCMUD21 would be interested in pursuing interconnect (50/50 cost split) once FBCFWSD#1 completes its 2<sup>nd</sup> Water Plant

**(h) Status of New CoA WP – CoA anticipates their water plant being completed by 3<sup>rd</sup> Q 2022 ...once completed, interconnect with CoA will become an emergency water interconnect and the District will owe funds to CoA, per the RFC, for taking back 500 connections worth of water service (plus 125 connections, per the temporary water service agreement)...if it is determined later that there will be a significant delay in the completion of the CoA WP, then the District may want to consider conducting an elevated storage tank waiver application with the TCEQ for additional water connections...need to consider all steps once they complete their WP (pay back CoA, take back 625 connections, discontinue water bills to CoA, close vault to make emergency interconnect, rework RFC into a standard emergency interconnect agreement and a waste disposal agreement)**

**(i) Status of CoA WWTP Expansion Project (increasing capacity from 0.675 MGD to 0.95 MGD...the District would be receiving an additional 100,000 GPD of capacity through this expansion) –**

- Waiting for results from re-rate study, being performed by CoA, to determine if the RFC's gpd/connection value (currently at 350) can be reduced to 250 or less...if favorable results are not provided to the District by March 31, 2022, then the District's capacity at the WWTP would be equal to 350,000 gpd and the District would be able to provide wastewater service to 1,000 connections

- Also, CoA is contractually obligated to the District to complete the expansion of the WWTP from 0.675 MGD to 0.95 MGD on or before June 2024

**(j) Roadway Widening Projects Within District (which will require utility and service line relocations):**

- **South Post Oak Boulevard Widening Project (from W Sycamore to Trammel Fresno Rd):**
  - o **Scope** – Increased ROW width, with 2 lane road and additional lanes throughout sections, with roadside ditches
  - o **Schedule** –
    - County is currently in process of clearing ROW and acquiring easements
    - Road Design Phase – current to end of September 2021
    - Utility Relocations – October 2021 to March 2022
    - Road Construction – anticipated start April 2022
  - o **Estimated Cost** -
    - Jacobs and EDP discussed recommended waterline relocations for road widening project...EDP to prepare and present costs to both the District and County for their approval and for cost sharing discussion
    - Per communications from County, they will assist financially regarding the relocation of the utilities on a case-by-case basis...initially proposing to fund the relocation of the water mains while the District funds the relocation of the water service lines
- **FM521 Roadway Widening Project (North of SH6):**
  - o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, side swales, and sidewalk
  - o **Schedule** –
    - 30% Utility Coordination meeting was conducted in November 2020
    - 60% Utility Coordination meeting was conducted in September 2021
    - 90% Utility Coordination meeting???...waiting for TxDOT to coordinate
    - Anticipate 100% completed construction plans by May 2022
    - Anticipate coordinating necessary water and wastewater utility relocations by mid-2022
    - Anticipate roadway widening project to start construction in 2023
  - o **Estimated Cost-**
    - In process of reviewing roadway construction plans to determine extent and cost of utility relocations
- **FM521 Roadway Widening Project (South of SH6):**
  - o **Scope** – 4 lane, divided roadway with raised median, curb and gutter, and side path...proposed detention pond along west side of CoA WWTP and new WWTP entrance roadway
  - o **Schedule** –
    - 30% Utility Coordination meeting was conducted in September 2021
    - 60% Utility Coordination meeting???...waiting for TxDOT to coordinate
    - Anticipate 100% completed construction plans by March 2022
    - Anticipate coordinating necessary wastewater forcemain relocations by mid-2022

- Anticipate roadway widening project to start construction in 2023
  - **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along (possibly include our relocation work in the roadway plans)
- **West Sycamore Road Widening Project:**
  - **Scope** – Proposed 100' ROW, with 4 lane, divided roadway with raised median, curb and gutter, with underground storm sewer lines, and sidewalk
  - **Schedule** –
    - Received 30% complete roadway plans
    - Requested from County overall project schedule and possibility of including utility relocation work within roadway plans...waiting for a response from County
  - **Estimated Cost** –
    - Requested from County if they would assist financially regarding the relocation of utilities...waiting for a response
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along
- **Evergreen Road Widening Project (California Rd to Mustang Bayou):**
  - **Scope** – Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches
  - **Schedule** –
    - Working on 30% complete roadway plans...no overall schedule provided yet
  - **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along...will ask if utility relocations can be included in roadway plans and if FBC will assist financially
- **Evergreen Road Widening Project (Mustang Bayou to FM521):**
  - **Scope** – Proposed 80' ROW, with 2-12' lanes, 6' shoulders, asphalt roadway, with roadside ditches
  - **Schedule** –
    - Working on 30% complete roadway plans...no overall schedule provided yet
  - **Estimated Cost** –
    - Will begin efforts to determine extent and cost for utility relocations once roadway plans are further along...will ask if utility relocations can be included in roadway plans and if FBC will assist financially
- **Other Road Widening Projects Within District**
  - FBC Representative to provide updates at monthly meetings

Upon motion made by Supervisor Casher, seconded by Supervisor Carreon, and after full discussion, the Board voted unanimously to approve (i) the service application for Kingdom Hall of Jehovah Witnesses; and (ii) the Engineer's Report, as presented.

#### **4. OPERATOR'S REPORT/TERMINATION OF SERVICE**

Next the Board recognized Ms. Campbell, who submitted to and reviewed with the Board the Operator's Report, a copy of which is on file in the official records of the District.

##### **A. Repairs to Water and Wastewater systems**

Ms. Campbell reported substantial system repairs and maintenance as follows:

- Installed 6 residential taps and meters;
- Replaced a leaking service line at 3939 Kansas Street.

Ms. Campbell then updated the Board on the following:

1. Booster Pump No. 1: Repairs to booster pump no. 1 have been made, and the pump will be installed by the end of next week.
2. South Post Oak Road Widening: EDP was authorized at the January meeting to move forward with relocation of identified interferences along S. Post Oak Road. District representatives have a meeting pending with Commissioner Prestage for a cost sharing agreement.
3. FM 521 Road Widening: EDP is working with Jacobs to confirm and quantify potential interferences along FM 521.
4. W Sycamore Road Widening: EDP is working with Jacobs to confirm and quantify potential interferences along FM 521.

##### **B. Requests for Water Taps**

Ms. Campbell did not report any requests at this time.

##### **C. Delinquent Water Accounts and Service Terminations**

Ms. Campbell provided a list of customers that received a delinquent letter by mail and are subject to disconnection of service.

Upon a motion duly made by Supervisor Carreon, seconded by Supervisor Vallejo, and after full discussion, the Board voted unanimously to approve the Operator's Report, the repairs to the water and wastewater system and the termination list and account write-offs.

#### **5. ATTORNEY'S REPORT**

The Board recognized Mr. Willis, who presented the Attorney's report as follows:

##### **A. Approval of Minutes**

The proposed minutes of the meetings held on February 17, 2022, and February 24, 2022 were presented for approval.

Upon motion duly made by Supervisor Vallejo, seconded by Supervisor Medina, the Board voted unanimously to approve the minutes of the February 17, 2022, and February 24, 2022 minutes, as presented.

## **B. Regional Facilities Contract**

Mr. Willis noted there was no action in connection with the Regional Facilities Contract.

## **C. Certificate of Unopposed Candidates**

Mr. Willis then presented to the Board a Certificate of Unopposed Candidates (the "Certificate"), which certifies that the two candidates for Supervisor are unopposed.

Upon motion duly made by Supervisor Casher, seconded by Supervisor Vallejo, the Board voted unanimously to accept the Certificate.

## **D. Order Canceling Election and Declaring Unopposed Candidates Elected to Office**

Mr. Willis then presented a proposed Order Canceling Election and Declaring Unopposed Candidates Elected to Office (the "Order"). The Board noted that, per the Certificate, Candidates Hamilton and Carreon are unopposed for the May 7, 2022, Supervisors Election. Mr. Willis stated that pursuant to Section 2.053 of the Texas Election Code, as amended, the Board is authorized to cancel the election and declare the unopposed candidates elected to office.

Upon motion duly made by Supervisor Cahser, seconded by Director Vallejo, the Board voted unanimously to adopt the Order, thereby canceling the Supervisors Election called for May 7, 2022, and declaring Paul Hamilton and Rodrigo Carreon elected to the Board for a four (4) year term which expires in May 2026. A copy of the Order is on file in the Official Records of the District.

## **E. Notice to Sellers and Purchasers**

Mr. Willis next presented to the Board an amended Notice to Sellers and Purchasers (the "Notice") in connection with the Bonds that closed earlier in the day. Mr. Willis noted that the Notice is being amended to reference the newly-sold Bonds, and it would be recorded in the Real Property Records of Fort Bend County.

Upon motion duly made by Supervisor Medina, seconded by Supervisor Casher, the Board voted unanimously to approve the Notice, and authorize SK Law to file the Notice in the Real Property Records of Fort Bend County.

## **F. Rate Order**

Mr. Willis presented to the Board an amended Rate Order, clarifying the District's policy on plugging private water wells.

Upon motion duly made by Supervisor Carreon, seconded by Supervisor Vallejo, the Board voted unanimously to approve the amended Rate Order.

## **6. REGIONAL PLANT COMMITTEE REPORT**

The Board next recognized Supervisor Hamilton, who presented the Regional Plant Committee Report.

Ms. Grimes then discussed with the Board a meeting to be held with the City of Arcola concerning amounts due to the District for over-billing, and release of a check to the City of Arcola.

Upon a motion made by Supervisor Casher, seconded by Supervisor Medina, and after full discussion, the Board voted unanimously (i) to approve the Regional Plant Committee Report, and (ii) to authorize Ms. Grimes to release the check to the City of Arcola upon receipt of a check from the City of Arcola for amounts due to the District.

**7. HEAR FROM THE PUBLIC.**

The Board noted there were no members of the public present who wished to address the Board at this time.

There being no further business to come before the Board, upon a motion duly made and seconded, the Board voted unanimously to adjourn.

**[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]**



PASSED, ADOPTED, and APPROVED this \_\_\_\_\_.

\_\_\_\_\_  
Secretary

[SEAL]

**MINUTES OF THE MEETING OF  
FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

March 24, 2022

**STATE OF TEXAS**

**COUNTY OF FORT BEND**

The Board of Supervisors (the “Board”) of Fort Bend County Fresh Water Supply District No. 1 of Fort Bend County, Texas (the “District”), met in special session, open to the public, on March 24, 2022, commencing at 6:00 p.m. at 4521 F.M. 521 North, Fresno, Fort Bend County, Texas, a designated meeting place inside the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to wit:

Paul Hamilton	President
Rosa Linda Medina	Vice President
Calvin Casher	Secretary
Rodrigo Carreon	Assistant Secretary
Erasto Vallejo	Assistant Secretary

All members of the Board were present, thus constituting a quorum.

Also present at the meeting were: David Dybala with Jacobs Engineering Group, Inc. (“Jacobs”), the District’s Engineer; Breah Campbell, Blanca Garcia, Brian Andrade and Luisa Conde with Environmental Development Partners (“EDP”), the District’s Operator; members of the public, the names of whom are on file in the official records of the District; and Michael R. Willis and Ryan LaRue of Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SK Law”), the District’s Attorney.

The meeting was called to order and the following business was transacted.

**1. HEAR FROM PUBLIC (MATTERS ON THE AGENDA)**

The Board noted that there were no members of the public present who wished to address the Board concerning matters on the Agenda.

**2. TOWN HALL MEETING**

The Board then opened the town hall meeting, and received questions from the public regarding wastewater services to the Gateway Acres (West) subdivision.

There being no further business to come before the Board, upon a motion duly made and seconded, the Board voted unanimously to adjourn.

**[THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK.]**

PASSED, ADOPTED, and APPROVED this \_\_\_\_\_.

\_\_\_\_\_  
Secretary

[SEAL]

**Fort Bend County Freshwater Supply District 1**  
**Regional Facilities Wastewater Treatment Plant Summary**  
**April 21, 2022**

The treatment plant operation information was received by Paul Hamilton from John Montergomery with Municipal Operations & Consultants.

WWTP Operations Report:

During the period of February 18, 2021 through March 18, 2022 per the attached MOC monthly report, the WWTP was operating at 37% of the 0.675 MGD permit capacity and was operating within permit parameters. Arcola had 23% inflow and Freshwater-1 had 14% inflow. The plant average daily flow was 251,893 gallons of which Freshwater 1 was 93,579 gallons. During the month total plant inflow (1/31/2022-2/28/2022) was 7,053,000 gallons.

The total rainfall for the period of 1/31/2022-2/28/2022 was 2.00 inches.

WWTP Discharge Monitoring Report:

The February 2022 Discharge Monitoring Report (DMR) did not reflect any parameter exceedances. A copy of the DMR is attached.

Operations Expenses

The WWTP total expenses from January 31, 2022 to March 18, 2022 was \$ 5,035.35. \$1000.00 for MOC monthly services plus \$ 4,035.35 for ancillary supplies and activities. See attached expense sheets, last 4 pages of this report.

*Paul Hamilton*

FBFWSD1 Supervisor & Treatment Plant Liaison



## MONTHLY OPERATIONS REPORT FOR THE CITY OF ARCOLA

March, 2022

SEWER ONLY BILLED: 253  
 WATER/SEWER BILLED: 611  
 VACANTS: 110  
 TOTAL CONNECTION COUNT: 974

**Water and Sewer Billed**  
 Residential: 333  
 Commercial: 92  
 96 Units - Apt @ 0.4762: 46  
 Compass Development: 140  
 Total SFE's: 611

BILLING PERIOD: 02/18/22 - 03/18/22

FWSD 1 - Previous Read 186,970,000  
 Read Date: 3/18/22 189,851,000  
 Total Gallons Pumped: 2,881,000  
 Water received from FB 141: 0  
 Water supplied to FB 141: 570,000  
 Gallons Billed 1,913,000  
 Leaks and Flushing 185,000  
 Pumped vs Billed 93%

FS #1  
 Original contract SFE's: 500  
 Contract amend. 125 SFE's: 125  
 Total SFE's available: 625  
 Total SFE's remaining: 14  
 GPD Per Connection: 157  
 Percentage of Contract: 38%

Notes:

	Penalty	Tap Fee	Sewer	Water	NFBWA	TCEQ	Misc.	Deposit	TOTAL
REVENUE:	\$1,565.38	\$0.00	\$23,386.79	\$21,572.35	\$19,572.23	\$0.00	\$576.62	\$837.26	\$67,510.63

### WASTEWATER TREATMENT PLANT

T.C.E.Q. Permit Number: TX0102385  
 Permit expiration date: January, 2024

### February, 2022

	February, 2022	Permitted	Measured by:
Average daily flow	251,893	Permitted Daily Flow	675,000 gal.per day
Average CBOD	2.74	Permitted CBOD	10 lbs/day
Average Total Suspended Solids	1.46	Permitted T.S.S.	15 mg/l
Average Ammonia Nitrogen	0.0516	Permitted Ammonia Nitrogen	3 mg/l
Average PH	7.21	Permitted PH	6.00 - 9.00 STD UNIT
Average Dissolved Oxygen	8.1	Permitted Dissolved Oxygen	4.0 mg/l
E. coli	1.00	Permitted E. coli	126.0 mpn/100 ml
Total Rainfall	2.00"		
Average daily flow - FS #1	93,579		
FS #1 Flow	14%		
Arcola Flow	23%		

Sewer Treatment plant is currently operating at 37% of the permitted capacity

### Sewer Treatment Plant/Lift Station - Notes

# City of Arcola Sewage Treatment Plant

Date	Flow Reading	Total Gallons x1000	2hr Peak	CL <sub>2</sub> Res.	Mag. Res.	Final CL <sub>2</sub>	Sample Temp	%Solids SV - 30	Sludge Blanket	Waste Time	Bleach Total Used	Rainfall (Inches)
1/31/2022	33550		40	2	0.12		3			40	20	0.25
2/1/2022	34151	601	60	2.6	0.1	2.5	3	30	5	45	20	2
2/2/2022	34765	614	55	2.4	0.11	2.29	3			40	20	0
2/3/2022	35281	516	58	2.1	0.12	1.98	3	30	5	45	20	0
2/4/2022	35818	537	59	2.2	0.1	2.1	3			10	20	0
2/5/2022	36222	404	55	2	0.11	1.89	3			10	20	0
2/6/2022	36563	341	41	2.1	0.12	1.98	3			40	20	0
2/7/2022	36893	330	35	2.9	0.13	2.77	3			40	20	0
2/8/2022	37112	219	31	2.8	0.1	2.7	3	30	5	45	20	0
2/9/2022	37342	230	45	2.9	0.11	2.79	3			40	20	0
2/10/2022	37545	203	32	2.7	0.09	2.61	3	25	5	10	20	0
2/11/2022	37711	166	35	2.6	0.12	2.48	3			45	20	0
2/12/2022	37861	150	30	2.9	0.1	2.8	3			20	20	0
2/13/2022	38066	205	33	2.8	0.11	2.69	3			10	20	0
2/14/2022	38298	232	34	2.7	0.1	2.6	3			10	20	0
2/15/2022	38463	165	30	2.6	0.12	2.48	3	30	5	40	20	0
2/16/2022	38632	169	45	2.5	0.1	2.4	3			45	20	0
2/17/2022	38804	172	35	2.4	0.09	2.31	3	28	5	50	20	0
2/18/2022	38906	102	30	2.1	0.11	1.99	3			0	20	0
2/19/2022	39060	154	35	2.3	0.12	2.18	3			40	20	0
2/20/2022	39213	153	32	2.1	0.1	2	3			20	20	0
2/21/2022	39370	157	35	2.4	0.11	2.29	3			10	20	0
2/22/2022	39529	159	33	2.6	0.1	2.5	3.1	30	5	10	20	0
2/23/2022	39714	185	35	2.5	0.12	2.38	3.1			45	20	0
2/24/2022	39896	182	32	3.5	0.11	3.39	3.1	29	5	50	20	0
2/25/2022	40076	180	30	3.1	0.13	2.97	3.1			10	20	0
2/26/2022	40224	148	35	3.4	0.12	3.28	3.1			25	20	0
2/27/2022	40390	166	30	3.1	0.1	3	3.1			40	20	0
2/28/2022	40603	213	31	3	0.11	2.89	3.1			20	20	0

	Permit	Monthly Data										
Total Flow Gallons		7,053,000		Min. Cl <sub>2</sub>	1.89			Total CL <sub>2</sub> :	580			
Daily Average	675,000	251,893	37%	Max. Cl <sub>2</sub>	3.39			Total Daily Avg	20			
Daily Peak Flow		614,000	2/2/2022					CL <sub>2</sub> :				
2 Hour Peak in GPM	1389	625	45%					Total Rainfall:	2.00			

Supervising Operator: James Durgens

Supervisor Signatur: \_\_\_\_\_

Supervisor License #: WW0061603 (B)

Date: \_\_\_\_\_



Edit DMR

Collapse Header

**Permit**

**Permit ID:** TX0102385

**Permittee:** ARCOLA, CITY OF

**Facility:** CITY OF ARCOLA WWTP

**Permitted Feature:** 001 - External Outfall

**Report Dates & Status**

**Monitoring Period:** From 02/01/22 to 02/28/22

**Status:** **NetDMR Validated**

**Principal Executive Officer**

**First Name:**

**Title:**

**No Data Indicator (NODI)**

**Form NODI:**

**Major:** ☐

**Permittee Address:** 13222 HWY 6

**Facility Location:** ARCOLA, TX 77583  
5925 FM 521  
ARCOLA, TX 77583

**Discharge:** A - DOMESTIC FACILITY - 001


**DMR Due Date:** 03/20/22

**Last Name:**

**Telephone:**

Parameter		NODI	Quantity or Loading			Quality or Concentration				# of Ex.	Freq. of Analysis	Smpl. Type
Code	Name		Value 1	Value 2	Units	Value 1	Value 2	Value 3	Units			
00300	Oxygen, dissolved [DO]	Smpl.				= 8.1			mg/L	0	01/07	GR
1 - Effluent Gross												
Season: 0		Req.				>=4.0 Monthly Minimum			Milligrams per Liter		Weekly	GRAB
NODI:		NODI										
00400	pH	Smpl.				= 7.21		= 7.66	SU	0	01/07	GR
1 - Effluent Gross												
Season: 0		Req.				>=6.0 Minimum		<=9.0 Maximum	Standard Units		Twice Per Month	GRAB
NODI:		NODI										
00530	Solids, total suspended	Smpl.	< 2.89		lb/d		< 1.46	= 1.79	mg/L	0	01/07	CS
1 - Effluent Gross												
Season: 0		Req.	<=84.0 Daily Average		Pounds per Day		<=15.0 Daily Average	<=40.0 Daily Maximum	Milligrams per Liter		Weekly	COMPOS
NODI:		NODI										
00610	Nitrogen, ammonia total [as N]	Smpl.	< 0.104		lb/d		< 0.0516	= 0.0563	mg/L	0	01/07	CS
1 - Effluent Gross												

Page 55

Parameter		NODI	Quantity or Loading			Quality or Concentration				# of Ex.	Freq. of Analysis	Smpl. Type
Code 	Name		Value 1	Value 2	Units	Value 1	Value 2	Value 3	Units			
Season: 0		Req.	<=17.0 Daily Average		Pounds per Day		<=3.0 Daily Average	<=10.0 Daily Maximum	Milligrams per Liter		Weekly	COMPOS
NODI: <div></div>		NODI	<div></div>				<div></div>	<div></div>				
50050	Flow, in conduit or thru treatment plant	Smpl.	<div>=</div> <div>0.251893</div>		<div>=</div> <div>0.614</div>	<div>MGD</div> <div></div>				<div>0</div>	<div>99/99</div> <div></div>	<div>TM</div> <div></div>
1 - Effluent Gross												
Season: 0		Req.	<=0.675 Daily Average		Req Mon Daily Maximum	Million Gallons per Day					Continuous	TOTALZ
NODI: <div></div>		NODI	<div></div>		<div></div>							
50060	Chlorine, total residual	Smpl.				<div>=</div> <div>1.89</div>		<div>=</div> <div>3.39</div>	<div>mg/L</div> <div></div>	<div>0</div>	<div>01/01</div> <div></div>	<div>GR</div> <div></div>
1 - Effluent Gross												
Season: 0		Req.				>=1.0 Monthly Minimum		<=4.0 Monthly Maximum	Milligrams per Liter		Daily	GRAB
NODI: <div></div>		NODI				<div></div>		<div></div>				
51040	E. coli	Smpl.					<div>&lt;</div> <div>1.0</div>	<div>&lt;</div> <div>1.0</div>	<div>MPN/100mL</div> <div></div>	<div>0</div>	<div>02/30</div> <div></div>	<div>GR</div> <div></div>
1 - Effluent Gross												
Season: 0		Req.					<=126.0 Daily Average	<=399.0 Daily Maximum	Most Probable Number (MPN) per 100ml		Twice Per Month	GRAB
NODI: <div></div>		NODI					<div></div>	<div></div>				
70295	Solids, total dissolved	Smpl.	<div>=</div> <div>1220.0</div>		<div>lb/d</div> <div></div>		<div>=</div> <div>691.0</div>	<div>=</div> <div>846.0</div>	<div>mg/L</div> <div></div>	<div>0</div>	<div>01/07</div> <div></div>	<div>CS</div> <div></div>
1 - Effluent Gross												
Season: 0		Req.	Req Mon Daily Average		Pounds per Day		Req Mon Daily Average	Req Mon Daily Maximum	Milligrams per Liter		Weekly	COMPOS
NODI: <div></div>		NODI	<div></div>				<div></div>	<div></div>				
80082	BOD, carbonaceous [5 day, 20 C]	Smpl.	<div>=</div> <div>5.33</div>		<div>lb/d</div> <div></div>		<div>=</div> <div>2.74</div>	<div>=</div> <div>3.35</div>	<div>mg/L</div> <div></div>	<div>0</div>	<div>01/07</div> <div></div>	<div>CS</div> <div></div>
1 - Effluent Gross												
Season: 0		Req.	<=56.0 Daily Average		Pounds per Day		<=10.0 Daily Average	<=25.0 Daily Maximum	Milligrams per Liter		Weekly	COMPOS
NODI: <div></div>		NODI	<div></div>				<div></div>	<div></div>				

Edit Check Errors

No results.

DMR Comments

INTERIN II PHASE EFFECTIVE NOVEMBER 11, 2019 AND LASTING THROUTH COMPLETION OF EXPANSION TO THE 0.95 MGD FACILITY.

Comments

Attachments

No results.

Report Last Saved By





27316 Spectrum Way  
Oak Ridge, TX 77385  
Phone: (281) 367-5511  
Fax: (281) 367-5517

1825 N Mason Rd  
Katy, TX 77449  
Phone: (281) 347-8686

City of Arcola  
Bookkeeper Invoice Log (SP)

March 2022

Invoice Date	Invoice #	Vendor	Service/Mdse.	Used At	Invoice Total
1/6/2022	41634	Chlorinator Maintenance	Repairs/Maintenance	SP	\$ 495.94
3/8/2022	2201354	NWDLS	Lab Fees	SP	\$ 756.00
3/18/2022	226832	BMI	Sludge Haul	SP	\$ 5,684.25
4/1/2022	IN-10276	Municipal Operations & Consulting, Inc.	Wastewater Operations	SP	\$ 4,035.35

CHLORINATOR MAINT.CO.,INC.

RECEIVED

By Brittany at 1:43 pm, 3/18/22

# INVOICE

P. O. Box 1313  
PASADENA, TEXAS 77501  
phone (713) 472-1201  
fax (713) 472-7717

DATE INVOICE #  
1/6/2022 41634

**BILL TO**

Municipal Operations Co.  
P. O. Box 1689  
Accounts Payable  
Spring, Texas 77383

**SHIP TO**

City of Arcola  
Keith 936-217-0418 1/5/22

P.O. NO.	TERMS	SHIP VIA	PLUS TAX	TAX EXEMPT	TAXES DIRECT
66122	Net 30	Our service		yes	
QTY	ITEM	DESCRIPTION	PRICE	AMOUNT	
		Travel, parts and labor to fix leak, tank is now empty			
1	2" unions	2" unions socket	25.00		25.00
1	1/2X2	1/2x2" reducer bushing xocket xsocket	11.50		11.50
1	1/2" BALL VAL	PVC BALL VALVE	80.00		80.00
		Total Parts116.60			
4	LABOR	LABOR	85.00		340.00
68	MILEAGE	MILEAGE	0.58		39.44
		Total Parts, labor and mileage 495.94			
		Tax Exempt			
		Thanks for the Order			

It's been a pleasure working with you!

**Total**

\$495.94



North Water District Laboratory Services, Inc.  
130 South Trade Center Parkway  
Conroe, TX 77385



## INVOICE

Date	Invoice No.
03/08/2022	2201354-Municipal Operations and Consulting

**PO Number:**  
**Terms:** 30.00  
**Remit Due Date:** 03/03/2022  
**Page:** Page 1 of 1

**Invoice To:** Accounts Payable  
Municipal Operations and Consulting  
27316 Spectrum Way  
Oak Ridge, TX 77385

### Samples Received from: 02/03/2022 through 02/25/2022

**Project:** City of Arcola - Non Potable - Weekly Thurs, City of Arcola - Non Potable - Bi Monthly 1, City of Arcola - Non Potable - Weekly - Fri, City of Arcola - Non Potable - Bi Monthly 2, City of Arcola - Fees  
**Project Manager:** Deena Higginbotham  
**Project Number:** 387  
**Work Order(s):** 22B0210, 22B0211, 22B0212, 22B0213, 22B1277, 22B2266, 22B3081, 22B3790, 22B4207

Analysis/Description	Matrix	Qty	Unit Cost	Extended Cost
CBOD-5210	Aqueous	4	\$26.00	\$104.00
DMR Flows	Aqueous	4	\$0.00	\$0.00
DO Field	Aqueous	4	\$10.00	\$40.00
MLSS-2540	Aqueous	2	\$22.00	\$44.00
NELAP Admin Fee	Aqueous	1	\$15.00	\$15.00
netDMR EDD Upload and Final Report	Aqueous	1	\$25.00	\$25.00
NH3-N SEAL-350.1	Aqueous	4	\$22.00	\$88.00
pH Field	Aqueous	4	\$10.00	\$40.00
TC EC-9223	Aqueous	2	\$50.00	\$100.00
TDS-160.1	Aqueous	4	\$22.00	\$88.00
TSS-2540	Aqueous	4	\$22.00	\$88.00
VSS-160.4	Aqueous	2	\$22.00	\$44.00
Weekday Collection	Aqueous	4	\$20.00	\$80.00

**Invoice Total: \$756.00**

**Thank you for being our customer! Don't forget, NWDLS is accredited to do bio-monitoring.**

**Remit To:** Accounts Receivable  
North Water District Laboratory Services, Inc.  
130 South Trade Center Parkway  
Conroe, TX 77385  
Tel: 936 321 6060

**Thank you for being our customer! Don't forget, NWDLS is accredited to do bio-monitoring.**



BMI - Biosolids Management  
a division of K-3 Resources, LP  
P.O. Box 2236  
Alvin, TX 77512

# Invoice

DATE	INVOICE NO.
3/18/2022	226832

(281) 375-5778

BILL TO
Municipal Operations & Consulting City of Arcola P.O. Box 1689 Spring, TX 77383-1689

SEND PAYMENT TO
K-3 Resources, LP P.O. Box 2236 Alvin, Texas 77512

		P.O. NO.	TERMS	PLANT	
			Net 30	ARCOLA	
Date	Manifest	Description	QTY/HRS	Rate	Amount
3/8/2022	288102	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
3/9/2022	288103	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	288104	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	288106	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	289277	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	288754	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	288755	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	288756	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	289276	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	289278	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
	289279	Liquid Haul - Lime Stabilized	6,500	0.075	487.50
		Due to the rapidly increasing price of fuel that started in mid February and continues to rise we have instituted a fuel surcharge. We will monitor fuel prices and will adjust the charge up or down depending on the market. When prices return to early 2022 levels we will remove the charge.	5,362.5	0.06	321.75
		Fuel surcharge at 6% EMAILED LL 3/18/22			
			Total	\$5,684.25	

**Wastewater Plant**

01/31	5925 FM 521	Cleaned and pulled rags from air basins.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
01/31	5925 FM 521	Met with contractor at facility regarding clarifier rake.	Supervisor	1.5	\$ 50.00	\$ 75.00	
			Utility Truck	1.5	\$ 22.00	\$ 33.00	\$ 108.00
02/01	5925 FM 521	Generator running test and checked fuel levels.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
02/03	5925 FM 521	Cleaned contact chamber.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
02/04	5925 FM 521	Swept and cleaned facility.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00

Date	Service Location	Work Description	Material/Labor Cost				Job Total
			Labor/Equip	Qty	Rate	Amount	
02/04	5925 FM 521	Cleaned clarifier #1.	Skilled Laborer	1.5	\$ 30.00	\$ 45.00	
			Utility Truck	1.5	\$ 22.00	\$ 33.00	\$ 78.00
02/04	5925 FM 521	Checked facility due to over night freeze.	Supervisor	2.0	\$ 50.00	\$ 100.00	
			Utility Truck	2.0	\$ 22.00	\$ 44.00	\$ 144.00
02/07	5925 FM 521	Performed hazard assessment for confined spaces. Cataloged, surveyed, inventoried and posted signage as needed.	Compliance Level II	0.5	\$ 65.00	\$ 32.50	
			Utility Truck Materials	0.5	\$ 22.00	\$ 11.00 \$ 12.85	\$ 56.35
02/08	5925 FM 521	Generator running test and checked fuel levels.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
02/09	5925 FM 521	Purchased materials for facility use; battery pack.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck Materials	0.5	\$ 22.00	\$ 11.00 \$ 11.77	\$ 42.77
02/09	5925 FM 521	Performed preventative maintenance oil change on generator.	Skilled Laborer	4.0	\$ 30.00	\$ 120.00	
			Utility Truck Materials	4.0	\$ 22.00	\$ 88.00 \$ 220.00	\$ 428.00
02/09	5925 FM 521	Disposed of oil and containers from oil change and recycled oil filter.	Skilled Laborer	2.0	\$ 30.00	\$ 60.00	
			Utility Truck	2.0	\$ 22.00	\$ 44.00	\$ 104.00
02/10	5925 FM 521	Cleaned and pulled rags from air basins.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
02/11	5925 FM 521	Lubrication maintenance on plant equipment. (2/07, 2/11)	Skilled Laborer	18.0	\$ 30.00	\$ 540.00	
			Supervisor	8.0	\$ 50.00	\$ 400.00	
			Utility Truck Materials	26.0	\$ 22.00	\$ 572.00 \$ 318.23	\$ 1,830.23
02/11	5925 FM 521	Swept and cleaned facility.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00

Date	Service Location	Work Description	Material/Labor Cost				Job Total
			Labor/Equip	Qty	Rate	Amount	
02/11	5925 FM 521	Performed preventative maintenance inspection on clarifier gear drives. Drained off any condensation and verified sprayers in the stilling well are not spraying at the lower gear drive.	Electrical Technician	1.0	\$ 60.00	\$ 60.00	
			1-Ton Utility Truck	1.0	\$ 35.00	\$ 35.00	\$ 95.00
02/15	5925 FM 521	Generator running test and checked fuel levels.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
02/17	5925 FM 521	Cleaned contact chamber.	Skilled Laborer-OT	1.0	\$ 45.00	\$ 45.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 67.00
02/17	5925 FM 521	Pulled rags out of aeration base.	Skilled Laborer	1.0	\$ 30.00	\$ 30.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 52.00
02/21	5925 FM 521	Disposed of rags and cleaned contact chamber.	Skilled Laborer	1.5	\$ 30.00	\$ 45.00	
			Utility Truck	1.5	\$ 22.00	\$ 33.00	\$ 78.00
02/22	5925 FM 521	Cleaned clarifier #1.	Skilled Laborer	1.0	\$ 30.00	\$ 30.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 52.00
02/22	5925 FM 521	Responded to auto dialer call out for generator running; upon arrival no issued found and reset auto dialer.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
02/23	5925 FM 521	Maintenance blowers and checked oil levels.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
02/25	5925 FM 521	Swept and cleaned facility.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
02/25	5925 FM 521	Cleaned clarifier tank #1.	Foreman	1.5	\$ 40.00	\$ 60.00	
			Utility Truck	1.5	\$ 22.00	\$ 33.00	\$ 93.00
02/28	5925 FM 521	Pulled rags from stilling well #1.	Foreman	1.5	\$ 40.00	\$ 60.00	
			Utility Truck	1.5	\$ 22.00	\$ 33.00	\$ 93.00

Date	Service Location	Work Description	Material/Labor Cost				Job Total
			Labor/Equip	Qty	Rate	Amount	
03/01	5925 FM 521	Monthly auto dialer service.	Rate	1.0	\$ 32.00	\$ 32.00	\$ 32.00
03/01	5925 FM 521	Generator running test and checked fuel levels.	Foreman	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
03/02	5925 FM 521	Cleaned and pulled rags from air basins.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
03/03	5925 FM 521	Maintenance blowers and checked oil levels.	Foreman	1.0	\$ 40.00	\$ 40.00	
			Utility Truck	1.0	\$ 22.00	\$ 22.00	\$ 62.00
03/18	5925 FM 521	Scheduled contractor for repairs to chlorine tank.	Plant Operator Level III	0.5	\$ 40.00	\$ 20.00	
			Utility Truck	0.5	\$ 22.00	\$ 11.00	\$ 31.00
		<b>Total Wastewater Plant</b>					<b>\$4,035.35</b>



**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

**FORT BEND COUNTY, TEXAS**

**ANNUAL FINANCIAL REPORT**

**DECEMBER 31, 2021**



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**INDEPENDENT AUDITOR'S REPORT**

Board of Supervisors  
Fort Bend County Fresh Water  
Supply District No. 1  
Fort Bend County, Texas

**Opinions**

We have audited the accompanying financial statements of the governmental activities and each major fund of Fort Bend County Fresh Water Supply District No. 1 (the "District") as of and for the year ended December 31, 2021, 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, 2021, 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 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.





### **Other 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 PLLC  
Certified Public Accountants  
Houston, Texas

April 21, 2022



# **FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **FOR THE YEAR ENDED DECEMBER 31, 2021**

Management's discussion and analysis of Fort Bend County Fresh Water Supply District No. 1's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2021. 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 all of the District's assets, liabilities, and 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 as a whole 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 three governmental fund types. The General Fund accounts for resources not accounted for in another fund, customer service revenues, operating costs and general expenditures. 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.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**FUND FINANCIAL STATEMENTS (Continued)**

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 the 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"). A budgetary comparison schedule is included as RSI for the General 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 \$20,322,204 as of December 31, 2021. A portion of the District's net position reflects its net investment in capital assets (water and wastewater facilities less any debt used to acquire those assets that is still outstanding). The following is a comparative analysis of government-wide changes in net position:

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Summary of Changes in the Statement of Net Position			
	2021	2020	Change Positive (Negative)
Current and Other Assets	\$ 17,203,237	\$ 17,402,343	\$ (199,106)
Capital Assets (Net of Accumulated Depreciation)	33,828,183	32,246,466	1,581,717
Total Assets	\$ 51,031,420	\$ 49,648,809	\$ 1,382,611
Deferred Outflows of Resources	\$ 290,613	\$ 307,683	\$ (17,070)
Bonds Payable	\$ 25,588,540	\$ 26,839,080	\$ 1,250,540
Other Liabilities	1,060,154	924,384	(135,770)
Total Liabilities	\$ 26,648,694	\$ 27,763,464	\$ 1,114,770
Deferred Inflows of Resources	\$ 4,351,134	\$ 4,281,228	\$ (69,906)
Net Position:			
Net Investment in Capital Assets	\$ 10,279,173	\$ 9,548,736	\$ 730,437
Restricted	2,668,288	2,222,670	445,618
Unrestricted	7,374,743	6,140,394	1,234,349
Total Net Position	\$ 20,322,204	\$ 17,911,800	\$ 2,410,404

The following table provides a summary of the District's operations for the years ending December 31, 2021, and 2020. The District's net position increased by \$2,410,405.

Summary of Changes in the Statement of Activities			
	2021	2020	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 4,258,508	\$ 3,664,093	\$ 594,415
Service Revenues	1,829,664	1,872,102	(42,438)
Other Revenues	132,974	166,321	(33,347)
Total Revenues	\$ 6,221,146	\$ 5,702,516	\$ 518,630
Expenses for Services	3,810,741	4,157,900	347,159
Change in Net Position	\$ 2,410,405	\$ 1,544,616	\$ 865,789
Net Position, Beginning of Year	17,911,800	16,367,184	1,544,616
Net Position, End of Year	\$ 20,322,205	\$ 17,911,800	\$ 2,410,405

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

The District's combined fund balances as of December 31, 2021, were \$11,174,147, a decrease of \$430,744 from the prior year.

The General Fund fund balance increased by \$1,225,222 primarily due to maintenance tax revenues and service revenues exceeding operating costs and capital outlay.

The Debt Service Fund fund balance increased by \$428,784, primarily due to the structure of the District's outstanding debt.

The Capital Projects Fund fund balance decreased by \$2,084,750, primarily due to capital costs paid from the proceeds of bonds issued in a prior year.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Board of Supervisors adopted an unappropriated budget for the current fiscal year. Actual revenues were \$259,086 more than budgeted revenues. Actual expenditures were \$189,409 more than budgeted expenditures. See the budget to actual comparison for more information.

**CAPITAL ASSETS**

Capital assets as of December 31, 2021, total \$33,828,183, and include land, construction in progress, and the water and wastewater facilities. The District used bond proceeds received in prior years and other available funds to pay for new construction and rehabilitation of existing District water and wastewater infrastructure.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2021	2020	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 7,000	\$ 7,000	\$
Construction in Progress	2,549,641	503,495	2,046,146
Capital Assets, Net of Accumulated Depreciation:			
Water System	18,434,424	18,959,038	(524,614)
Wastewater System	12,837,118	12,776,933	60,185
Total Net Capital Assets	<u>\$ 33,828,183</u>	<u>\$ 32,246,466</u>	<u>\$ 1,581,717</u>

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

**LONG-TERM DEBT**

As of December 31, 2021, the District had total bond debt payable of \$25,260,000. The changes in the debt position of the District during the fiscal year ended December 31, 2021, are summarized as follows:

Bond Debt Payable, January 1, 2021	\$ 26,495,000
Less: Bond Principal Paid/Refunded	<u>1,235,000</u>
Bond Debt Payable, December 31, 2021	<u>\$ 25,260,000</u>

The Series 2016 Bonds and Series 2017 Bonds carry insured ratings of “AA” from Standard and Poor’s by virtue of bond insurance issued by Build America Mutual Assurance Company and Assured Guaranty Municipal Corp., respectively. The Series 2020 Refunding Bonds carry an insured rating of “AA/A2” by virtue of bond insurance issued by Assured Guaranty Municipal Corp. The underlying ratings assigned to the Series 2016 Bonds, Series 2017 Bonds, and Series 2020 Refunding Bonds are “Baa1”. The District’s other bonds were non-rated and uninsured for the current and prior years.

**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 Fresh Water Supply District No. 1, c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP, 1980 Post Oak Boulevard, Suite 1380, Houston, TX 77056.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2021**

	General Fund	Debt Service Fund
<b>ASSETS</b>		
Cash	\$ 535,742	\$ 288,884
Investments	6,391,235	2,859,048
Receivables:		
Property Taxes	1,735,078	2,483,736
Penalty and Interest on Delinquent Taxes		
Service Accounts Receivable	299,682	
Accrued Interest	4,981	2,854
Other	6,000	
Prepaid Costs		
Due from Other Funds	337,993	
Due from Other Governmental Units	166,548	
Land		
Construction in Progress		
Capital Assets (Net of Accumulated Depreciation)		
<b>TOTAL ASSETS</b>	<u>\$ 9,477,259</u>	<u>\$ 5,634,522</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charges on Refunding Bonds	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>\$ 9,477,259</u></u>	<u><u>\$ 5,634,522</u></u>

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



Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 202,263	\$ 1,026,889	\$	\$ 1,026,889
1,889,348	11,139,631		11,139,631
	4,218,814		4,218,814
		262,002	262,002
	299,682		299,682
	7,835		7,835
	6,000		6,000
		75,836	75,836
	337,993	(337,993)	
	166,548		166,548
		7,000	7,000
		2,549,641	2,549,641
		31,271,542	31,271,542
<u>\$ 2,091,611</u>	<u>\$ 17,203,392</u>	<u>\$ 33,828,028</u>	<u>\$ 51,031,420</u>
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 290,613</u>	<u>\$ 290,613</u>
<u>\$ 2,091,611</u>	<u>\$ 17,203,392</u>	<u>\$ 34,118,641</u>	<u>\$ 51,322,033</u>

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

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**STATEMENT OF NET POSITION AND**  
**GOVERNMENTAL FUNDS BALANCE SHEET**  
**DECEMBER 31, 2021**

	General Fund	Debt Service Fund
<b>LIABILITIES</b>		
Accounts Payable	\$ 243,090	\$
Accrued Interest Payable		
Due to Other Governmental Units	20,306	
Due to Other Funds		337,993
Security Deposits	130,991	
Long-Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
<b>TOTAL LIABILITIES</b>	<u>\$ 394,387</u>	<u>\$ 337,993</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	<u>\$ 2,036,574</u>	<u>\$ 2,917,597</u>
<b>FUND BALANCES</b>		
Restricted for Authorized Construction	\$	\$
Restricted for Debt Service		2,378,932
Unassigned	<u>7,046,298</u>	
<b>TOTAL FUND BALANCES</b>	<u>\$ 7,046,298</u>	<u>\$ 2,378,932</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u><u>\$ 9,477,259</u></u>	<u><u>\$ 5,634,522</u></u>
<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.

Capital Projects Fund	Total	Adjustments	Statement of Net Position
\$ 342,694	\$ 585,784	\$ 323,073	\$ 585,784
	20,306		323,073
	337,993	(337,993)	20,306
	130,991		130,991
		1,270,000	1,270,000
		24,318,540	24,318,540
<u>\$ 342,694</u>	<u>\$ 1,075,074</u>	<u>\$ 25,573,620</u>	<u>\$ 26,648,694</u>
<u>\$ - 0 -</u>	<u>\$ 4,954,171</u>	<u>\$ (603,037)</u>	<u>\$ 4,351,134</u>
\$ 1,748,917	\$ 1,748,917	\$ (1,748,917)	\$
	2,378,932	(2,378,932)	
	7,046,298	(7,046,298)	
<u>\$ 1,748,917</u>	<u>\$ 11,174,147</u>	<u>\$ (11,174,147)</u>	<u>\$ - 0 -</u>
<u>\$ 2,091,611</u>	<u>\$ 17,203,392</u>		
		\$ 10,279,173	\$ 10,279,173
		2,668,288	2,668,288
		7,374,743	7,374,743
		<u>\$ 20,322,204</u>	<u>\$ 20,322,204</u>

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

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**BALANCE SHEET TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2021**

Total Fund Balances - Governmental Funds	\$ 11,174,147
--	---------------

Amounts reported for governmental activities in the Statement of Net Position are different because:

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. Also, prepaid bond insurance is amortized over the life of the bonds.	366,449
--	---------

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.	33,828,183
--	------------

Deferred inflows of resources related to property tax revenues and penalty and interest receivable on delinquent taxes for the 2020 and prior tax levies became part of recognized revenue in the governmental activities of the District.	865,039
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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	\$ (323,073)	
Bonds Payable	<u>(25,588,540)</u>	<u>(25,911,613)</u>
Total Net Position - Governmental Activities		<u>\$ 20,322,205</u>

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

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**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF**  
**REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Debt Service Fund
<b>REVENUES</b>		
Property Taxes	\$ 1,732,622	\$ 2,475,475
Water Revenues	546,138	
Wastewater Revenues	218,437	
Water Authority Fees	458,273	
Shared Facilities Revenues	124,231	
Tap Connection and Inspection Fees	280,327	
Penalty and Interest	154,236	80,738
Investment and Miscellaneous Revenues	122,898	8,958
<b>TOTAL REVENUES</b>	<u>\$ 3,637,162</u>	<u>\$ 2,565,171</u>
<b>EXPENDITURES/EXPENSES</b>		
Service Operations:		
Professional Fees	\$ 581,178	\$
Contracted Services	170,583	5,189
Purchased Sewer Service	114,667	
Utilities	43,940	
Repairs and Maintenance	214,163	
Purchased Water and Pumpage Fees	635,590	
Depreciation		
Other	226,397	218
Capital Outlay	425,422	
Debt Service:		
Bond Principal		1,235,000
Bond Interest		895,980
<b>TOTAL EXPENDITURES/EXPENSES</b>	<u>\$ 2,411,940</u>	<u>\$ 2,136,387</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 1,225,222</u>	<u>\$ 428,784</u>
<b>CHANGE IN NET POSITION</b>		
<b>FUND BALANCES/NET POSITION - JANUARY 1, 2021</b>	<u>5,821,076</u>	<u>1,950,148</u>
<b>FUND BALANCES/NET POSITION - DECEMBER 31, 2021</b>	<u>\$ 7,046,298</u>	<u>\$ 2,378,932</u>

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

Capital Projects Fund	Total	Adjustments	Statement of Activities
\$	\$ 4,208,097	\$ 50,411	\$ 4,258,508
	546,138		546,138
	218,437		218,437
	458,273		458,273
	124,231		124,231
	280,327		280,327
	234,974	(32,716)	202,258
1,118	132,974		132,974
<u>\$ 1,118</u>	<u>\$ 6,203,451</u>	<u>\$ 17,695</u>	<u>\$ 6,221,146</u>
\$	\$ 581,178	\$	\$ 581,178
	175,772		175,772
	114,667		114,667
	43,940		43,940
	214,163		214,163
	635,590		635,590
		929,426	929,426
147	226,762		226,762
2,085,721	2,511,143	(2,511,143)	
	1,235,000	(1,235,000)	
	895,980	(6,737)	889,243
<u>\$ 2,085,868</u>	<u>\$ 6,634,195</u>	<u>\$ (2,823,454)</u>	<u>\$ 3,810,741</u>
\$ (2,084,750)	\$ (430,744)	\$ 430,744	\$
		2,410,405	2,410,405
3,833,667	11,604,891	6,306,909	17,911,800
<u>\$ 1,748,917</u>	<u>\$ 11,174,147</u>	<u>\$ 9,148,058</u>	<u>\$ 20,322,205</u>

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

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
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, 2021**

Net Change in Fund Balances - Governmental Funds	\$ (430,744)
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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.	50,411
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Governmental funds report penalty and interest revenues on property taxes when collected. However, in the Statement of Activities, revenues are recorded when penalty and interest are assessed.	(32,716)
--	----------

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.	(929,426)
--	-----------

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.	2,511,143
---	-----------

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.	1,235,000
---	-----------

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.	6,737
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Change in Net Position - Governmental Activities	<u>\$ 2,410,405</u>
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The accompanying notes to the financial  
statements are an integral part of this report.



**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 1. CREATION OF DISTRICT**

Fort Bend County Fresh Water Supply District No. 1 of Fort Bend County, Texas (the “District”) was created as a political subdivision of the State of Texas pursuant to an order of the Fort Bend County Commissioner’s Court dated January 18, 1997, and operates in accordance with Article XVI, Section 59 of the Texas Constitution and the Texas Water Code, Chapters 49 and 53. The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply of water and the collection, transportation and treatment of wastewater. In addition, the District is empowered, if approved by the electorate, the Texas Commission on Environmental Quality and other governmental entities having jurisdiction, to establish, operate and maintain a fire department, either independently or jointly with certain other districts. The Board of Supervisors held its first meeting on February 11, 1997 and sold its first bonds on October 2, 2006. The District is subject to the continuing supervision of the Texas Commission on Environmental Quality.

**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 or not 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.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”). The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities.

It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

Financial Statement Presentation (Continued)

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

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

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The 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.

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

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

Governmental Funds

The District has three 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, operating costs and general expenditures.

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.

Deferred inflows of resources related to property tax revenues are those taxes which the District does not expect to be collected soon enough in the subsequent period to finance current expenditures. Property taxes considered available by the District and included in revenue include the 2020 tax levy collections during the period of October 1, 2020 to December 31, 2021, and taxes collected from January 1, 2021 to December 31, 2021, for the 2019 and prior tax levies. The 2021 tax levy has been fully deferred to meet the operating expenditures for the 2022 fiscal year.

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. As of December 31, 2021, the District’s Debt Service Fund owed the General Fund \$337,993 for tax collections.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

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 \$5,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are 10 to 45 years for water and wastewater infrastructure.

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Supervisors. The budget is prepared using the same method of accounting as for financial reporting. The original General Fund budget for the current year was not amended. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and amended budgeted amounts compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that supervisors are considered to be “employees” for federal payroll tax 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 assets, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

Measurement Focus (Continued)

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. The District does not have any nonspendable fund balances.

*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 Supervisors. 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 balances and does not have any assigned fund balances.

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

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

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.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 3. LONG-TERM DEBT**

	Series 2006A	Series 2010	
Amount Outstanding – December 31, 2021	\$ 2,460,000	\$ 150,000	
Interest Rates	2.65% - 2.85%	3.75%	
Maturity Dates - Serially Beginning/Ending	August 15, 2022/2027	August 15, 2022	
Interest Payment Dates	February 15/ August 15	February 15/ August 15	
Callable Dates	August 15, 2016*	August 15, 2020*	
	Series 2010A	Series 2015	Series 2016 Refunding
Amount Outstanding – December 31, 2021	\$ 270,000	\$ 6,910,000	\$ 3,680,000
Interest Rates	N/A	2.020% - 4.30%	2.00% - 3.50%
Maturity Dates - Serially Beginning/Ending	August 15, 2022/2030	August 15, 2022/2045	August 15, 2022/2037
Interest Payment Dates	N/A	February 15/ August 15	February 15/ August 15
Callable Dates	N/A	August 15, 2025*	August 15, 2025*
	Series 2017 Refunding	Series 2019	Series 2020 Refunding
Amount Outstanding – December 31, 2021	\$ 5,305,000	\$ 1,675,000	\$ 4,810,000
Interest Rates	3.00% - 4.00%	1.97% - 4.34%	2.00% - 3.125%
Maturity Dates - Serially Beginning/Ending	August 15, 2022/2038	August 15, 2022/2049	August 15, 2022/2039
Interest Payment Dates	February 15/ August 15	February 15/ August 15	February 15/ August 15
Callable Dates	August 15, 2027*	February 15, 2030*	August 15, 2025*

\* Or any interest payment date thereafter, at the option of the District, in whole or in part, at par plus accrued interest to the date fixed for redemption. Series 2016 term bonds due August 15, 2030, August 15, 2033, and August 15, 2037 are subject to mandatory redemption on August 15, 2028, August 15, 2031, and August 15, 2034, respectively. Series 2020 Refunding term bonds due August 15, 2031 are subject to mandatory redemption on August 15, 2029.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

The following is a summary of transactions regarding bonds payable for the year ended December 31, 2021:

	January 1, 2021	Additions	Retirements	December 31, 2021
Bonds Payable	\$ 26,495,000	\$	\$ 1,235,000	\$ 25,260,000
Unamortized Discounts	(130,187)		(11,100)	(119,087)
Unamortized Premiums	474,267		26,640	447,627
Bonds Payable, Net	<u>\$ 26,839,080</u>	<u>\$ -0-</u>	<u>\$ 1,250,540</u>	<u>\$ 25,588,540</u>
			Amount Due Within One Year	\$ 1,270,000
			Amount Due After One Year	<u>24,318,540</u>
			Bonds Payable, Net	<u>\$ 25,588,540</u>

As of December 31, 2021, the debt service requirements on the bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2022	\$ 1,270,000	\$ 861,528	\$ 2,131,528
2023	1,310,000	828,706	2,138,706
2024	1,335,000	793,341	2,128,341
2025	1,375,000	756,676	2,131,676
2026	1,420,000	715,735	2,135,735
2027-2031	5,865,000	2,991,336	8,856,336
2032-2036	6,280,000	1,987,676	8,267,676
2037-2041	4,100,000	873,881	4,973,881
2042-2046	2,030,000	290,471	2,320,471
2047-2049	275,000	24,088	299,088
	<u>\$ 25,260,000</u>	<u>\$ 10,123,438</u>	<u>\$ 35,383,438</u>

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. The District has remaining new money bond authorization of \$82,210,000 and refunding bond authorization of \$173,345,000.

The Series 2006A, Series 2010, Series 2010A, Series 2015, and Series 2019 Bonds are private placement bonds with the Texas Water Development Board. See the Supplementary Information in this document for the future debt service payments due on the private placement bonds.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

During the year ended December 31, 2021, the District levied an ad valorem debt service tax rate of \$0.59 per \$100 of assessed valuation, which resulted in a tax levy of \$2,567,169 on the adjusted taxable valuation of \$434,840,844 for the 2021 tax year. The bond orders 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 the maintenance tax levy.

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 ORDER AND LEGAL REQUIREMENTS**

The bond orders state that the District is required by the Securities and Exchange Commission to provide continuing disclosure of certain general financial information and operating data to certain information 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.

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.

**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 \$6,791,889 and the bank balance was \$6,218,217. The District was not exposed to custodial credit risk as of year-end.



**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

Deposits (Continued)

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position at December 31, 2021, as listed below:

	Cash	Certificates of Deposit	Total
GENERAL FUND	\$ 535,742	\$ 3,845,000	\$ 4,380,742
DEBT SERVICE FUND	288,884	1,920,000	2,208,884
CAPITAL PROJECTS FUND	202,263		202,263
TOTAL DEPOSITS	<u>\$ 1,026,889</u>	<u>\$ 5,765,000</u>	<u>\$ 6,791,889</u>

Investments

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

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District's investment policy may be more restrictive than the Public Funds Investment Act.

The District also invests in Texas Cooperative Liquid Assets Securities System Trust ("Texas CLASS"), an external public funds investment pool that is not SEC-registered. Public Trust Advisors, LLC serves as the pool's administrator and investment advisor. The pool is subject to the general supervision of the Board of Trustees and its Advisory Board. Wells Fargo Bank, N.A. serves as custodian for the pool. Investments held by Texas CLASS are priced to market on a weekly basis. The investments are considered to be 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 Texas CLASS.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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

Investments (Continued)

Certificates of deposit are recorded at acquisition cost. The value of the money market mutual fund is its target price of \$1.00 per share which is priced on a daily basis. As of December 31, 2021, the District had the following investments and maturities:

Fund and Investment Type	Fair Value	Maturities of Less Than 1 Year
<u>GENERAL FUND</u>		
Texas CLASS	\$ 2,546,235	\$ 2,546,235
Certificates of Deposit	3,845,000	3,845,000
<u>DEBT SERVICE FUND</u>		
Texas CLASS	939,048	939,048
Certificates of Deposit	1,920,000	1,920,000
<u>CAPITAL PROJECTS FUND</u>		
Money Market Mutual Fund	1,469,117	1,469,117
Texas CLASS	420,231	420,231
<b>TOTAL INVESTMENTS</b>	<u><b>\$11,139,631</b></u>	<u><b>\$11,139,631</b></u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At December 31, 2021, the District's investments in both Texas CLASS and the money market mutual fund were rated AAAM by Standard and Poor's. The District also manages credit risk by investing in certificates of deposit with balances below FDIC coverage.

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 Texas CLASS and the money market mutual fund to have maturities of less than one year due to the fact the share positions can usually be redeemed each day at the discretion of the District, unless there have been significant changes in values. The District also manages interest rate risk by investing in certificates of deposit with maturities of less than one year.

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 FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2021 is as follows:

	January 1, 2021	Increases	Decreases	December 31, 2021
<b>Capital Assets Not Being Depreciated</b>				
Land and Land Improvements	\$ 7,000	\$	\$	\$ 7,000
Construction in Progress	503,495	2,511,143	464,997	2,549,641
<b>Total Capital Assets Not Being Depreciated</b>	<u>\$ 510,495</u>	<u>\$ 2,511,143</u>	<u>\$ 464,997</u>	<u>\$ 2,556,641</u>
<b>Capital Assets Subject to Depreciation</b>				
Water System	\$ 23,493,517	\$ 84,222	\$	\$ 23,577,739
Wastewater System	13,746,659	380,775		14,127,434
<b>Total Capital Assets Subject to Depreciation</b>	<u>\$ 37,240,176</u>	<u>\$ 464,997</u>	<u>\$ - 0 -</u>	<u>\$ 37,705,173</u>
<b>Less Accumulated Depreciation</b>				
Water System	\$ 4,534,479	\$ 608,836	\$	\$ 5,143,315
Wastewater System	969,726	320,590		1,290,316
<b>Total Accumulated Depreciation</b>	<u>\$ 5,504,205</u>	<u>\$ 929,426</u>	<u>\$ - 0 -</u>	<u>\$ 6,433,631</u>
<b>Total Depreciable Capital Assets, Net of Accumulated Depreciation</b>	<u>\$ 31,735,971</u>	<u>\$ (464,429)</u>	<u>\$ - 0 -</u>	<u>\$ 31,271,542</u>
<b>Total Capital Assets, Net of Accumulated Depreciation</b>	<u><u>\$ 32,246,466</u></u>	<u><u>\$ 2,046,714</u></u>	<u><u>\$ 464,997</u></u>	<u><u>\$ 33,828,183</u></u>

**NOTE 7. MAINTENANCE TAX**

At an election held on November 4, 2014, 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 \$0.50 per \$100 of assessed valuation. The maintenance tax is to be used by the General Fund to pay the expenditures of operating the District's facilities as well as to pay for general and administrative costs. During the year ended December 31, 2021, the District levied an ad valorem maintenance tax rate of \$0.41 per \$100 of assessed valuation, which resulted in a tax levy of \$1,783,965 on the adjusted taxable valuation of \$434,840,844 for the 2021 tax year. The 2021 tax levy has been fully deferred to meet fiscal year 2022 expenditures.

**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. The District participates in the Texas Municipal League Intergovernmental Risk Pool (TML) to provide various types of property and liability insurance coverage. The District, along with other participating entities, contributes annual amounts determined by TML's management. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 9. REGIONAL FACILITIES CONTRACT**

On August 18, 2005, the District entered into a Regional Facilities Contract (Contract) with the City of Arcola (the City) for the provision of water and wastewater service. This contract was most recently amended on January 21, 2021. The Regional Sewer System (RSS), including the initial expansion, is owned and operated by the City. The District pays a portion of those RSS expenses directly attributable to the RSS, plus an administrative overhead fee not to exceed 20% of the District's portion of total RSS expenses. These RSS expenses are prorated based on relative capacity in the RSS. The District also pays a portion of variable RSS expenses based on the ratio of metered flow to the District versus total discharge.

The Contract also provided for the design and construction of the Regional Water System (Water System) to provide water service to both the District and the City. The portion of the Water System upstream of the water point of delivery plus the measuring equipment will be owned and maintained by the District and those portions downstream will be owned and maintained by the City. The contract is in force through September 30, 2053.

**NOTE 10. EMERGENCY WATER SUPPLY AGREEMENT**

On May 23, 2006, the District entered into an Emergency Water Supply Agreement with Fort Bend County Municipal Utility District No. 23 (District No. 23). The District was responsible for all costs associated with construction of such water interconnect facilities to be connected to the District's system. The rates for emergency water service are \$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.

**NOTE 11. NORTH FORT BEND WATER AUTHORITY**

The District has entered into a Groundwater Reduction Plan Participation Agreement with the North Fort Bend Water Authority (the "Authority"). The District pays the Authority a water well pumpage fee based on the amount of water pumped from all well(s) owned and operated by the District. This fee enables the Authority to fulfill its purpose and regulatory functions. The fee charged as of year-end was \$4.25 per 1,000-gallons of water pumped from each well. The District incurred costs of \$625,562 during the current fiscal year in relation to this agreement. The term of this agreement is for 40 years from the effective date of the agreement.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 12. STRATEGIC PARTNERSHIP AGREEMENT**

The District has entered into a Strategic Partnership Agreement (the “SPA”) with the City of Houston (the “City”), effective December 31, 2018. The SPA provides for a “limited purpose annexation” of that portion of the District developed for retail and commercial purposes in order to apply certain City health, safety, planning, and zoning ordinances within the District. Pursuant to the terms of the SPA, certain commercial tracts within the District have been annexed into the City for limited purposes and the City has imposed a one percent sales and use tax (but no property tax) within the areas of limited-purpose annexation and agreed to remit one-half of such sales and use tax to the District to be used for any lawful District purpose. The SPA also provides that the City will not annex the District for “full purposes” for at least 30 years.

**NOTE 13. SUBSEQUENT EVENT – BOND SALE**

On March 17, 2022, subsequent to year end, the District issued \$10,450,000 of Series 2022 Unlimited Tax Bonds. Proceeds from the bonds are being used to expand the City of Arcola wastewater treatment plant, construction of the Gateway Acres Subdivision Wastewater Collection System and the Fresno Ranchos Subdivision Lift Station and Force Main. Additional proceeds were used to pay bond issuance costs.

**NOTE 14. ECONOMIC UNCERTAINTIES**

On March 11, 2020, the World Health Organization declared the COVID-19 virus a global pandemic. Since that time, the District has not experienced any decrease in property values, unusual tax delinquencies, or interruptions to service as a result of COVID-19. The District will continue to carefully monitor the situation and evaluate the financial statement impact, if any, that results from the pandemic.

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**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

**REQUIRED SUPPLEMENTARY INFORMATION**

**DECEMBER 31, 2021**





**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	Original Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 1,659,159	\$ 1,732,622	\$ 73,463
Water Revenues	567,984	546,138	(21,846)
Wastewater Revenues	176,349	218,437	42,088
Water Authority Fees	426,135	458,273	32,138
Shared Facilities Revenues	259,452	124,231	(135,221)
Tap Connection and Inspection Fees	143,944	280,327	136,383
Penalty and Interest	77,691	154,236	76,545
Investment and Miscellaneous Revenues	67,362	122,898	55,536
<b>TOTAL REVENUES</b>	<u>\$ 3,378,076</u>	<u>\$ 3,637,162</u>	<u>\$ 259,086</u>
<b>EXPENDITURES</b>			
Service Operations:			
Professional Fees	\$ 571,840	\$ 581,178	\$ (9,338)
Contracted Services	164,929	170,583	(5,654)
Purchased Sewer Services	113,116	114,667	(1,551)
Utilities	35,464	43,940	(8,476)
Repairs and Maintenance	199,735	214,163	(14,428)
Purchased Water and Pumpage Fees	454,885	635,590	(180,705)
Other	178,312	226,397	(48,085)
Capital Outlay	504,250	425,422	78,828
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,222,531</u>	<u>\$ 2,411,940</u>	<u>\$ (189,409)</u>
<b>NET CHANGE IN FUND BALANCE</b>	\$ 1,155,545	\$ 1,225,222	\$ 69,677
<b>FUND BALANCE - JANUARY 1, 2021</b>	<u>5,821,076</u>	<u>5,821,076</u>	<u></u>
<b>FUND BALANCE - DECEMBER 31, 2021</b>	<u>\$ 6,976,621</u>	<u>\$ 7,046,298</u>	<u>\$ 69,677</u>

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**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**SUPPLEMENTARY INFORMATION – REQUIRED BY THE**  
**WATER DISTRICT FINANCIAL MANAGEMENT GUIDE**  
**DECEMBER 31, 2021**





**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**SERVICES AND RATES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**2. RETAIL SERVICE PROVIDERS (Continued)**

**b. WATER AND WASTEWATER RETAIL CONNECTIONS: (Unaudited)**

<u>Meter Size</u>	<u>Total Connections</u>	<u>Active Connections</u>	<u>ESFC Factor</u>	<u>Active ESFCs</u>
Unmetered			x 1.0	
≤¾"	1,719	1,633	x 1.0	1,633
1"	16	16	x 2.5	40
1½"	5	5	x 5.0	25
2"	9	9	x 8.0	72
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"	8	1	x 80.0	80
10"			x 115.0	
Total Water Connections	1,750	1,664		1,850
Total Wastewater Connections	1,609	1,596	x 1.0	1,596

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

Gallons pumped into system:	146,268,000	Water Accountability Ratio: 89.7% (Gallons billed and sold /Gallons pumped and purchased)
Gallons billed to customers:	101,858,000	
Gallons sold:	32,012,000	To: <u>City of Arcola, Texas</u>
Gallons purchased:	4,200,000	From: <u>Fort Bend County MUD No. 23</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1  
SERVICES AND RATES  
FOR THE YEAR ENDED DECEMBER 31, 2021**

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

Does the District have Debt Service standby fees? Yes ☐ No ☒

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

**5. LOCATION OF DISTRICT:**

Is the District located entirely within one county?

Yes ☒ No ☐

County in which District is located:

Fort Bend County, Texas

Is the District located within a city?

Entirely ☐ Partly ☐ Not at all ☒

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

Entirely ☒ Partly ☐ Not at all ☐

ETJ's in which District is located:

City of Houston, Texas; City of Pearland, Texas

Are Board Members appointed by an office outside the District?

Yes ☐ No ☒

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**GENERAL FUND EXPENDITURES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

PROFESSIONAL FEES:	
Auditing	\$ 20,000
Engineering	370,868
Legal	128,735
Delinquent Tax Attorney	61,575
TOTAL PROFESSIONAL FEES	<u>\$ 581,178</u>
PURCHASED WATER AND PUMPAGE FEES	<u>\$ 635,590</u>
PURCHASED WASTEWATER SERVICE	<u>\$ 114,667</u>
CONTRACTED SERVICES:	
Bookkeeping	\$ 44,899
Operations and Billing	90,864
Tax Collector/Appraisal District	34,820
TOTAL CONTRACTED SERVICES	<u>\$ 170,583</u>
UTILITIES:	
Electricity	\$ 39,996
Telephone	3,944
TOTAL UTILITIES	<u>\$ 43,940</u>
REPAIRS AND MAINTENANCE	<u>\$ 214,163</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees, Including Payroll Taxes	\$ 14,563
Election Costs	3,050
Insurance	15,907
Office Supplies and Postage	16,600
Arbitrage Compliance, Meetings and Other	35,178
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 85,298</u>
CAPITAL OUTLAY	<u>\$ 425,422</u>
TAP CONNECTIONS	<u>\$ 112,609</u>
OTHER EXPENDITURES:	
Chemicals	\$ 3,483
Laboratory Fees	8,007
Permit Fees	1,523
Inspection Fees	11,495
Regulatory Assessment	3,982
TOTAL OTHER EXPENDITURES	<u>\$ 28,490</u>
TOTAL EXPENDITURES	<u><u>\$ 2,411,940</u></u>

See accompanying independent auditor's report.



**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**INVESTMENTS**  
**DECEMBER 31, 2021**

<u>Funds</u>	<u>Identification or Certificate Number</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
<b><u>GENERAL FUND</u></b>					
Texas CLASS	XXXX0002	Varies	Daily	\$ 2,546,235	\$
Certificate of Deposit	XXXX0783	0.20%	04/29/22	240,000	324
Certificate of Deposit	XXXX7336	0.44%	11/04/22	240,000	171
Certificate of Deposit	XXXX2246	0.50%	01/22/22	240,000	1,124
Certificate of Deposit	XXXX1575	0.10%	12/31/22	240,000	1
Certificate of Deposit	XXXX2413	0.45%	02/24/22	240,000	917
Certificate of Deposit	XXXX2548	0.29%	05/28/22	240,000	414
Certificate of Deposit	XXXX1329	0.25%	11/24/22	240,000	61
Certificate of Deposit	XXXX0172	0.15%	06/30/22	240,000	181
Certificate of Deposit	XXXX6670	0.25%	09/29/22	240,000	151
Certificate of Deposit	XXXX0586	0.25%	04/27/22	245,000	416
Certificate of Deposit	XXXX7767	0.30%	12/22/22	240,000	18
Certificate of Deposit	XXXX0879	0.13%	08/02/22	240,000	130
Certificate of Deposit	XXXX6605	0.50%	05/30/22	240,000	707
Certificate of Deposit	XXXX4604	0.25%	07/22/22	240,000	266
Certificate of Deposit	XXXX0266	0.30%	11/25/22	240,000	71
Certificate of Deposit	XXXX0319	0.12%	11/24/22	240,000	29
<b>TOTAL GENERAL FUND</b>				<b>\$ 6,391,235</b>	<b>\$ 4,981</b>
<b><u>DEBT SERVICE FUND</u></b>					
Texas CLASS	XXXX0004	Varies	Daily	\$ 939,048	\$
Certificate of Deposit	XXXX4800	0.20%	08/02/22	240,000	198
Certificate of Deposit	XXXX0073	0.44%	08/05/22	240,000	428
Certificate of Deposit	XXXX2126	0.50%	08/04/22	240,000	490
Certificate of Deposit	XXXX0365	0.30%	02/26/22	240,000	608
Certificate of Deposit	XXXX0134	0.25%	02/27/22	240,000	505
Certificate of Deposit	XXXX2023	0.25%	08/02/22	240,000	248
Certificate of Deposit	XXXX5860	0.13%	08/02/22	240,000	129
Certificate of Deposit	XXXX4608	0.25%	08/02/22	240,000	248
<b>TOTAL DEBT SERVICE FUND</b>				<b>\$ 2,859,048</b>	<b>\$ 2,854</b>
<b><u>CAPITAL PROJECTS FUND</u></b>					
Texas CLASS	XXXX0005	Varies	Daily	\$ 1,469,117	\$
Texas CLASS	XXXX0001	Varies	Daily	420,231	
<b>TOTAL CAPITAL PROJECTS FUND</b>				<b>\$ 1,889,348</b>	<b>\$ - 0 -</b>
<b>TOTAL - ALL FUNDS</b>				<b>\$ 11,139,631</b>	<b>\$ 7,835</b>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Maintenance Taxes</u>		<u>Debt Service Taxes</u>	
TAXES RECEIVABLE -				
JANUARY 1, 2021	\$	1,628,307	\$	2,313,289
Adjustments to Beginning				
Balance		<u>(8,883)</u>		<u>(13,763)</u>
	\$	1,619,424	\$	2,299,526
Original 2021 Tax Levy	\$	1,767,957	\$	2,544,133
Adjustment to 2021 Tax Levy		<u>16,008</u>		<u>23,036</u>
		1,783,965		2,567,169
TOTAL TO BE				
ACCOUNTED FOR		\$ 3,403,389		\$ 4,866,695
TAX COLLECTIONS:				
Prior Years	\$	1,366,815	\$	1,949,099
Current Year		<u>301,496</u>		<u>433,860</u>
		1,668,311		2,382,959
TAXES RECEIVABLE -				
DECEMBER 31, 2021		<u>\$ 1,735,078</u>		<u>\$ 2,483,736</u>
TAXES RECEIVABLE BY				
YEAR:				
2021	\$	1,482,469	\$	2,133,309
2020		89,380		128,621
2019		48,939		64,872
2018		39,704		39,704
2017		17,165		17,165
2016		12,490		12,490
2015		9,831		9,831
2014		8,578		8,578
2013		4,334		13,003
2012		4,115		12,345
2011		4,043		12,130
2010 and prior		<u>14,030</u>		<u>31,688</u>
TOTAL		<u>\$ 1,735,078</u>		<u>\$ 2,483,736</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**TAXES LEVIED AND RECEIVABLE**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
PROPERTY VALUATIONS:				
Land	\$ 201,360,841	\$ 196,658,583	\$ 140,376,197	\$ 142,614,607
Improvements	213,823,958	217,232,684	183,471,630	164,383,956
Personal Property	89,740,213	94,787,040	99,339,981	83,563,570
Exemptions	<u>(70,084,168)</u>	<u>(80,820,270)</u>	<u>(61,266,359)</u>	<u>(38,194,754)</u>
TOTAL PROPERTY VALUATIONS	<u>\$ 434,840,844</u>	<u>\$ 427,858,037</u>	<u>\$ 361,921,449</u>	<u>\$ 352,367,379</u>
TAX RATES PER \$100 VALUATION:				
Debt Service	\$ 0.59	\$ 0.59	\$ 0.57	\$ 0.50
Maintenance	<u>0.41</u>	<u>0.41</u>	<u>0.43</u>	<u>0.50</u>
TOTAL TAX RATES PER \$100 VALUATION	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>
ADJUSTED TAX LEVY*	<u>\$ 4,351,134</u>	<u>\$ 4,281,228</u>	<u>\$ 3,621,045</u>	<u>\$ 3,524,708</u>
PERCENTAGE OF TAXES COLLECTED TO TAXES LEVIED	<u>16.90 %</u>	<u>94.91 %</u>	<u>96.86 %</u>	<u>97.75 %</u>

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

Maintenance Tax – Maximum tax rate of \$0.50 per \$100 of assessed valuation approved by voters on November 4, 2014.

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 0 6 A			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 380,000	\$ 67,725	\$ 447,725
2023	395,000	57,655	452,655
2024	405,000	46,990	451,990
2025	415,000	35,852	450,852
2026	425,000	24,440	449,440
2027	440,000	12,540	452,540
2028			
2029			
2030			
2031			
2032			
2033			
2034			
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2039			
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2044			
2045			
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2048			
2049			
	<u>\$ 2,460,000</u>	<u>\$ 245,202</u>	<u>\$ 2,705,202</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 0			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 150,000	\$ 5,625	\$ 155,625
2023			
2024			
2025			
2026			
2027			
2028			
2029			
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	<u>\$ 150,000</u>	<u>\$ 5,625</u>	<u>\$ 155,625</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 0 A			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due	Total
2022	\$ 30,000	\$	\$ 30,000
2023	30,000		30,000
2024	30,000		30,000
2025	30,000		30,000
2026	30,000		30,000
2027	30,000		30,000
2028	30,000		30,000
2029	30,000		30,000
2030	30,000		30,000
2031			
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2049			
	<u>\$ 270,000</u>	<u>\$ - 0 -</u>	<u>\$ 270,000</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 5			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 195,000	\$ 260,821	\$ 455,821
2023	195,000	256,882	451,882
2024	200,000	252,494	452,494
2025	205,000	247,615	452,615
2026	210,000	242,366	452,366
2027	220,000	236,424	456,424
2028	225,000	229,670	454,670
2029	230,000	222,334	452,334
2030	240,000	214,446	454,446
2031	250,000	205,853	455,853
2032	260,000	196,629	456,629
2033	265,000	186,800	451,800
2034	280,000	176,545	456,545
2035	290,000	165,485	455,485
2036	300,000	153,827	453,827
2037	315,000	141,617	456,617
2038	325,000	128,639	453,639
2039	340,000	115,119	455,119
2040	355,000	100,873	455,873
2041	370,000	85,892	455,892
2042	385,000	70,204	455,204
2043	400,000	53,803	453,803
2044	420,000	36,723	456,723
2045	435,000	18,705	453,705
2046			
2047			
2048			
2049			
	<u>\$ 6,910,000</u>	<u>\$ 3,999,766</u>	<u>\$ 10,909,766</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 6 R E F U N D I N G			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 185,000	\$ 116,700	\$ 301,700
2023	190,000	113,000	303,000
2024	190,000	107,300	297,300
2025	200,000	101,600	301,600
2026	205,000	95,600	300,600
2027	210,000	89,450	299,450
2028	215,000	83,150	298,150
2029	225,000	76,432	301,432
2030	230,000	69,400	299,400
2031	240,000	62,212	302,212
2032	245,000	54,412	299,412
2033	250,000	46,450	296,450
2034	260,000	38,325	298,325
2035	270,000	29,225	299,225
2036	280,000	19,775	299,775
2037	285,000	9,975	294,975
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 3,680,000</u>	<u>\$ 1,113,006</u>	<u>\$ 4,793,006</u>

See accompanying independent auditor's report.



**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 7 R E F U N D I N G			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 10,000	\$ 211,900	\$ 221,900
2023	10,000	211,600	221,600
2024	10,000	211,300	221,300
2025	285,000	211,000	496,000
2026	300,000	199,600	499,600
2027	315,000	187,600	502,600
2028	325,000	175,000	500,000
2029	340,000	162,000	502,000
2030	350,000	148,400	498,400
2031	365,000	134,400	499,400
2032	380,000	119,800	499,800
2033	395,000	104,600	499,600
2034	410,000	88,800	498,800
2035	425,000	72,400	497,400
2036	445,000	55,400	500,400
2037	460,000	37,600	497,600
2038	480,000	19,200	499,200
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 5,305,000</u>	<u>\$ 2,350,600</u>	<u>\$ 7,655,600</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 1 9			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 40,000	\$ 61,645	\$ 101,645
2023	40,000	60,857	100,857
2024	40,000	60,045	100,045
2025	40,000	59,197	99,197
2026	40,000	58,317	98,317
2027	40,000	57,397	97,397
2028	45,000	56,441	101,441
2029	45,000	55,208	100,208
2030	45,000	53,858	98,858
2031	50,000	52,409	102,409
2032	50,000	50,709	100,709
2033	50,000	49,009	99,009
2034	55,000	47,309	102,309
2035	55,000	45,362	100,362
2036	55,000	43,349	98,349
2037	60,000	41,286	101,286
2038	60,000	38,988	98,988
2039	65,000	36,642	101,642
2040	65,000	34,062	99,062
2041	70,000	31,449	101,449
2042	70,000	28,495	98,495
2043	75,000	25,541	100,541
2044	80,000	22,376	102,376
2045	80,000	19,000	99,000
2046	85,000	15,624	100,624
2047	90,000	11,935	101,935
2048	90,000	8,029	98,029
2049	95,000	4,124	99,124
	<u>\$ 1,675,000</u>	<u>\$ 1,128,663</u>	<u>\$ 2,803,663</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

S E R I E S - 2 0 2 0 R E F U N D I N G			
Due During Fiscal Years Ending December 31	Principal Due August 15	Interest Due February 15/ August 15	Total
2022	\$ 280,000	\$ 137,112	\$ 417,112
2023	450,000	128,712	578,712
2024	460,000	115,212	575,212
2025	200,000	101,412	301,412
2026	210,000	95,412	305,412
2027	210,000	91,212	301,212
2028	215,000	87,012	302,012
2029	215,000	82,712	297,712
2030	225,000	76,263	301,263
2031	235,000	69,513	304,513
2032	240,000	62,463	302,463
2033	245,000	56,463	301,463
2034	250,000	49,113	299,113
2035	260,000	41,613	301,613
2036	265,000	33,813	298,813
2037	275,000	25,863	300,863
2038	285,000	17,613	302,613
2039	290,000	9,063	299,063
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 4,810,000</u>	<u>\$ 1,280,576</u>	<u>\$ 6,090,576</u>

See accompanying independent auditor's report.

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**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**LONG-TERM DEBT SERVICE REQUIREMENTS**  
**DECEMBER 31, 2021**

ANNUAL REQUIREMENTS  
FOR ALL SERIES

Due During Fiscal Years Ending December 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2022	\$ 1,270,000	\$ 861,528	\$ 2,131,528
2023	1,310,000	828,706	2,138,706
2024	1,335,000	793,341	2,128,341
2025	1,375,000	756,676	2,131,676
2026	1,420,000	715,735	2,135,735
2027	1,465,000	674,623	2,139,623
2028	1,055,000	631,273	1,686,273
2029	1,085,000	598,686	1,683,686
2030	1,120,000	562,367	1,682,367
2031	1,140,000	524,387	1,664,387
2032	1,175,000	484,013	1,659,013
2033	1,205,000	443,322	1,648,322
2034	1,255,000	400,092	1,655,092
2035	1,300,000	354,085	1,654,085
2036	1,345,000	306,164	1,651,164
2037	1,395,000	256,341	1,651,341
2038	1,150,000	204,440	1,354,440
2039	695,000	160,824	855,824
2040	420,000	134,935	554,935
2041	440,000	117,341	557,341
2042	455,000	98,699	553,699
2043	475,000	79,344	554,344
2044	500,000	59,099	559,099
2045	515,000	37,705	552,705
2046	85,000	15,624	100,624
2047	90,000	11,935	101,935
2048	90,000	8,029	98,029
2049	95,000	4,124	99,124
	<u>\$ 25,260,000</u>	<u>\$ 10,123,438</u>	<u>\$ 35,383,438</u>

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**CHANGES IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Description	Original Bonds Issued	Bonds Outstanding January 1, 2021
Fort Bend County Fresh Water Supply District No. 1 Sanitary Sewer System Unlimited Tax Bonds - Series 2006A	\$ 6,935,000	\$ 2,830,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Bonds - Series 2008	8,500,000	230,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Bonds - Series 2010	5,285,000	295,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Bonds - Series 2010A	600,000	300,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Bonds - Series 2015	8,000,000	7,100,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Refunding Bonds - Series 2016	4,430,000	3,860,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Refunding Bonds - Series 2017	5,365,000	5,315,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Bonds - Series 2019	1,745,000	1,715,000
Fort Bend County Fresh Water Supply District No. 1 Unlimited Tax Refunding Bonds - Series 2020	4,850,000	4,850,000
TOTAL	<u>\$ 45,710,000</u>	<u>\$ 26,495,000</u>

See accompanying independent auditor's report.

Current Year Transactions				
Bonds Sold	Retirements		Bonds Outstanding December 31, 2021	Paying Agent
	Principal	Interest		
\$	\$ 370,000	\$ 77,345	\$ 2,460,000	Wells Fargo Bank N.A. Houston, TX
	230,000	10,373	- 0 -	Wells Fargo Bank N.A. Houston, TX
	145,000	10,917	150,000	Wells Fargo Bank N.A. Houston, TX
	30,000		270,000	Wells Fargo Bank N.A. Houston, TX
	190,000	264,127	6,910,000	Amegy Bank N.A. Houston, TX
	180,000	120,300	3,680,000	Amegy Bank N.A. Houston, TX
	10,000	212,200	5,305,000	Amegy Bank N.A. Houston, TX
	40,000	138,313	1,675,000	The Bank of New York Mellon Trust Company, N.A. Dallas, TX
	40,000	62,405	4,810,000	The Bank of New York Amegy Bank N.A. Houston, TX
\$ - 0 -	\$ 1,235,000	\$ 895,980	\$ 25,260,000	

See accompanying independent auditor's report.

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**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**CHANGES IN LONG-TERM BOND DEBT**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Bond Authority:	<u>Tax Bonds</u>	<u>Refunding Bonds</u>
Amount Authorized by Voters	\$ 118,310,000	\$ 173,965,000
Amount Issued	<u>36,100,000</u>	<u>620,000</u>
Remaining to be Issued	<u>\$ 82,210,000</u>	<u>\$ 173,345,000</u>

Debt Service Fund cash and investment balances as of December 31, 2021: \$ 3,147,932

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 1,263,694

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

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**GENERAL FUND - FIVE YEARS**

	Amounts		
	2021	2020	2019
<b>REVENUES</b>			
Property Taxes	\$ 1,732,622	\$ 1,551,624	\$ 1,716,514
Water Revenues	546,138	575,046	520,736
Wastewater Revenues	218,437	198,675	163,918
Water Authority Fees	458,273	421,570	366,021
Shared Facilities Revenues	124,231	364,529	190,657
Tap Connection and Inspection Fees	280,327	146,515	216,935
Penalty and Interest	154,236	111,449	122,920
Capital Contributions			169,963
Investment and Miscellaneous Revenues	122,898	115,030	181,317
<b>TOTAL REVENUES</b>	<u>\$ 3,637,162</u>	<u>\$ 3,484,438</u>	<u>\$ 3,648,981</u>
<b>EXPENDITURES</b>			
Professional Fees	\$ 581,178	\$ 709,742	\$ 508,934
Contracted Services	170,583	149,938	156,506
Purchased Sewer Service	114,667	109,214	114,597
Utilities	43,940	37,151	44,010
Repairs and Maintenance	214,163	439,470	184,115
Purchased Water and Pumpage Fees	635,590	529,810	522,428
Other	226,397	184,419	260,203
Capital Outlay	425,422	2,096,634	528,207
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,411,940</u>	<u>\$ 4,256,378</u>	<u>\$ 2,319,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 1,225,222</u>	<u>\$ (771,940)</u>	<u>\$ 1,329,981</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In(Out)	<u>\$ - 0 -</u>	<u>\$ (155,637)</u>	<u>\$ 50,680</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,225,222</u>	<u>\$ (927,577)</u>	<u>\$ 1,380,661</u>
<b>BEGINNING FUND BALANCE</b>	<u>5,821,076</u>	<u>6,748,653</u>	<u>5,367,992</u>
<b>ENDING FUND BALANCE</b>	<u><u>\$ 7,046,298</u></u>	<u><u>\$ 5,821,076</u></u>	<u><u>\$ 6,748,653</u></u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2018	2017	2021	2020	2019	2018	2017
\$ 1,596,026	\$ 1,376,887	47.7 %	44.5 %	47.0 %	49.2 %	55.9 %
517,697	341,731	15.0	16.5	14.3	15.9	13.9
141,496	65,543	6.0	5.7	4.5	4.4	2.7
310,134	197,590	12.6	12.1	10.0	9.5	8.0
189,522	174,221	3.4	10.5	5.2	5.8	7.1
193,297	156,164	7.7	4.2	5.9	5.9	6.3
112,900	89,390	4.2	3.2	3.4	3.5	3.6
120,496				4.7	3.7	
69,074	60,739	3.4	3.3	5.0	2.1	2.5
<u>\$ 3,250,642</u>	<u>\$ 2,462,265</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 471,834	\$ 651,876	16.0 %	20.4 %	13.9 %	14.5 %	26.5 %
150,199	82,486	4.7	4.3	4.3	4.6	3.4
99,362	49,421	3.2	3.1	3.1	3.1	2.0
49,519	38,794	1.2	1.1	1.2	1.5	1.6
222,356	154,017	5.9	12.6	5.0	6.8	6.3
435,101	312,695	17.5	15.2	14.3	13.4	12.7
295,062	263,419	6.2	5.3	7.1	9.1	10.7
224,278	419,098	11.7	60.2	14.5	6.9	17.0
<u>\$ 1,947,711</u>	<u>\$ 1,971,806</u>	<u>66.4 %</u>	<u>122.2 %</u>	<u>63.4 %</u>	<u>59.9 %</u>	<u>80.2 %</u>
\$ 1,302,931	\$ 490,459	<u>33.6 %</u>	<u>(22.2) %</u>	<u>36.6 %</u>	<u>40.1 %</u>	<u>19.8 %</u>
\$ (68,870)	\$ (1,161,427)					
\$ 1,234,061	\$ (670,968)					
<u>4,133,931</u>	<u>4,804,899</u>					
<u>\$ 5,367,992</u>	<u>\$ 4,133,931</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES**  
**DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2021	2020	2019
<b>REVENUES</b>			
Property Taxes	\$ 2,475,475	\$ 2,056,644	\$ 1,718,508
Penalty and Interest	80,738	57,619	50,237
Investment and Miscellaneous Revenues	8,958	44,337	63,811
<b>TOTAL REVENUES</b>	<u>\$ 2,565,171</u>	<u>\$ 2,158,600</u>	<u>\$ 1,832,556</u>
<b>EXPENDITURES</b>			
Debt Service Interest, Fees and Tax Collection Costs	\$ 901,387	\$ 910,761	\$ 961,266
Debt Service Principal	1,235,000	1,160,000	1,110,000
Bond Issuance Costs		239,274	
Payment to Refunded Bond Escrow Agent		79,000	
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,136,387</u>	<u>\$ 2,389,035</u>	<u>\$ 2,071,266</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>\$ 428,784</u>	<u>\$ (230,435)</u>	<u>\$ (238,710)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In (Out)	\$	\$	\$
Proceeds From Issuance of Long-Term Debt		4,850,000	
Transfer to Refunded Bond Escrow Agent		(4,611,167)	
Bond Discount		(60,794)	
Bond Premium		66,253	
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>\$ - 0 -</u>	<u>\$ 244,292</u>	<u>\$ - 0 -</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 428,784</u>	<u>\$ 13,857</u>	<u>\$ (238,710)</u>
<b>BEGINNING FUND BALANCE</b>	<u>1,950,148</u>	<u>1,936,291</u>	<u>2,175,001</u>
<b>ENDING FUND BALANCE</b>	<u><u>\$ 2,378,932</u></u>	<u><u>\$ 1,950,148</u></u>	<u><u>\$ 1,936,291</u></u>
<b>TOTAL ACTIVE RETAIL WATER CONNECTIONS</b>	<u>1,664</u>	<u>1,596</u>	<u>1,527</u>
<b>TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS</b>	<u>1,596</u>	<u>1,528</u>	<u>1,497</u>

See accompanying independent auditor's report.

		Percentage of Total Revenues				
2018	2017	2021	2020	2019	2018	2017
\$ 1,603,046	\$ 1,388,236	96.6 %	95.2 %	93.8 %	92.9 %	95.1 %
51,471	46,152	3.1	2.7	2.7	3.0	3.2
70,834	24,376	0.3	2.1	3.5	4.1	1.7
<u>\$ 1,725,351</u>	<u>\$ 1,458,764</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 967,200	\$ 1,088,703	35.1 %	42.2 %	52.4 %	56.1 %	74.6 %
1,100,000	1,040,000	48.1	53.7	60.6	63.8	71.3
	295,455		11.1			20.3
			3.7			
<u>\$ 2,067,200</u>	<u>\$ 2,424,158</u>	<u>83.2 %</u>	<u>110.7 %</u>	<u>113.0 %</u>	<u>119.9 %</u>	<u>166.2 %</u>
<u>\$ (341,849)</u>	<u>\$ (965,394)</u>	<u>16.8 %</u>	<u>(10.7) %</u>	<u>(13.0) %</u>	<u>(19.9) %</u>	<u>(66.2) %</u>
\$	\$ (19,198)					
	5,365,000					
	(5,542,210)					
	486,205					
<u>\$ - 0 -</u>	<u>\$ 289,797</u>					
\$ (341,849)	\$ (675,597)					
2,516,850	3,192,447					
<u>\$ 2,175,001</u>	<u>\$ 2,516,850</u>					
1,436	1,286					
<u>1,410</u>	<u>304</u>					

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**DECEMBER 31, 2021**

District Mailing Address - Fort Bend County Fresh Water Supply District No. 1  
c/o Sanford Kuhl Hagan Kugle Parker Kahn LLP  
1980 Post Oak, Suite 1380  
Houston, TX 77056

District Telephone Number - (713) 850-9000

<b>Supervisors</b>	<b>Term of Office (Elected or Appointed)</b>	<b>Fees of Office for the year ended December 31, 2021</b>	<b>Expense Reimbursements for the year ended December 31, 2021</b>	<b>Title</b>
Paul Hamilton	05/18 05/22 (Elected)	\$ 4,650	\$ 20	President
Rosa Linda Medina	11/20 05/24 (Elected)	\$ 2,700	\$ 23	Vice President
Calvin Casher	11/20 05/24 (Elected)	\$ 3,000	\$ 604	Secretary
Rodrigo Carreon	05/18 05/22 (Elected)	\$ -0-	\$ -0-	Assistant Secretary
Erasto Vallejo	11/20 05/24 (Elected)	\$ 1,650	\$ 20	Assistant Secretary

Notes: No Supervisor 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: November 19, 2020

The limit on Fees of Office that a Supervisor may receive during a fiscal year is \$7,200 as set by Board Resolution on May 12, 2016. Fees of Office are the amounts actually paid to a Supervisor during the District's current fiscal year.

See accompanying independent auditor's report.

**FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**  
**BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS**  
**DECEMBER 31, 2021**

<b>Consultants:</b>	<u>Date Hired</u>	<u>Fees for the year ended December 31, 2021</u>	<u>Title</u>
Sanford Kuhl Hagan Kugle Parker Kahn LLP	01/21/10	\$ 130,082	General Counsel
McCall Gibson Swedlund Barfoot PLLC	11/01/01	\$ 20,000	Auditor
Municipal Accounts and Consulting	06/15/18	\$ 44,899	Bookkeeper
Jacobs Engineering Group, Inc.	01/15/09	\$ 567,413	Engineer
Robert W. Baird & Co. Inc.	02/19/15	\$ -0-	Financial Advisor
Environmental Development Partners	07/01/12	\$ 512,540	Operator

See accompanying independent auditor's report.





# **McCALL GIBSON SWEDLUND BARFOOT PLLC**

*Certified Public Accountants*

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Houston, Texas 77065-5610  
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Austin, TX 78755-5126  
(512) 610-2209  
[www.mgsbpllc.com](http://www.mgsbpllc.com)  
E-Mail: [mgsb@mgsbpllc.com](mailto:mgsb@mgsbpllc.com)

April 21, 2022

Board of Supervisors  
Fort Bend County Fresh Water  
Supply District No. 1  
Fort Bend County, Texas

In planning and performing our audit of the financial statements of Fort Bend County Fresh Water Supply District No. 1 (the "District") as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements of the District's financial statements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

## **Material Weaknesses**

Last year, and again this year, we observed the following matters that we consider to be material weaknesses.

The District's management consists of an elected Board of Supervisors ("Supervisors"). Day-to-day operations are performed by private companies ("Consultants") under contract with the District. The Supervisors of the District supervise the performance of the Consultants; however, although the Consultants can be part of the District's system of internal control, the Consultants are not members of management. Ultimately, the Supervisors are responsible for design and implementation of the system of internal control.

As is common within the system of internal control of most small organizations, the accounting function of the District does not prepare the financial statements complete with footnotes in accordance with accounting principles generally accepted in the United States of America. Accordingly, the District has not established internal controls over the preparation of its financial statements. This condition is considered to be a material weakness of the District's system of internal control over financial reporting.

### **Material Weaknesses (Continued)**

During the course of performing an audit, it is not unusual for the auditor to prepare various journal entries to present the financial statements on the government-wide basis of accounting. Management's reliance upon the auditor to detect and make these necessary adjustments is considered to be a material weakness in internal control. In addition, the District's Management relies on the District's auditor to post adjustments related to the presentation of the capital assets in the government-wide financial statements. This reliance on the auditor to perform this function is considered to be a material weakness in the system of internal control. Auditing standards do not make exceptions for reporting deficiencies that are adequately mitigated with nonaudit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive.

We agree with the objective of auditing standards to inform an organization of all the conditions in its internal control that interfere with its ability to record financial data reliably and issue financial statements free of material misstatement. Communication of the material weaknesses above helps to emphasize that the responsibility for financial reporting rests entirely with the organization and not the auditor.

### **Management's Response to Material Weaknesses**

The Supervisors engage consultants who possess industry knowledge and expertise to provide financial services, as well as legal and professional engineering services. Based on the auditor's unmodified opinion and after reading the financial statements, the Supervisors believe the financial statements to be materially correct. The Supervisors do not think the addition of an employee or consultant to oversee the annual financial reporting process is necessary nor would it be cost effective.

### **Conclusion**

Management's written response to the material weaknesses and significant deficiencies identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Board of Supervisors and the Texas Commission on Environmental Quality and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
Houston, Texas

**McCALL GIBSON SWEDLUND BARFOOT PLLC**  
*Certified Public Accountants*

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April 21, 2022

Board of Supervisors  
Fort Bend County Fresh Water  
Supply District No. 1

We have audited the financial statements of the governmental activities and each major fund of Fort Bend County Fresh Water Supply District No. 1, (the "District") for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 19, 2019. Professional standards also require that we communicate to you the following information related to our audit. For the purposes of this letter, the term "management" refers to the Board of Directors and/or District consultants.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. Significant accounting policies used by the District, including new accounting policies, if any, that have been adopted and implemented during the current fiscal year, are discussed in Note 2. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Accounting estimates are an integral part of the financial statements and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were management's estimate of depreciable lives of capital assets. Depreciation of infrastructure assets is based on industry wide accepted estimated useful lives taken on a straight-line basis, or on the life of the applicable contract in the case of intangible assets. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The District's bookkeeper will be provided with all such adjustments.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated April 21, 2022.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We were engaged to perform the following non-attest services for the District: (1) preparation of financial statements and related notes and schedules in conformity with accounting principles generally accepted in the United States of America and (2) preparation of the capital assets schedule. These services were performed based on information provided by you. We performed these services in accordance with applicable professional standards. The non-attest services we performed are limited to those specifically defined and did not result in assuming management responsibilities.

We applied certain limited procedures to the Management's Discussion and Analysis and the budgetary comparison schedule for the General Fund, which are required supplementary information ("RSI") that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on supplementary information required by the Texas Commission on Environmental Quality, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of the Board of Directors of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

McCall Gibson Swedlund Barfoot PLLC

# **FORT BEND COUNTY FRESH WATER SUPPLY DISTRICT NO. 1**

**FORT BEND COUNTY, TEXAS**

**APRIL 21, 2022**

McCall Gibson Swedlund Barfoot PLLC  
Certified Public Accountants  
13100 Wortham Center Drive, Suite 235  
Houston, Texas 77065-5610

Ladies and Gentlemen:

This representation letter is provided in connection with your audit(s) of the financial statements of Fort Bend County Fresh Water Supply District No. 1, (the "District"), which comprise the respective financial position of the governmental activities and each major fund as of December 31, 2021, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 21, 2022, the following representations made to you during your audit.

## **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated December 19, 2019, including our responsibility for the preparation and fair presentation of the financial statements and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

**Information Provided**

- 11) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of the District or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the District and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

**Government—specific**

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.

- 21) The District has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 23) There are no violations or possible violations of laws and regulations, provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 24) As part of your audit, you assisted with preparation of the financial statements and related notes and depreciation schedule. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved and accepted responsibility for the financial statements and related notes and depreciation schedule.
- 25) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as disclosed in the basic financial statements.
- 26) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 27) We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
- 28) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if applicable.
- 29) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 30) All funds that meet the quantitative criteria for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted), and components of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 32) Provisions for uncollectible receivables have been properly identified and recorded, if applicable.
- 33) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 34) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

- 35) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 36) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 37) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 38) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 39) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 40) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 41) With respect to the supplementary information required by the Water District Financial Management Guide,
  - a) We acknowledge our responsibility for presenting this information in accordance with the Commission's requirements, and we believe this information, including its form and content, is fairly presented in accordance with the Commission's requirements. The methods of measurement and presentation of this information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
  - b) If this information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

**FORT BEND COUNTY FRESH WATER  
SUPPLY DISTRICT NO. 1**

Signatures of the Board of Directors

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_____	_____
_____	

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