

**FORT BEND COUNTY MUNICIPAL
UTILITY DISTRICT NO. 155**

FORT BEND COUNTY, TEXAS

FINANCIAL REPORT

April 30, 2019

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Independent Auditors' Report

Board of Directors
Fort Bend County Municipal Utility District No. 155
Fort Bend County, Texas

We have audited the accompanying financial statements of the governmental activities and each major fund of Fort Bend County Municipal Utility District No. 155, as of and for the year ended April 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient to provide a basis for our audit opinions.

***Board of Directors
Fort Bend County Municipal Utility District No. 155
Fort Bend County, Texas***

Opinion

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 Fort Bend County Municipal Utility District No. 155, as of April 30, 2019, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, 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 Texas Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Texas Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied to the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements taken as a whole.

W.S. Smith & Co., P.C.

Houston, Texas
September 9, 2019

Management's Discussion and Analysis

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***Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019***

Using this Annual Report

Within this section of the financial report of Fort Bend County Municipal Utility District No. 155 (the "District"), the District's Board of Directors provides a narrative discussion and analysis of the financial activities of the District for the fiscal year ended April 30, 2019. This analysis should be read in conjunction with the independent auditors' report and the basic financial statements that follow this section.

In addition to this discussion and analysis, this annual report consists of:

- The District's basic financial statements;
- Notes to the basic financial statements, which provide additional information essential to a full understanding of the data provided in the financial statements;
- Supplementary information required by the Governmental Accounting Standards Board (GASB) concerning the District's budget; and
- Other Texas supplementary information required by the District's state oversight agency, the Texas Commission on Environmental Quality (TCEQ).

Overview of the Financial Statements

The District prepares its basic financial statements using a format that combines fund financial statements and government-wide statements onto one financial statement. The combined statements are the *Statement of Net Position and Governmental Funds Balance Sheet* and the *Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. Each statement contains an adjustments column which quantifies the differences between the government-wide and fund level statements. Additional details of the adjustments are provided in Note 2 to the basic financial statements.

Government-Wide Financial Statements

The focus of government-wide financial statements is on the overall financial position and activities of the District, both long-term and short-term. The District's government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the accrual basis of accounting. The *Statement of Net Position* includes all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual reported as net position. Over time, changes in net position may provide a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

Accounting standards establish three components of net position. The net investment in capital assets component represents the District's investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets. Resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The restricted component of net position consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties. The unrestricted component of net position represents resources not included in the other components.

Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019

The *Statement of Activities* reports how the District's net position has changed during the fiscal year. All revenues and expenses are included on this statement, regardless of whether cash has been received or paid.

Fund Financial Statements

The fund financial statements include the *Governmental Funds Balance Sheet* and the *Governmental Funds Revenues, Expenditures and Changes in Fund Balances*. The focus of fund financial statements is on specific activities of the District rather than the District as a whole, reported using modified accrual accounting. These statements report on the District's use of available financial resources and the balances of available financial resources at the end of the year. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties, governmental statutes or regulations.

For further discussion on the government-wide and fund financial statements, please refer to Note 1 in the financial statements.

Financial Analysis of the District as a Whole

The District's net position at April 30, 2019, was negative \$1,154,790. A comparative summary of the District's overall financial position, as of April 30, 2019 and 2018, is as follows:

	2019	2018
Current and other assets	\$ 7,696,004	\$ 7,303,704
Capital assets	27,083,516	25,079,224
Total assets	<u>34,779,520</u>	<u>32,382,928</u>
Total deferred outflows of resources	<u>209,278</u>	<u>184,134</u>
Current liabilities	1,259,149	1,157,124
Long-term liabilities	34,884,439	32,909,386
Total liabilities	<u>36,143,588</u>	<u>34,066,510</u>
Net position		
Net investment in capital assets	(7,732,057)	(7,626,767)
Restricted	3,350,879	3,031,666
Unrestricted	3,226,388	3,095,653
Total net position	<u>\$ (1,154,790)</u>	<u>\$ (1,499,448)</u>

Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019

The total net position of the District increased during the current fiscal year by \$344,658. A comparative summary of the District's *Statement of Activities* for the past two years is as follows:

	2019	2018
Revenues		
Water and sewer service	\$ 1,155,263	\$ 1,056,790
Property taxes, penalties and interest	3,220,443	2,993,528
Other	856,347	740,341
Total revenues	<u>5,232,053</u>	<u>4,790,659</u>
Expenses		
Current service operations	3,102,873	2,589,989
Debt interest and fees	1,137,674	939,295
Developer interest		217,871
Debt issuance costs	95,496	590,655
Depreciation and amortization	551,352	552,208
Total expenses	<u>4,887,395</u>	<u>4,890,018</u>
Change in net position	344,658	(99,359)
Net position, beginning of year	<u>(1,499,448)</u>	<u>(1,400,089)</u>
Net position, end of year	<u>\$ (1,154,790)</u>	<u>\$ (1,499,448)</u>

Financial Analysis of the District's Funds

The District's combined fund balances, as of April 30, 2019, were \$7,327,492, which consists of \$3,203,435 in the General Fund, \$3,519,469 in the Debt Service Fund, \$604,588 in the Capital Projects Fund.

General Fund

A comparative summary of the General Fund's financial position as of April 30, 2019 and 2018 is as follows:

	2019	2018
Total assets	<u>\$ 3,537,751</u>	<u>\$ 3,351,079</u>
Total liabilities	\$ 323,389	\$ 266,903
Total deferred inflows	10,927	11,663
Total fund balance	<u>3,203,435</u>	<u>3,072,513</u>
Total liabilities, deferred inflows and fund balance	<u>\$ 3,537,751</u>	<u>\$ 3,351,079</u>

***Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019***

A comparative summary of the General Fund's activities for the current and prior fiscal year is as follows:

	<u>2019</u>	<u>2018</u>
Total revenues	\$ 3,123,602	\$ 2,910,591
Total expenditures	<u>(2,992,680)</u>	<u>(2,420,756)</u>
Revenues over expenditures	<u>\$ 130,922</u>	<u>\$ 489,835</u>

The District manages its activities with the objectives of ensuring that expenditures will be adequately covered by revenues each year and that an adequate fund balance is maintained. The District's primary financial resources in the General Fund are from a property tax levy, the provision of water and sewer services, fire protection services, and tap connection fees charged to homebuilders in the District. Financial resources are influenced by a variety of factors each year:

- Property tax revenues are dependent upon assessed values in the District and the maintenance tax rate set by the District. While the District decreased its maintenance tax levy, property tax revenues increased because assessed values in the District increased from the prior year.
- Water, sewer and surface water revenues are dependent upon customer usage, which fluctuates from year to year as a result of factors beyond the District's control.
- Revenues from providing fire protection services are based on the number of connections in the District and fluctuate as the number of connections fluctuates.
- Tap connection fees fluctuate with homebuilding activity within the District

Debt Service Fund

A comparative summary of the Debt Service Fund's financial position as of April 30, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Total assets	<u>\$ 3,542,422</u>	<u>\$ 3,207,136</u>
Total deferred inflows	\$ 22,953	\$ 23,140
Total fund balance	<u>3,519,469</u>	<u>3,183,996</u>
Total deferred inflows and fund balance	<u>\$ 3,542,422</u>	<u>\$ 3,207,136</u>

Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019

A comparative summary of the Debt Service Fund's activities for the current and prior fiscal year is as follows:

	<u>2019</u>	<u>2018</u>
Total revenues	\$ 2,094,581	\$ 1,880,810
Total expenditures	<u>(1,907,912)</u>	<u>(1,355,394)</u>
Revenues over expenditures	186,669	525,416
Other changes in fund balance	<u>148,804</u>	<u></u>
Net change in fund balance	<u>\$ 335,473</u>	<u>\$ 525,416</u>

The District's financial resources in the Debt Service Fund in both the current year and prior year are from property tax revenues. The difference between these financial resources and debt service requirements resulted in an increase in fund balance each year. It is important to note that the District sets its annual debt service tax rate as recommended by its financial advisor, who monitors projected cash flows in the Debt Service Fund to ensure that the District will be able to meet its future debt service requirements.

During the current year, the District issued \$1,670,000 in refunding bonds to refund \$1,540,000 of its outstanding Series 2011 bonds. This refunding will save the District \$137,584.94 in future debt service requirements.

Capital Projects Fund

A comparative summary of the Capital Projects Fund's financial position as of April 30, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Total assets	<u>\$ 615,831</u>	<u>\$ 745,489</u>
Total liabilities	\$ 11,243	\$ 21,228
Total fund balance	<u>604,588</u>	<u>724,261</u>
Total liabilities and fund balance	<u>\$ 615,831</u>	<u>\$ 745,489</u>

A comparative summary of activities in the Capital Projects Fund for the current and prior fiscal year is as follows:

	<u>2019</u>	<u>2018</u>
Total revenues	\$ 14,797	\$ 1,500
Total expenditures	<u>(134,471)</u>	<u>(6,811,913)</u>
Revenues under expenditures	(119,674)	(6,810,413)
Other changes in fund balance	<u></u>	<u>7,430,000</u>
Net change in fund balance	<u>\$ (119,674)</u>	<u>\$ 619,587</u>

The District had considerable capital asset activity in the prior year, which was financed with proceeds from the issuance of its \$7,430,00 Series 2018 Unlimited Tax Bonds.

Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019

General Fund Budgetary Highlights

The Board of Directors adopts an annual unappropriated budget for the General Fund prior to the beginning of each fiscal year. The Board did not amend the budget during the fiscal year.

Since the District's budget is primarily a planning tool, actual results varied from the budgeted amounts. Actual net change in fund balance was \$147,351 less than budgeted. The *Budgetary Comparison Schedule* on page 36 of this report provides variance information per financial statement line item.

Capital Assets

The District has entered into financing agreements with its developers for the financing of the construction of capital assets within the District. Developers will be reimbursed from proceeds of future bond issues or other lawfully available funds. The developer funded capital assets are recorded on the District's financial statements upon completion of construction.

Capital assets held by the District at April 30, 2019 and 2018 are summarized as follows:

	Beginning Balances	Additions/ Adjustments	Ending Balances
Capital assets not being depreciated			
Land and improvements	\$ 6,675,916	\$ 752,730	\$ 7,428,646
Capital assets being depreciated/amortized			
Infrastructure	16,612,021	1,802,914	18,414,935
Investment in regional facilities	3,556,180		3,556,180
Connection charges	1,458,816		1,458,816
Landscaping improvements	46,973		46,973
	<u>21,673,990</u>	<u>1,802,914</u>	<u>23,476,904</u>
Less accumulated depreciation/amortization			
Infrastructure	(2,474,639)	(368,300)	(2,842,939)
Investment in regional facilities	(557,728)	(79,027)	(636,755)
Connection charges	(232,678)	(102,146)	(334,824)
Landscaping improvements	(5,637)	(1,879)	(7,516)
	<u>(3,270,682)</u>	<u>(551,352)</u>	<u>(3,822,034)</u>
Subtotal depreciable capital assets, net	<u>18,403,308</u>	<u>1,251,562</u>	<u>19,654,870</u>
Capital assets, net	<u>\$ 25,079,224</u>	<u>\$ 2,004,292</u>	<u>\$ 27,083,516</u>

Capital asset additions during the current year include the following:

- Water, sewer and drainage facilities to serve Bonbrook Plantation South, Sections 7 and 10
- Detention Pond "G" to serve Bonbrook Plantation South

Fort Bend County Municipal Utility District No. 155
Management's Discussion and Analysis
April 30, 2019

Long-Term Debt and Related Liabilities

As of April 30, 2019 the District owes \$3,874,410 to developers for completed projects. As previously mentioned, the District will owe its developer for these projects upon completion of construction, at which time the cost of the capital asset and related liability will be estimated and recorded on the District's financial statements. The estimated cost is trued up when the developer is reimbursed. The District intends to reimburse the developer from proceeds of future bond issues or other lawfully available funds.

At April 30, 2019 and 2018, the District had total bonded debt outstanding as shown below:

Series	2019	2018
2011	\$ 110,000	\$ 1,765,000
2013	1,925,000	1,975,000
2014	6,970,000	7,235,000
2015 Refunding	4,955,000	5,505,000
2016	5,275,000	5,375,000
2016A	3,865,000	3,970,000
2018	7,430,000	7,430,000
2018A Refunding	1,670,000	
	<u>\$ 32,200,000</u>	<u>\$ 33,255,000</u>

At April 30, 2019, the District had \$61,460,000 unlimited tax bonds authorized, but unissued for the purposes of acquiring, constructing and improving the water, sanitary sewer and drainage systems within the District; \$11,000,000 for parks and recreational facilities and \$61,890,000 for refunding purposes.

Next Year's Budget

In establishing the budget for the next fiscal year, the Board considered various economic factors that may affect the District, most notably projected revenues from property taxes and water/sewer services and the projected cost of operating the District and providing services to customers. A comparison of next year's budget to current year actual amounts for the General Fund is as follows:

	2019 Actual	2020 Budget
Total revenues	\$ 3,123,602	\$ 2,963,094
Total expenditures	(2,992,680)	(2,684,820)
Revenues over expenditures	130,922	278,274
Beginning fund balance	3,072,513	3,203,435
Ending fund balance	<u>\$ 3,203,435</u>	<u>\$ 3,481,709</u>

Property Taxes

The District's property tax base increased approximately \$31,276,000 for the 2019 tax year from \$316,953,909 to \$348,230,347.

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Basic Financial Statements

Fort Bend County Municipal Utility District No. 155
Statement of Net Position and Governmental Funds Balance Sheet
April 30, 2019

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Net Position
Assets						
Cash	\$ 169,113	\$ 6,189	\$ 7,388	\$ 182,690	\$ -	\$ 182,690
Investments	3,128,570	3,496,782	621,260	7,246,612		7,246,612
Taxes receivable	10,927	22,953		33,880		33,880
Customer service receivables, net	187,430			187,430		187,430
Internal balances	236	12,581	(12,817)			
Other receivables	2,595	3,917		6,512		6,512
Operating reserve	30,000			30,000		30,000
Prepaid items	8,880			8,880		8,880
Capital assets not being depreciated					7,428,646	7,428,646
Capital assets, net					19,654,870	19,654,870
Total Assets	\$ 3,537,751	\$ 3,542,422	\$ 615,831	\$ 7,696,004	27,083,516	34,779,520
Deferred Outflows of Resources						
Deferred difference on refunding					209,278	209,278
Liabilities						
Accounts payable	\$ 117,433	\$ -	\$ 11,243	\$ 128,676		128,676
Other payables	3,136			3,136		3,136
Customer deposits	4,800			4,800		4,800
Unearned revenue	7,150			7,150		7,150
Due to other governments	190,870			190,870		190,870
Accrued interest payable					179,517	179,517
Due to developers					3,874,410	3,874,410
Long-term debt						
Due within one year					745,000	745,000
Due after one year					31,010,029	31,010,029
Total Liabilities	323,389		11,243	334,632	35,808,956	36,143,588
Deferred Inflows of Resources						
Deferred property taxes	10,927	22,953		33,880	(33,880)	
Fund Balances/Net Position						
Fund Balances						
Nonspendable	8,880			8,880	(8,880)	
Restricted		3,519,469	604,588	4,124,057	(4,124,057)	
Unassigned	3,194,555			3,194,555	(3,194,555)	
Total Fund Balances	3,203,435	3,519,469	604,588	7,327,492	(7,327,492)	
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,537,751	\$ 3,542,422	\$ 615,831	\$ 7,696,004		
Net Position						
Net investment in capital assets					(7,732,057)	(7,732,057)
Restricted for debt service					3,350,879	3,350,879
Unrestricted					3,226,388	3,226,388
Total Net Position					\$ (1,154,790)	\$ (1,154,790)

See notes to basic financial statements.

Fort Bend County Municipal Utility District No. 155
Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances
For the Year Ended April 30, 2019

	General Fund	Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
Revenues						
Water service	\$ 450,344	\$ -	\$ -	\$ 450,344	\$ -	\$ 450,344
Sewer service	704,919			704,919		704,919
Property taxes	1,141,763	2,028,236		3,169,999	(1,026)	3,168,973
Penalties and interest	47,543	3,828		51,371	99	51,470
Tap connection and inspection	81,949			81,949		81,949
Surface water	290,721			290,721		290,721
Fire protection	339,442			339,442		339,442
Miscellaneous	2,525			2,525		2,525
Investment earnings	64,396	62,517	14,797	141,710		141,710
Total Revenues	3,123,602	2,094,581	14,797	5,232,980	(927)	5,232,053
Expenditures/Expenses						
Current service operations						
Purchased services	911,076			911,076		911,076
Professional fees	140,736	3,830	106,335	250,901		250,901
Contracted services	831,424			831,424		831,424
Repairs and maintenance	707,244			707,244		707,244
Utilities	8,142			8,142		8,142
Surface water	304,633			304,633		304,633
Administrative	69,184	28		69,212		69,212
Other	20,241			20,241		20,241
Capital outlay			28,136	28,136	(28,136)	
Debt service						
Principal		705,000		705,000	(705,000)	
Interest and fees		1,084,754		1,084,754	52,920	1,137,674
Debt issuance costs		114,300		114,300	(18,804)	95,496
Depreciation and amortization					551,352	551,352
Total Expenditures/Expenses	2,992,680	1,907,912	134,471	5,035,063	(147,668)	4,887,395
Revenues Over/(Under)						
Expenditures	130,922	186,669	(119,674)	197,917	(197,917)	
Other Financing Sources/(Uses)						
Proceeds from sale of refunding bonds		1,670,000		1,670,000	(1,670,000)	
Bond premium		18,804		18,804	(18,804)	
Payment to refunded bonds escrow agent		(1,540,000)		(1,540,000)	1,540,000	
Net Change In Fund Balances	130,922	335,473	(119,674)	346,721	(346,721)	
Change in Net Position					344,658	344,658
Fund Balance/Net Position						
Beginning of the year	3,072,513	3,183,996	724,262	6,980,771	(8,480,219)	(1,499,448)
End of the year	\$ 3,203,435	\$ 3,519,469	\$ 604,588	\$ 7,327,492	\$ (8,482,282)	\$ (1,154,790)

See notes to basic financial statements.

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Note 1 – Summary of Significant Accounting Policies

The accounting policies of Fort Bend County Municipal Utility District No. 155 (the “District”) conform with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board. The following is a summary of the most significant policies:

Creation

The District was organized, created and established pursuant to an order of the Texas Commission on Environmental Quality dated August 26, 2005, and operates in accordance with the Texas Water Code, Chapters 49 and 54. The Board of Directors held its first meeting on September 2, 2005 and the first bonds were sold on July 10, 2008.

The District’s primary activities include construction, maintenance and operation of water, sewer and drainage facilities. The District has contracted with various consultants to provide services to operate and administer the affairs of the District. The District has no employees, related payroll or pension costs.

Reporting Entity

The District is a political subdivision of the State of Texas governed by an elected five-member board. The Governmental Accounting Standards Board 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 statements as component units.

Government-Wide and Fund Financial Statements

Government-wide financial statements display information about the District as a whole. These statements focus on the sustainability of the District as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. Interfund activity, if any, has been removed from these statements. These aggregated statements consist of the *Statement of Net Position* and the *Statement of Activities*.

Fund financial statements display information at the individual fund level. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for a specific purpose. Each fund is considered to be a separate accounting entity. Most governments typically have many funds; however, governmental financial statements focus on the most important or “major” funds with non-major funds aggregated in a single column. The District has three governmental funds, which are all considered major funds.

Note 1 – Summary of Significant Accounting Policies (continued)

Government-Wide and Fund Financial Statements (continued)

The following is a description of the various funds used by the District:

- The General Fund is used to account for the operations of the District's water and sewer system and all other financial transactions not reported in other funds. The principal sources of revenue are property taxes and water and sewer service fees. Expenditures include costs associated with the daily operations of the District.
- The Debt Service Fund is used to account for the payment of interest and principal on the District's general long-term debt. The primary source of revenue for debt service is property taxes. Expenditures include costs incurred in assessing and collecting these taxes.
- The Capital Projects Fund is used to account for the expenditures of bond proceeds for the construction of the District's water, sewer and drainage facilities.

As a special-purpose government engaged in a single governmental program, the District has opted to combine its government-wide and fund financial statements in a columnar format showing an adjustments column for reconciling items between the two.

Measurement Focus and Basis of Accounting

The government-wide financial statements use the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year for which they are levied.

The fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized in the accounting period in which it becomes both available and measurable to finance expenditures of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Revenues susceptible to accrual include property taxes, interest earned on investments and income from District operations. Property taxes receivable at the end of the fiscal year are treated as deferred inflows because they are not considered available to pay liabilities of the current period. Expenditures are recognized in the accounting period in which the liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due.

Note 2 further details the adjustments from the governmental fund presentation to the government-wide presentation.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, the District uses restricted resources first, then unrestricted resources as they are needed.

Note 1 – Summary of Significant Accounting Policies (continued)

Prepaid Items

Certain payments made by the District reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Receivables from and payables to external parties are reported separately and are not offset, unless a legal right of offset exists. At April 30, 2019, an allowances of \$13,000 were provided for possible uncollectible water/sewer accounts. An allowance for uncollectible property taxes was not considered necessary.

Unbilled Service Revenues

Utility revenue is recorded when earned. Customers are billed monthly. The estimated value of services provided but unbilled at year-end has been included in the accompanying financial statements.

Interfund Activity

During the course of operations, transactions occur between individual funds. This can include internal transfers, payables and receivables. This activity is combined as internal balances and is eliminated in both the government-wide and fund financial statement presentation.

Capital Assets

Capital assets do not provide financial resources at the fund level, and, therefore, are reported only in the government-wide statements. The District defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire the asset on the acquisition date. The District has not capitalized interest incurred during the construction of its capital assets. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Depreciable capital assets, which primarily consist of water, wastewater and drainage facilities, are depreciated (or amortized in the case of intangible assets) using the straight-line method as follows:

Assets	Useful Life
Infrastructure	20-45 years
Connection Charges	25 years[max]
Landscaping improvements	25 years

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets (continued)

The District's detention facilities and drainage channels are considered improvements to land and are non-depreciable.

Deferred Inflows and Outflows of Financial Resources

A deferred inflow of financial resources is the acquisition of resources in one period that is applicable to a future period, while a deferred outflow of financial resources is the consumption of financial resources in one period that is applicable to a future period. A deferred inflow results from the acquisition of an asset without a corresponding revenue or assumption of a liability. A deferred outflow results from the use of an asset without a corresponding expenditure or reduction of a liability.

At the fund level, property taxes receivable not collected within 60 days of fiscal year end do not meet the availability criteria required for revenue recognition and are recorded as deferred inflows of financial resources.

Deferred outflows of financial resources at the government-wide level are from a refunding bond transaction in which the amount required to repay the old debt exceeded the net carrying amount of the old debt. This amount is being amortized to interest expense.

Net Position – Governmental Activities

Governmental accounting standards establish the following three components of net position:

Net investment in capital assets – represents the District's investments in capital assets, less any outstanding debt or other borrowings used to acquire those assets.

Restricted – consists of financial resources that are restricted for a specific purpose by enabling legislation or external parties.

Unrestricted – resources not included in the other components.

Fund Balances – Governmental Funds

Governmental accounting standards establish the following fund balance classifications:

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's nonspendable fund balance consists of prepaid items and operating reserves paid to Fort Bend County Municipal Utility District No. 152 for the joint wastewater plant.

Note 1 – Summary of Significant Accounting Policies (continued)

Fund Balances – Governmental Funds (continued)

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. The District's restricted fund balances consist of unspent bond proceeds in the Capital Projects Fund and property taxes levied for debt service in the Debt Service Fund.

Committed - amounts that can be used only for specific purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. 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 an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include, among others, the collectability of receivables; the value of unbilled utility revenues and receivables; the useful lives and impairment of capital assets; the value of amounts due to developers and the value of capital assets for which the developers have not been fully reimbursed. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from the estimates.

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Note 2 – Adjustment from Governmental to Government-wide Basis

Reconciliation of the *Governmental Funds Balance Sheet* to the *Statement of Net Position*

Total fund balance, governmental funds	\$ 7,327,492
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.

Historical cost	\$ 30,905,550	
Less accumulated depreciation/amortization	<u>(3,822,034)</u>	
Change due to capital assets		27,083,516

The difference between the face amount of bonds refunded and the amount paid to the escrow agent is recorded as a deferred difference on refunding in the Statement of Net Position and amortized to interest expense. It is not recorded in the fund statements because it is not a financial resource.

	209,278
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Amounts due to the District's developers for prefunded construction are recorded as a liability in the *Statement of Net Position*.

	(3,874,410)
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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, the difference consists of:

Bonds payable, net	(31,755,029)	
Interest payable on bonds	<u>(179,517)</u>	
Change due to long-term debt		(31,934,546)

Property taxes receivable and related penalties and interest have been levied and are due, but are not available soon enough to pay current period expenditures and, therefore, are deferred in the funds.

Property taxes receivable	30,271	
Penalty and interest receivable	<u>3,609</u>	
Change due to property taxes		33,880

Total net position - governmental activities	<u>\$ (1,154,790)</u>
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Note 2 – Adjustment from Governmental to Government-wide Basis (continued)

Reconciliation of the *Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances* to the *Statement of Activities*

Net change in fund balances - total governmental funds \$ 346,721

Governmental funds do not report revenues that are not available to pay current obligations. In contrast, such revenues are reported in the *Statement of Activities* when earned. The difference is for property taxes and related penalties and interest. (927)

Capital outlays for developer reimbursements are recorded as expenditures in the fund, but reduce the liability for due to developers in the *Statement of Net Position*. 28,136

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal uses current financial resources. However, neither transaction has any effect on net assets. Other elements of debt financing are reported differently between the fund and government wide statements.

Proceeds from sale of refunding bonds	\$ (1,670,000)	
Payment to refunded bonds escrow agent	1,540,000	
Principal payments	705,000	
Interest expense accrual	(52,920)	
		522,080

In the *Statement of Activities*, the cost of capital assets is charged to depreciation/amortization expense over the estimated useful life of the asset. (551,352)

Change in net position of governmental activities \$ 344,658

Note 3 – Deposits and Investments

Deposit Custodial Credit Risk

Custodial credit risk as it applies to deposits (i.e. cash) is the risk that, in the event of the failure of the depository institution, a government will not be able to recover its deposits or will not be able to recover collateral securities. The *Public Funds Collateral Act* (Chapter 2257, Texas Government Code) requires that all the District's deposits with financial institutions be covered by federal depository insurance and, if necessary, pledged collateral held by a third-party custodian. The act further specifies the types of securities that can be used as collateral. The District's written investment policy establishes additional requirements for collateralization of deposits.

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Note 3 – Deposits and Investments (continued)

Investments

The District is authorized by the *Public Funds Investment Act* (Chapter 2256, Texas Government Code) to invest in the following: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including Federal Home Loan Banks, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) certain collateralized mortgage obligations, (4) other obligations, which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies or instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States, (5) certain A rated or higher obligations of states and political subdivisions of any state, (6) bonds issued, assumed or guaranteed by the State of Israel, (7) certain insured or collateralized certificates of deposit and share certificates, (8) certain fully collateralized repurchase agreements, (9) bankers' acceptances with limitations, (10) commercial paper rated A-1 or P-1 or higher and a maturity of 270 days or less, (11) no-load money market mutual funds and no-load mutual funds, with limitations, (12) certain guaranteed investment contracts, (13) certain qualified governmental investment pools and (14) a qualified securities lending program.

The District has adopted a written investment policy to establish the principles by which the District's investment program should be managed. This policy further restricts the types of investments in which the District may invest.

As of April 30, 2019, the District's investments consist of the following:

Type	Fund	Carrying Value	Rating	Weighted Average Maturity
TexPool	General	\$ 13,062	AAAm	34 days
	Capital Projects	621,260		
		<u>634,322</u>		
Texas Class	General	3,115,508	AAA	43 days
	Debt Service	3,496,782		
		<u>6,612,290</u>		
Total		<u>\$ 7,246,612</u>		

Note 3 – Deposits and Investments (continued)

TexPool

The District participates in TexPool, the Texas Local Government Investment Pool. The State Comptroller of Public Accounts exercises oversight responsibility of TexPool, which includes (1) the ability to significantly influence operations, (2) designation of management and (3) accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

As permitted by GAAP, TexPool uses amortized cost (which excludes unrealized gains and losses) rather than market value to compute share price and seeks to maintain a constant dollar value per share. Accordingly, the fair value of the District's position in TexPool is the same as the value of TexPool shares. Investments in TexPool may be withdrawn on a same day basis, as long as the transaction is executed by 3:30 p.m.

Texas CLASS

The District also participates in Texas Cooperative Liquid Assets Securities System (Texas CLASS). Texas CLASS is managed by an elected Board of Trustees consisting of members of the pool. Additionally, the Board of Trustees has established an advisory board, the function of which is to provide guidance on investment policies and strategies. The Board of Trustees has selected Public Trust Advisors, LLC as the program administrator and Wells Fargo Bank as the custodian.

The District's investment in Texas CLASS is reported at fair value because Texas CLASS uses fair value to report investments (other than repurchase agreements which are valued at amortized cost). Governmental accounting standards establish the following hierarchy of inputs used to measure fair value: Level 1 inputs are based on quoted prices in active markets, Level 2 inputs are based on significant other observable inputs, and Level 3 inputs are based on significant unobservable inputs. The District's investment in Texas CLASS is measured using published fair value per share (level 1 inputs).

Investments in Texas CLASS may be withdrawn via wire transfer on a same day basis, as long as the transaction is executed by 4 p.m. ACH withdrawals made by 4 p.m. will settle on the next business day.

Investment Credit and Interest Rate Risk

Investment credit risk is the risk that the investor may not recover the value of an investment from the issuer, while interest rate risk is the risk that the value of an investment will be adversely affected by changes in interest rates. The District's investment policies do not address investment credit and interest rate risk beyond the rating and maturity restrictions established by state statutes.

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Note 4 – Interfund Balances and Transactions

Amounts due to/from other funds at April 30, 2019, consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amounts</u>	<u>Purpose</u>
Debt Service Fund	General Fund	\$ 12,581	Debt service tax collections not remitted as of year end
General Fund	Capital Projects Fund	12,817	Professional fees for Bond application and capital outlay paid by the General Fund

Amounts reported as internal balances between funds are considered temporary balances and will be paid during the following fiscal year.

Note 5 – Capital Assets

A summary of changes in capital assets, for the year ended April 30, 2019, is as follows:

	<u>Beginning Balances</u>	<u>Additions/ Adjustments</u>	<u>Ending Balances</u>
Capital assets not being depreciated			
Land and improvements	\$ 6,675,916	\$ 752,730	\$ 7,428,646
Capital assets being depreciated/amortized			
Infrastructure	16,612,021	1,802,914	18,414,935
Investment in regional facilities	3,556,180		3,556,180
Connection charges	1,458,816		1,458,816
Landscaping improvements	46,973		46,973
	<u>21,673,990</u>	<u>1,802,914</u>	<u>23,476,904</u>
Less accumulated depreciation/amortization			
Infrastructure	(2,474,639)	(368,300)	(2,842,939)
Investment in regional facilities	(557,728)	(79,027)	(636,755)
Connection charges	(232,678)	(102,146)	(334,824)
Landscaping improvements	(5,637)	(1,879)	(7,516)
	<u>(3,270,682)</u>	<u>(551,352)</u>	<u>(3,822,034)</u>
Subtotal depreciable capital assets, net	<u>18,403,308</u>	<u>1,251,562</u>	<u>19,654,870</u>
Capital assets, net	<u>\$ 25,079,224</u>	<u>\$ 2,004,292</u>	<u>\$ 27,083,516</u>

Depreciation expense for the current year was \$551,352.

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Note 6 – Due to Developers

The District has entered into financing agreements with its developers for the financing of the construction of water, sewer, drainage facilities. Under the agreements, the developers will advance funds for the construction of facilities to serve the District. The developers will be reimbursed from proceeds of future bond issues or other lawfully available funds, subject to approval by TCEQ, as applicable. The District does not record the capital asset and related liability on the government-wide statements until construction of the facilities is complete. The initial cost is estimated based on construction costs plus 10-15% for engineering and other fees. Estimates are trued up when the developer is reimbursed.

Changes in amounts due to developers during the year are as follows:

Due to developers, beginning of year	\$	1,346,903
Developer funded construction and adjustments		<u>2,527,507</u>
Due to developers, end of year	\$	<u><u>3,874,410</u></u>

Note 7 – Long-Term Debt

Long-term debt is comprised of the following:

Bonds payable	\$	32,200,000
Unamortized discounts		<u>(444,971)</u>
	\$	<u><u>31,755,029</u></u>
Due within one year	\$	<u><u>745,000</u></u>

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Note 7 – Long-Term Debt (continued)

The District's bonds payable at April 30, 2019, consists of unlimited tax bonds as follows:

Series	Amounts Outstanding	Original Issue	Interest Rates	Maturity Date, Serially, Beginning/ Ending	Interest Payment Dates	Call Dates
2011	\$ 110,000	\$ 2,015,000	3.25% - 5.70%	September 1, 2012/2033	September 1, March 1	September 1, 2018
2013	1,925,000	2,050,000	2.00% - 4.00%	September 1, 2014/2036	September 1, March 1	September 1, 2020
2014	6,970,000	7,235,000	2.00% - 4.00%	September 1, 2017/2038	September 1, March 1	September 1, 2021
2015 Refunding	4,955,000	5,650,000	2.00% - 3.25%	September 1, 2016/2032	September 1, March 1	September 1, 2022
2016	5,275,000	5,375,000	2.00% - 3.50%	September 1, 2018/2040	September 1, March 1	September 1, 2023
2016A	3,865,000	3,970,000	2.00% - 4.50%	September 1, 2018/2040	September 1, March 1	September 1, 2023
2018	7,430,000	7,430,000	2.05% - 3.80%	September 1, 2020/2042	September 1, March 1	September 1, 2023
2018A Refunding	1,670,000	1,670,000	2.30% - 4.00%	September 1, 2019/2033	September 1, March 1	September 1, 2023
	<u>\$ 32,200,000</u>					

Payments of principal and interest on all series of bonds are to be provided from taxes levied on all properties within the District. Investment income realized by the Debt Service Fund from investment of idle funds will be used to pay outstanding bond principal and interest. The District is in compliance with the terms of its bond resolutions.

At April 30, 2019, the District had authorized but unissued bonds in the amount of \$61,460,000 for water, sewer and drainage facilities; \$11,000,000 for park and recreational facilities; and \$61,890,000 for refunding purposes.

On December 4, 2018, the District issued its \$1,670,000 Series 2018A Unlimited Tax Refunding Bonds at a net effective interest rate of 3.848420% to refund \$1,540,000 of outstanding Series 2011 bonds. The District refunded the bonds to reduce total debt service payments over future years by approximately \$137,584.94 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$101,399. Proceeds of the bonds were placed in an escrow account with an escrow agent and irrevocably pledged to the payment of future debt service payments through September 1, 2018, the redemption date of the bonds.

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Note 7 – Long-Term Debt (continued)

The change in the District's long-term debt during the year is as follows:

Bonds payable, beginning of year	\$ 32,775,000
Bonds issued	1,670,000
Bonds refunded	(1,540,000)
Bonds retired	(705,000)
Bonds payable, end of year	<u>\$ 32,200,000</u>

As of April 30, 2019, annual debt service requirements on bonds outstanding are as follows:

Year	Principal	Interest	Totals
2020	\$ 745,000	\$ 1,053,030	\$ 1,798,030
2021	965,000	1,045,711	2,010,711
2022	995,000	1,016,344	2,011,344
2023	1,035,000	986,302	2,021,302
2024	1,070,000	956,527	2,026,527
2025	1,110,000	925,820	2,035,820
2026	1,160,000	892,745	2,052,745
2027	1,200,000	858,239	2,058,239
2028	1,245,000	822,089	2,067,089
2029	1,290,000	783,814	2,073,814
2030	1,340,000	742,798	2,082,798
2031	1,395,000	698,863	2,093,863
2032	1,450,000	652,482	2,102,482
2033	1,515,000	602,763	2,117,763
2034	1,570,000	557,687	2,127,687
2035	1,650,000	486,357	2,136,357
2036	1,720,000	424,020	2,144,020
2037	1,790,000	358,840	2,148,840
2038	1,870,000	290,484	2,160,484
2039	1,950,000	218,738	2,168,738
2040	2,030,000	146,594	2,176,594
2041	2,125,000	73,919	2,198,919
2042	480,000	27,750	507,750
2043	500,000	9,372	509,372
	<u>\$ 32,200,000</u>	<u>\$ 14,631,288</u>	<u>\$ 46,831,288</u>

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Note 8 – Property Taxes

On November 8, 2005, the voters of the District authorized the District's Board of Directors to levy taxes annually for use in financing general operations limited to \$1.50 per \$100 of assessed value. The District's bond resolutions require that property taxes be levied for use in paying interest and principal on long-term debt and for use in paying the cost of assessing and collecting taxes. Taxes levied to finance debt service requirements on long-term debt are without limitation as to rate or amount.

All property values and exempt status, if any, are determined by the Fort Bend Central 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.

Property taxes are collected based on rates adopted in the year of the levy. The District's 2019 fiscal year was financed through the 2018 tax levy, pursuant to which the District levied property taxes of \$1.00 per \$100 of assessed value, of which \$0.36 was allocated to maintenance and operations and \$0.64 was allocated to debt service. The resulting tax levy was \$3,169,549 on the adjusted taxable value of \$316,953,909.

Property taxes receivable, at April 30, 2019, consisted of the following:

Current year taxes receivable	\$	27,945
Prior years taxes receivable		2,326
		<u>30,271</u>
Penalty and interest receivable		3,609
Property taxes receivable	\$	<u><u>33,880</u></u>

Note 9 – Water Supply Contract with the City of Rosenberg

On February 22, 2005, Bonbrook Plantation, L.P. and Beazer Homes, L.P. (the "Developers") entered into a Water Supply and Wastewater Services Agreement (the "Agreement") with the City of Rosenberg, Texas (the "City). The Agreement was assigned to the District by the Developers on October 19, 2005. Under the terms of the Agreement, the District will obtain water supply services from the City on a permanent basis. The District will pay the City a monthly fee for these services based on then current rates of the City's own customers, minus any amount by which the City Council has reduced those rates. During the year ended April 30, 2018, the District recorded expenditures of \$376,409 for water used by customers of the District.

The District will pay a connection charge to the City, for each equivalent single-family connection (ESFC), to cover capital costs incurred by the City related to the provision of water supply facilities. The City will reserve water capacity to the District for payment of the connection charges. The City agreed to provide up to 1,730 ESFCs to the District. The District also owns a non-potable lake replenishment well that is in the City's plan.

Note 9 – Water Supply Contract with the City of Rosenberg (continued)

The First Supplement to the Agreement (the “Supplement”), effective December 18, 2012, updated and expanded the original Agreement. Based on development at the time of the Supplement, the ultimate number of ESFC is 1,293, instead of 1,730 as originally projected. The cost of the agreed upon connections of 1,293 for water supply capacity was \$737.84 per ESFC. Any additional ESFCs, above the agreed upon 1,293, will be paid in accordance with the City’s connection charges and/or impact fees in effect at that time.

The District receives wastewater treatment services pursuant to its contracts with other Districts (See Note 11) and does not pay the City a connection charge for wastewater capacity or a monthly fee for wastewater services at this time. The District shall continue to receive wastewater treatment services by the terms of these contracts and, consequently, shall not be required to pay any connection charge to the City that is attributable to wastewater capacity for any areas within the District as of the date of the Supplement.

As of April 30, 2019, the District has paid \$1,458,816 in capacity charges to the City. The District’s developers continue to pay capacity charges to the City, on behalf of the District. These amounts are reimbursed to the developers from bond proceeds or other lawfully available funds of the District from time to time.

Note 10 – Groundwater Reduction Plan Agreement

The Texas Legislature created the Fort Bend Subsidence District in order to regulate groundwater pumping, and the Subsidence District adopted a Regulatory Plan that certain water well permit holders, including the District, must reduce groundwater usage, either individually or by participating in a group. To satisfy this mandate, on May 5, 2009, the District and the City of Rosenberg (the “City”) entered into a Groundwater Reduction Plan Participation Agreement (the “Plan”).

The Plan states that the City will be the administrator and is responsible for producing and submitting a Plan to the Subsidence District conforming to the minimum requirements. The City also agrees to pay all costs associated with the Plan with future bond proceeds issued by the City.

The District agrees to pay the City a surface water fee (“GRP Fee”) based on water pumped by or supplied by the City to the District at the rate of which the City charges to its customers. Effective January 1, 2016, the GRP rate is \$2.20 per 1,000 gallons of groundwater pumped from the District’s wells. The District passes this fee on to its customers. The Plan will remain in effect as long as the regulatory plan for surface water conversion is in effect. During the year ended April 30, 2019, the District recorded \$290,721 in revenue and \$304,633 in expenditures pursuant to this agreement.

Note 11 – Cost-sharing Agreements for the Interim Wastewater Treatment Plant

The District has entered into cost-sharing agreements with Fort Bend County Municipal Utility District No. 152 (MUD 152) and Fort Bend County Municipal Utility District No. 158 (MUD 158) for the construction, maintenance and operation of an interim wastewater treatment plant (WWTP). Pursuant to the terms of these agreements, MUD 152 is responsible for the operation and maintenance of the plant and will invoice the other districts on a monthly basis for their pro-rata share of the subsequent fiscal year's budgeted operating expenses. On April 6, 2016, the District entered into a cost-sharing agreement with MUD 152 and MUD 158 for the construction, maintenance and operation of phase four of the WWTP.

During the current fiscal year, the District recorded \$516,747 in operating expenditures related to these agreements. The District has also paid \$30,000 to meet the reserve requirement of the joint wastewater treatment plant.

Note 12 – Cost-sharing Agreement for the Second Lift Station and Force Main

On August 2, 2016, the District entered into a cost-sharing agreement with MUD 152 and MUD 158 for the construction, maintenance and operation of the second lift station and force main. Pursuant to the terms of this agreement, the District is responsible for its pro rata share of the construction costs. MUD 152 is responsible for the operation and maintenance of the lift station facilities and will invoice the other districts on an annual basis for their pro-rata share of the subsequent fiscal year's budgeted expenses. Upon completion of the second lift station facilities, the District's right of capacity in the facilities will be 42.91%, equivalent to 1,682 ESFCs, of total capacity.

During the current fiscal year, the District recorded \$17,920 in operating expenditures related to this agreement.

Note 13 – Fire Protection Agreement

On September 4, 2012, the District and the City of Rosenberg (the "City") entered into a Restated and Amended Fire Station Agreement (the "Agreement"). Pursuant to this agreement, the District charges \$20.00 per residential property and per 2,000 square feet of each improved nonresidential property that is connected to public water supply system. The charge can be adjusted once every two years. In return, the District will receive fire protection services for residential and commercial improvements in the District. For the year ended April 30, 2018, the District has recorded \$350,780 in fire protection fees related to this agreement.

Note 14 – 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 personal injuries. The risk of loss is covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

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April 30, 2019*

Note 15 – Subsequent Event

On September 9, 2019, the District authorized preparation of the preliminary official statement and notice of sale for its \$4,140,000 Series 2019 Unlimited Tax Bonds. The sale of the bonds is anticipated in November 2019, subject to approval of the sale by the City of Rosenberg.

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Required Supplementary Information

*Fort Bend County Municipal Utility District No. 155
 Required Supplementary Information - Budgetary Comparison Schedule - General Fund
 For the Year Ended April 30, 2019*

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Water service	\$ 450,000	\$ 450,344	\$ 344
Sewer service	615,000	704,919	89,919
Property taxes	1,087,914	1,141,763	53,849
Penalties and interest	40,320	47,543	7,223
Tap connection and inspection	103,080	81,949	(21,131)
Surface water	300,000	290,721	(9,279)
Fire protection	341,640	339,442	(2,198)
Miscellaneous	2,640	2,525	(115)
Investment earnings	22,500	64,396	41,896
Total Revenues	<u>2,963,094</u>	<u>3,123,602</u>	<u>160,508</u>
Expenditures			
Current service operations			
Purchased services	967,287	911,076	56,211
Professional fees	133,650	140,736	(7,086)
Contracted services	826,486	831,424	(4,938)
Repairs and maintenance	366,058	707,244	(341,186)
Utilities	7,056	8,142	(1,086)
Surface water	300,000	304,633	(4,633)
Administrative	63,729	69,184	(5,455)
Other	20,555	20,241	314
Total Expenditures	<u>2,684,821</u>	<u>2,992,680</u>	<u>(307,859)</u>
Revenues Over Expenditures	278,273	130,922	(147,351)
Fund Balance			
Beginning of the year	<u>3,072,513</u>	<u>3,072,513</u>	
End of the year	<u>\$ 3,350,786</u>	<u>\$ 3,203,435</u>	<u>\$ (147,351)</u>

Fort Bend County Municipal Utility District No. 155
Notes to Required Supplementary Information
April 30, 2019

Budgets and Budgetary Accounting

An annual unappropriated budget is adopted for the General Fund by the District's Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. There were no amendments to the budget during the year.

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Texas Supplementary Information

Fort Bend County Municipal Utility District No. 155
TSI-1. Services and Rates
April 30, 2019

1. Services provided by the District During the Fiscal Year:

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

2. Retail Service Providers

(You may omit this information if your district does not provide retail services)

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

	Minimum Charge	Minimum Usage	Flat Rate (Y / N)	Rate per 1,000 Gallons Over Minimum Usage	Usage Levels
Water:	\$ 16.00	0	N	\$ 1.50	0 to no limit
Wastewater:	\$ 30.00	0	N	\$ 2.30	0 to no limit
Surface water:	\$ -	0	N	\$ 2.20	0 to no limit

District employs winter averaging for wastewater usage? Yes No

Total charges per 10,000 gallons usage: Water \$ 53.00 Wastewater \$ 53.00

b. Water and Wastewater Retail Connections:

Meter Size	Total Connections	Active Connections	ESFC Factor	Active ESFCs
Unmetered			x 1.0	
less than 3/4"	1,299	1,291	x 1.0	1,291
1"	158	157	x 2.5	393
1.5"	6	6	x 5.0	30
2"	19	19	x 8.0	152
3"			x 15.0	
4"			x 25.0	
6"			x 50.0	
8"			x 80.0	
10"			x 115.0	
Total Water	1,482	1,473		1,866
Total Wastewater	1,458	1,449	x 1.0	1,449

See accompanying auditor's report.

Fort Bend County Municipal Utility District No. 155
TSI-1. Services and Rates
April 30, 2019

3. Total Water Consumption during the fiscal year (rounded to the nearest thousand):
 (You may omit this information if your district does not provide water)

Gallons purchased from the City of Rosenberg:	<u>135,142,100</u>	Water Accountability Ratio: (Gallons billed / Gallons pumped)
Gallons billed to customers:	<u>135,142,100</u>	<u>100.00%</u>

4. Standby Fees (authorized only under TWC Section 49.231):
 (You may omit this information if your district does not levy standby fees)

Does the District have Debt Service standby fees? Yes No

If yes, Date of the most recent commission Order: _____

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

If yes, Date of the most recent commission Order: _____

5. Location of District (required for first audit year or when information changes,
 otherwise this information may be omitted):

Is the District located entirely within one county? Yes No

County(ies) in which the District is located: Fort Bend County

Is the District located within a city? Entirely Partly Not at all

City(ies) in which the District is located: _____

Is the District located within a city's extra territorial jurisdiction (ETJ)?
 Entirely Partly Not at all

ETJs in which the District is located: City of Rosenberg

Are Board members appointed by an office outside the district? Yes No

If Yes, by whom? _____

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-2 General Fund Expenditures
For the Year Ended April 30, 2019

Purchased services		<u>\$ 911,076</u>
Professional fees		
Legal		87,554
Audit		11,250
Engineering		41,932
		<u>140,736</u>
Contracted services		
Bookkeeping		21,200
Operator		37,720
Garbage collection		208,754
Tap connection and inspection		64,911
Lift station		24,468
Security		99,722
Fire service		350,780
Appraisal district		23,870
		<u>831,425</u>
Repairs and maintenance		<u>707,514</u>
Utilities		<u>8,142</u>
Surface water		<u>304,633</u>
Administrative		
Directors fees		14,550
Printing and office supplies		32,320
Insurance		6,803
Other		15,510
		<u>69,183</u>
Other		<u>19,971</u>
Total expenditures		<u><u>\$ 2,992,680</u></u>

Reporting of Utility Services in Accordance with HB 3693:

	<u>Usage</u>	<u>Cost</u>
Electrical	30,118	\$ 8,090
Water	N/A	N/A
Natural Gas	N/A	N/A

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-3. Investments
April 30, 2019

<u>Fund</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>
General			
TexPool	Variable	N/A	\$ 13,062
Texas Class	Variable	N/A	<u>3,115,508</u>
			<u>3,128,570</u>
Debt Service			
Texas Class	Variable	N/A	<u>3,496,782</u>
Capital Projects			
TexPool	Variable	N/A	<u>621,260</u>
Total - All Funds			<u><u>\$ 7,246,612</u></u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-4. Taxes Levied and Receivable
April 30, 2019

	Maintenance Taxes	Debt Service Taxes	Totals	
Taxes Receivable, Beginning of Year	\$ 11,663	\$ 19,630	\$ 31,293	
Adjustments	(738)	(292)	(1,030)	
Adjusted Receivable	10,925	19,338	30,263	
2018 Original Tax Levy	1,142,601	2,031,291	3,173,892	
Adjustments	(1,564)	(2,779)	(4,343)	
Adjusted Tax Levy	1,141,037	2,028,512	3,169,549	
Total to be accounted for	1,151,962	2,047,850	3,199,812	
Tax collections				
Current year	1,130,978	2,010,627	3,141,605	
Prior years	10,057	17,879	27,936	
Total Collections	1,141,035	2,028,506	3,169,541	
Taxes Receivable, End of Year	\$ 10,927	\$ 19,344	\$ 30,271	
Taxes Receivable, By Years				
2018	\$ 10,060	\$ 17,885	\$ 27,945	
2017	867	1,459	2,326	
Taxes Receivable, End of Year	\$ 10,927	\$ 19,344	\$ 30,271	
	2018	2017	2016	2015
Property Valuations:				
Land	\$ 53,273,850	\$ 49,221,260	\$ 45,601,360	\$ 39,377,030
Improvements	269,792,900	244,884,270	210,565,800	154,212,780
Personal Property	1,320,760	1,531,000	1,303,120	863,240
Exemptions	(7,433,601)	(6,609,254)	(9,457,157)	(8,061,727)
Total Property Valuations	\$ 316,953,909	\$ 289,027,276	\$ 248,013,123	\$ 186,391,323
Tax Rates per \$100 Valuation				
Maintenance tax rates	\$ 0.36	\$ 0.38	\$ 0.40	\$ 0.39
Debt service tax rates	0.64	0.64	0.64	0.75
	\$ 1.00	\$ 1.02	\$ 1.04	\$ 1.14
Adjusted Tax Levy	\$ 3,169,549	\$ 2,948,078	\$ 2,579,336	\$ 2,124,861
Percentage of Taxes Collected to Taxes Levied **	99.12%	100.00%	100.00%	100.00%

* Maximum Maintenance Tax Rate Approved by Voters: \$1.50 on November 8, 2005

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

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2011--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 55,000	\$ 4,510	\$ 59,510
2021	55,000	2,310	57,310
	<u>\$ 110,000</u>	<u>\$ 6,820</u>	<u>\$ 116,820</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2013--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 25,000	\$ 74,681	\$ 99,681
2021	25,000	74,056	99,056
2022	25,000	73,381	98,381
2023	25,000	72,657	97,657
2024	25,000	71,907	96,907
2025	25,000	71,125	96,125
2026	25,000	70,281	95,281
2027	25,000	69,391	94,391
2028	25,000	68,469	93,469
2029	25,000	67,500	92,500
2030	25,000	66,500	91,500
2031	25,000	65,500	90,500
2032	25,000	64,500	89,500
2033	25,000	63,500	88,500
2034	25,000	62,500	87,500
2035	475,000	52,500	527,500
2036	525,000	32,500	557,500
2037	550,000	11,000	561,000
	<u>\$ 1,925,000</u>	<u>\$ 1,131,948</u>	<u>\$ 3,056,948</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2014--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 145,000	\$ 254,325	\$ 399,325
2021	155,000	250,550	405,550
2022	160,000	245,825	405,825
2023	165,000	240,950	405,950
2024	180,000	235,775	415,775
2025	185,000	230,300	415,300
2026	195,000	224,600	419,600
2027	205,000	218,600	423,600
2028	215,000	212,300	427,300
2029	230,000	205,338	435,338
2030	240,000	197,400	437,400
2031	250,000	188,825	438,825
2032	270,000	179,725	449,725
2033	280,000	169,400	449,400
2034	300,000	157,800	457,800
2035	500,000	141,800	641,800
2036	495,000	121,900	616,900
2037	515,000	101,700	616,700
2038	1,115,000	69,100	1,184,100
2039	1,170,000	23,400	1,193,400
	<u>\$ 6,970,000</u>	<u>\$ 3,669,613</u>	<u>\$ 10,639,613</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2015 Refunding--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 290,000	\$ 143,038	\$ 433,038
2021	295,000	137,188	432,188
2022	300,000	129,738	429,738
2023	310,000	120,588	430,588
2024	320,000	111,138	431,138
2025	335,000	101,313	436,313
2026	345,000	91,113	436,113
2027	355,000	80,613	435,613
2028	370,000	69,738	439,738
2029	380,000	58,488	438,488
2030	395,000	46,616	441,616
2031	405,000	34,116	439,116
2032	420,000	20,963	440,963
2033	435,000	7,069	442,069
	<u>\$ 4,955,000</u>	<u>\$ 1,151,719</u>	<u>\$ 6,106,719</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2016--by Years
April 30, 2019

Due During Fiscal Years Ending	Principal Due September 1	Interest Due September 1, March 1	Total
2020	\$ 100,000	\$ 166,863	\$ 266,863
2021	115,000	164,713	279,713
2022	115,000	162,413	277,413
2023	120,000	160,063	280,063
2024	115,000	157,713	272,713
2025	120,000	155,288	275,288
2026	120,000	152,663	272,663
2027	125,000	149,750	274,750
2028	120,000	146,613	266,613
2029	125,000	143,319	268,319
2030	125,000	139,725	264,725
2031	130,000	135,900	265,900
2032	125,000	132,075	257,075
2033	130,000	127,925	257,925
2034	130,000	123,375	253,375
2035	135,000	118,738	253,738
2036	135,000	114,013	249,013
2037	140,000	109,200	249,200
2038	135,000	104,388	239,388
2039	140,000	99,575	239,575
2040	1,355,000	73,413	1,428,413
	<u>\$ 5,275,000</u>	<u>\$ 2,862,575</u>	<u>\$ 8,137,575</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2016A--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 105,000	\$ 112,525	\$ 217,525
2021	120,000	107,463	227,463
2022	125,000	101,950	226,950
2023	130,000	97,513	227,513
2024	140,000	94,488	234,488
2025	140,000	91,688	231,688
2026	155,000	88,738	243,738
2027	155,000	85,541	240,541
2028	165,000	81,831	246,831
2029	175,000	77,581	252,581
2030	180,000	72,694	252,694
2031	190,000	67,144	257,144
2032	200,000	61,294	261,294
2033	215,000	55,069	270,069
2034	175,000	49,219	224,219
2035	185,000	43,819	228,819
2036	195,000	38,119	233,119
2037	200,000	32,193	232,193
2038	215,000	25,833	240,833
2039	220,000	19,037	239,037
2040	235,000	11,780	246,780
2041	245,000	3,981	248,981
	<u>\$ 3,865,000</u>	<u>\$ 1,419,500</u>	<u>\$ 5,284,500</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
Series 2018--by Years
April 30, 2019

Due During Fiscal Years Ending	Principal Due September 1	Interest Due September 1, March 1	Total
2020	\$ -	\$ 248,900	\$ 248,900
2021	190,000	245,931	435,931
2022	200,000	239,837	439,837
2023	210,000	233,431	443,431
2024	215,000	226,656	441,656
2025	225,000	219,506	444,506
2026	240,000	211,950	451,950
2027	250,000	204,144	454,144
2028	260,000	196,338	456,338
2029	270,000	188,388	458,388
2030	285,000	180,063	465,063
2031	295,000	171,178	466,178
2032	310,000	161,725	471,725
2033	325,000	151,600	476,600
2034	340,000	140,793	480,793
2035	355,000	129,500	484,500
2036	370,000	117,488	487,488
2037	385,000	104,747	489,747
2038	405,000	91,163	496,163
2039	420,000	76,726	496,726
2040	440,000	61,401	501,401
2041	460,000	45,088	505,088
2042	480,000	27,750	507,750
2043	500,000	9,372	509,372
	<u>\$ 7,430,000</u>	<u>\$ 3,683,675</u>	<u>\$ 11,113,675</u>

See accompanying auditors' report.

*Fort Bend County Municipal Utility District No. 155
 TSI-5. Long-Term Debt Service Requirements
 Series 2018A Refunding--by Years
 April 30, 2019*

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 25,000	\$ 48,188	\$ 73,188
2021	10,000	63,500	73,500
2022	70,000	63,200	133,200
2023	75,000	61,100	136,100
2024	75,000	58,850	133,850
2025	80,000	56,600	136,600
2026	80,000	53,400	133,400
2027	85,000	50,200	135,200
2028	90,000	46,800	136,800
2029	85,000	43,200	128,200
2030	90,000	39,800	129,800
2031	100,000	36,200	136,200
2032	100,000	32,200	132,200
2033	105,000	28,200	133,200
2034	600,000	24,000	624,000
	<u>\$ 1,670,000</u>	<u>\$ 705,438</u>	<u>\$ 2,375,438</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-5. Long-Term Debt Service Requirements
All Bonded Debt Series--by Years
April 30, 2019

<u>Due During Fiscal Years Ending</u>	<u>Principal Due September 1</u>	<u>Interest Due September 1, March 1</u>	<u>Total</u>
2020	\$ 745,000	\$ 1,053,030	\$ 1,798,030
2021	965,000	1,045,711	2,010,711
2022	995,000	1,016,344	2,011,344
2023	1,035,000	986,302	2,021,302
2024	1,070,000	956,527	2,026,527
2025	1,110,000	925,820	2,035,820
2026	1,160,000	892,745	2,052,745
2027	1,200,000	858,239	2,058,239
2028	1,245,000	822,089	2,067,089
2029	1,290,000	783,814	2,073,814
2030	1,340,000	742,798	2,082,798
2031	1,395,000	698,863	2,093,863
2032	1,450,000	652,482	2,102,482
2033	1,515,000	602,763	2,117,763
2034	1,570,000	557,687	2,127,687
2035	1,650,000	486,357	2,136,357
2036	1,720,000	424,020	2,144,020
2037	1,790,000	358,840	2,148,840
2038	1,870,000	290,484	2,160,484
2039	1,950,000	218,738	2,168,738
2040	2,030,000	146,594	2,176,594
2041	2,125,000	73,919	2,198,919
2042	480,000	27,750	507,750
2043	500,000	9,372	509,372
	<u>\$ 32,200,000</u>	<u>\$ 14,631,288</u>	<u>\$ 46,831,288</u>

See accompanying auditors' report.

Fort Bend County Municipal Utility District No. 155
TSI-6. Change in Long-Term Bonded Debt
April 30, 2019

	Bond Issue			
	Series 2011	Series 2013	Series 2014	Series 2015 Refunding
Interest rate	3.25% - 5.7%	2.0% - 4.0%	2.0% - 4.0%	2.0% - 3.25%
Dates interest payable	9/1 ; 3/1	9/1 ; 3/1	9/1 ; 3/1	9/1 ; 3/1
Maturity dates	9/1/12 - 9/1/33	9/1/14 - 9/1/36	9/1/17 - 9/1/38	9/1/16 - 9/1/32
Beginning bonds outstanding	\$ 1,710,000	\$ 1,950,000	\$ 7,105,000	\$ 5,235,000
Bonds issued				
Bonds refunded	(1,540,000)			
Bonds retired	(60,000)	(25,000)	(135,000)	(280,000)
Ending bonds outstanding	<u>\$ 110,000</u>	<u>\$ 1,925,000</u>	<u>\$ 6,970,000</u>	<u>\$ 4,955,000</u>
Interest paid during fiscal year	<u>\$ 47,384</u>	<u>\$ 75,256</u>	<u>\$ 257,125</u>	<u>\$ 148,738</u>
Paying agent's name and city	Wells Fargo Bank, N.A., Houston, Texas			
Series 2011, and 2018A Refunding	The Bank of New York Mellon Trust Company, N.A., Dallas, Texas			
Series 2013, 2014, 2015 Refunding	The Bank of New York Mellon Trust Company, N.A., Dallas, Texas			
2016, 2016A and 2018	The Bank of New York Mellon Trust Company, N.A., Dallas, Texas			
Bond Authority:	Water, Sewer and Drainage Bonds	Recreational Bonds	Refunding Bonds	
Amount Authorized by Voters	\$ 96,000,000	\$ 11,000,000	\$ 62,400,000	
Amount Issued	(34,540,000)		(510,000)	
Remaining To Be Issued	<u>\$ 61,460,000</u>	<u>\$ 11,000,000</u>	<u>\$ 61,890,000</u>	

All bonds are secured with tax revenues. Bonds may also be secured with other revenues in combination with taxes.

Debt Service Fund cash and investments balances as of April 30, 2019: \$ 3,502,971

Average annual debt service payment (principal and interest) for remaining term of all debt: \$ 1,951,304

See accompanying auditors' report.

Bond Issue

Series 2016	Series 2016A	Series 2018	Series 2018A Refunding	Totals
2.0% - 3.5%	2.0% - 4.5%	2.05% - 3.75%	2.30% - 4.00%	
9/1 ; 3/1	9/1 ; 3/1	9/1 ; 3/1	3/1 ; 9/1	
9/1/18 - 9/1/40	9/1/18 - 9/1/40	9/1/20 - 9/1/42	9/1/19 - 9-1-33	
\$ 5,375,000	\$ 3,970,000	\$ 7,430,000	\$ -	\$ 32,775,000
			1,670,000	1,670,000
				(1,540,000)
(100,000)	(105,000)			(705,000)
<u>\$ 5,275,000</u>	<u>\$ 3,865,000</u>	<u>\$ 7,430,000</u>	<u>\$ 1,670,000</u>	<u>\$ 32,200,000</u>
<u>\$ 168,863</u>	<u>\$ 117,250</u>	<u>\$ 228,158</u>	<u>\$ 38,097</u>	<u>\$ 1,080,870</u>

Fort Bend County Municipal Utility District No. 155
TSI-7a. Comparative Schedule of Revenues and Expenditures - General Fund
For the Last Five Fiscal Years

	Amounts				
	2019	2018	2017	2016	2015
Revenues					
Water service	\$ 450,344	\$ 412,128	\$ 393,637	\$ 358,363	\$ 285,172
Sewer service	704,919	644,662	632,868	567,648	438,441
Property taxes	1,141,763	1,098,419	985,348	733,756	677,287
Penalties and interest	47,543	40,568	40,959	43,964	30,593
Tap connection and inspection	81,949	119,549	84,335	173,080	178,545
Surface water	290,721	260,596	247,790	195,683	100,185
Fire protection	339,442	305,372	301,532	274,932	223,507
Miscellaneous	2,525	2,861	2,020	12,627	11,752
Investment earnings	64,396	26,436	8,761	3,065	1,379
Total Revenues	3,123,602	2,910,591	2,697,250	2,363,118	1,946,861
Expenditures					
Current service operations					
Purchased services	911,076	801,256	742,742	632,974	442,252
Professional fees	140,736	135,409	127,947	135,381	141,647
Contracted services	831,424	820,110	728,917	753,571	619,417
Repairs and maintenance	707,244	295,968	240,086	285,509	276,747
Utilities	8,142	7,816	6,593	5,224	3,147
Surface water	304,633	272,610	256,291	200,823	120,816
Administrative	69,184	62,134	68,165	60,456	55,883
Other	20,241	25,453	26,760	27,047	19,701
Capital outlay				173,352	
Intergovernmental					-
Total Expenditures	2,992,680	2,420,756	2,197,501	2,274,337	1,679,610
Revenues Over Expenditures	\$ 130,922	\$ 489,835	\$ 499,749	\$ 88,781	\$ 267,251

*Percentage is negligible

See accompanying auditors' report.

Percent of Fund Total Revenues

2019	2018	2017	2016	2015
14%	15%	15%	15%	15%
23%	22%	23%	24%	23%
37%	38%	37%	31%	34%
2%	1%	2%	2%	2%
3%	4%	3%	7%	9%
9%	9%	9%	8%	5%
11%	10%	11%	12%	11%
*	*	*	1%	1%
2%	1%	*	*	*
101%	100%	100%	100%	100%

29%	28%	28%	27%	23%
5%	5%	5%	6%	7%
27%	28%	27%	32%	32%
23%	10%	9%	12%	14%
*	*	*	*	*
10%	9%	10%	8%	6%
2%	2%	3%	3%	3%
1%	1%	1%	1%	1%
			7%	
97%	83%	83%	96%	86%
4%	17%	17%	4%	14%

Fort Bend County Municipal Utility District No. 155
TSI-7b. Comparative Schedule of Revenues and Expenditures - Debt Service Fund
For the Last Five Fiscal Years

	Amounts				
	2019	2018	2017	2016	2015
Revenues					
Property taxes	\$ 2,028,236	\$ 1,847,386	\$ 1,577,902	\$ 1,407,537	\$ 1,103,332
Penalties and interest	3,828	3,174	2,159	4,243	5,336
Accrued interest on bonds sold		6,223	2,990	4,718	21,267
Miscellaneous					
Investment earnings	62,517	24,027	8,550	2,986	1,396
Total Revenues	2,094,581	1,880,810	1,591,601	1,419,484	1,131,331
Expenditures					
Tax collection services	3,858	129	122	6,954	23,135
Debt service					
Principal	705,000	480,000	335,000	265,000	255,000
Interest and fees	1,084,754	875,265	882,635	593,737	659,307
Debt issuance costs	114,300			193	182,171
Total Expenditures	1,907,912	1,355,394	1,217,757	865,884	1,119,613
Revenues Over Expenditures	\$ 186,669	\$ 525,416	\$ 373,844	\$ 553,600	\$ 11,718
Total Active Retail Water Connections	1,473	1,405	1,272	1,203	1,014
Total Active Retail Wastewater Connections	1,449	1,385	1,259	1,192	1,004

*Percentage is negligible

See accompanying auditors' report.

Percent of Fund Total Revenues

2019	2018	2017	2016	2015
97%	99%	99%	100%	98%
*	*	*	*	*
	*	*	*	2%
3%	1%	1%	*	*
100%	100%	100%	100%	100%
*	*	*	*	2%
34%	26%	21%	19%	23%
52%	47%	55%	42%	58%
5%			*	16%
91%	73%	76%	61%	99%
9%	27%	24%	39%	1%

Fort Bend County Municipal Utility District No. 155
TSI-8. Board Members, Key Personnel and Consultants
For the Year Ended April 30, 2019

Complete District Mailing Address: 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027
District Business Telephone Number: (713) 860-6400
Submission Date of the most recent District Registration Form
(TWC Sections 36.054 and 49.054): May 14, 2018
Limit on Fees of Office that a Director may receive during a fiscal year: \$ 7,200
(Set by Board Resolution -- TWC Section 49.0600)

Names:	Term of Office (Elected or Appointed) or Date Hired	Fees of Office Paid *	Expense Reimburse- ments	Title at Year End
Board Members				
Alice Janca	5/16 - 5/20	\$ 3,000	\$ 2,435	President
Donna Johnson	5/16 - 5/20	1,950	14	Vice President
Christina Garcia	6/16 - 5/20	3,300	3,355	Assistant Secretary
Brett Telford	5/18 - 5/22	3,300	3,545	Assistant Vice President
Ralph Stafford	5/18 - 5/22	2,850	1,792	Secretary
Consultants				
Allen Boone Humphries Robinson LLP	2005	Amounts Paid		Attorney
<i>General legal fees</i>		\$ 52,950		
<i>Bond counsel</i>		40,188		
Si Environmental	2012	323,992		Operator
McLennan & Associates, LP	2005	27,815		Bookkeeper
Fort Bend County	2016			Tax Collector
Fort Bend Central Appraisal District	Legislation	23,870		Property Valuation
LJA Engineering and Surveying, Inc.	2005	136,982		Engineer
McGrath & Co., PLLC	2011	13,350		Auditor
Rathmann and Associates, LP	2005	22,375		Financial Advisor

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

See accompanying auditors' report.